



MEETING OF THE CITY COUNCIL
CITY HALL, Fifth Floor
6801 Delmar Blvd.
University City, Missouri 63130
Monday, March 28, 2022
6:30 p.m.

***** 3/28/2022 UPDATE *****

Please be advised the elevator in City Hall is not currently working. The fifth floor is accessible via the stairs. If you choose to attend the meeting in-person, please plan accordingly.

The meeting will be livestreamed via YouTube:

https://www.youtube.com/channel/UCyN1EJ_-Q22918E9EZimWoQ

On March 20, 2020, City Manager Gregory Rose declared a State of Emergency for the City of University City due to the COVID-19 Pandemic. Due to the ongoing efforts to limit the spread of the COVID-19 virus, and to provide for social distancing during Council meetings **in-person public attendance will be limited to the first 25 people.**

Citizen may also observe the Meeting via Live Stream on YouTube:

https://www.youtube.com/channel/UCyN1EJ_-Q22918E9EZimWoQ

A. MEETING CALLED TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. PROCLAMATION

E. APPROVAL OF MINUTES

F. APPOINTMENTS to BOARDS AND COMMISSIONS

1. Allieze Curry is nominated for appointment to the Senior Commission as fill in replacing Gloria Nickerson's expired term by Councilmember Aleta Klein.
2. Joseph Mosby is nominated for appointment to the Board of Adjustment as a fill in replacing Charles Marentette's unexpired term by Mayor Terry Crow.

G. SWEARING IN TO BOARDS AND COMMISSIONS

H. CITIZEN PARTICIPATION (Total of 15 minutes allowed)

Request to Address the Council Forms are located on the ledge just inside the entrance. Please complete and place the form in the basket at the front of the room.

*Citizen may provide written comments ahead of the meeting; they must be received **no later than 12:00 p.m. the day of the meeting.** Comments may be sent via email to: councilcomments@ucitymo.org, or mailed to the City Hall – 6801 Delmar Blvd. – Attention City Clerk. Such comments will be provided to City Council prior to the meeting. Comments will be made a part of the official record and made accessible to the public online following the meeting. **A name and address must be provided.** Please also note if your comment is on an agenda or non-agenda item. If a name and address are not provided, the provided comment will not be recorded in the official record.*

I. PUBLIC HEARINGS

1. Zoning Code Text Amendment to add "Automobile and light truck rental/rent-a-car services." As a Conditional Use in the LC – Limited Commercial District. (TXT 22-01) – Bamboo Acquisitions, LLC

2. Zoning Map Amendment to rezone 13 parcels of land along Olive Boulevard, west of McKnight Road, comprising approximately 8.18 acres of land, from "PA" Public Activity, "GC" General Commercial and "HR" High-Density Residential to Planned Development Commercial District (PD-C). (REZ22-03) U. City LLC
3. Zoning Map Amendment to rezone 6.2 acres of land associated with 8630 Delmar Boulevard from Planned Development Mixed-Use District (PD-M) to Planned Development Mixed-Use (PD-M) District.. (REZ22-04) Charles Deutsch and Company

J. CONSENT AGENDA

1. Consent to Deed of Trust and Bond Pledge by Winco Redevelopment Corporation for 6315 Maple

K. CITY MANAGER'S REPORT

1. FY2021 Annual Comprehensive Financial Report (ACFR) and Report on Federal Awards Audit Reporting Presentation – Sikich LLC
2. Interfund Borrowing from General Fund to Solid Waste Fund in the amount of \$1 million.
3. Special Event Permit (SUP) – 2022 Loop Roadshow

L. UNFINISHED BUSINESS

1. **Bill 9455** – AN ORDINANCE APPROVING A FINAL PLAT FOR A MINOR SUBDIVISION OF A TRACT OF LAND AT 6518 ETZEL AVENUE.
2. **Bill 9456** - AN ORDINANCE AMENDING SECTION 400.450 OF THE MUNICIPAL CODE OF THE CITY OF UNIVERSITY CITY, RELATING TO CONDITIONAL USES IN THE "LC" LIMITED COMMERCIAL ZONING DISTRICT, BY ADDING "AUTOMOBILE AND LIGHT TRUCK RENTAL/RENT-A-CAR SERVICES" AS A CONDITIONAL USE.

M. NEW BUSINESS

Resolutions

Bills

N. COUNCIL REPORTS/BUSINESS

1. Boards and Commission appointments needed
2. Council liaison reports on Boards and Commissions
3. Boards, Commissions and Task Force minutes
4. Other Discussions/Business

O. CITIZEN PARTICIPATON (continue if needed)

P. COUNCIL COMMENTS

Q. ADJOURNMENT

Updated 28th day of March 2022.
LaRette Reese
City Clerk

Missouri Lawyers Media

Missouri Lawyers Weekly, St Louis Daily Record, St Charles Business
Record The Countian (St Louis, Jefferson), The Daily Record and LAN

319 N Fourth Street, 5th Floor

St. Louis, MO 63102

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John Wagner
University City, City Of
6801 Delmar Blvd
St. Louis, MO 63130-3104

Please Read Carefully

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PO #	
Order #	12097944
Placement	Countian St. Louis (MO) Government Hearings and Minutes
Schedule	3/13/2022 - 3/13/2022
# of Times	1 inserts
Base Charge*	89.32
Add'l Charges/Disc*	0.00
Payment Amount	0.00
TOTAL:	89.32
(Not an Invoice)	

ORDER KEYWORDS:

NOTICE OF PUBLIC HEARING
(CASE NUMBER: REZ 22-03)
NOTICE IS HEREBY GIVEN THAT
THE CITY COUNCIL OF UNIVERSITY
CITY WILL HOLD A PUBLIC
HEARING ON MONDAY, MARCH 28,
2022 IN THE 5TH FLOOR COUNCIL
CHAMBERS OF CITY HALL, 6801
DELMAR BOULEVARD, TO
CONSIDER REZ

Anchor Rate:	\$89.32
Subsequent Rate:	\$0.00

Notice of Public Hearing (Case Number: REZ 22-03)

Notice is hereby given that the City Council of University City will hold a public hearing on Monday, March 28, 2022 in the 5th Floor Council Chambers of City Hall, 6801 Delmar Boulevard, to consider REZ 22-03, an application by U. City, LLC for a Zoning Map Amendment to rezone 13 parcels of land along Olive Boulevard, west of McKnight Road, comprising approximately 8.18 acres of land, from "PA" Public Activity, "GC" General Commercial and "HR" High-Density Residential to Planned Development Commercial District (PD-C), and to further consider approval of Preliminary Site Development Plan for the proposed commercial development. Please contact John Wagner, Acting Director of Planning and Development, at jwagner@ucitymo.org or call 314-505-8501 with questions about the proposed petition. All interested parties are invited to attend.

Notice of Public Hearing (Case Number: REZ 22-04)

Notice is hereby given that the City Council of University City will hold a public hearing on Monday, March 28, 2022 in the 5th Floor Council Chambers of City Hall, 6801 Delmar Boulevard, to consider REZ 22-04, an application by Charles Deutsch and Company for a Zoning Map Amendment to rezone 6.2 acres of land associated with 8630 Delmar Boulevard from Planned Development Mixed-Use District (PD-M) to Planned Development Mixed-Use (PD-M) District, and to further consider approval of a resolution for a Preliminary and Final Site Development Plan, including the Landscape Plan, for the proposed mixed-use development. Approval of this Map Amendment repeals Ordinance Number 7152. Please contact John Wagner, Acting Director of Planning and Development, at jwagner@ucitymo.org or call

314-505-8501 with questions about the proposed petition. All interested parties are invited to attend.

Notice of Public Hearing

(Case Number: TXT 22-01)

Notice is hereby given that the City Council of University City will hold a public hearing on Monday, March 28, 2022 in the 5th Floor Council Chambers of City Hall, 6801 Delmar Boulevard, to consider TXT 22-01, an application for a Zoning Code Text Amendment by Bamboo Acquisitions, LLC to add "Automobile and light truck rental/rent-a-car services." As a Conditional Use in the LC - Limited Commercial District. Please contact John Wagner, Acting Director of Planning and Development, at jwagner@ucitymo.org or call 314-505-8501 with questions about the proposed petition. All interested parties are invited to attend.

12097944 County Mar. 13, 2022

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12097944 County Mar. 13, 2022

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CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER:
For City Clerk Use

PH20220328-03

SUBJECT/TITLE:

Public Hearing for REZ 22-04.

REQUESTED BY:

John L. Wagner

DEPARTMENT / WARD

Planning and Development

AGENDA SECTION:

Consent

CAN ITEM BE RESCHEDULED?

CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION:

N/A

FISCAL IMPACT:

N/A

AMOUNT:

ACCOUNT No.:

FROM FUND:

TO FUND:

EXPLANATION:

Public Hearing for REZ 22-04, an application by Charles Deutsch and Company for a Zoning Map Amendment to rezone 6.2 acres of land associated with 8630 Delmar Boulevard from Planned Development Mixed-Use District (PD-M) to Planned Development Mixed-Use (PD-M) District.

STAFF COMMENTS AND BACKGROUND INFORMATION:

CIP No.

RELATED ITEMS / ATTACHMENTS:

Copy of notice published in the St. Louis Countian.

LIST CITY COUNCIL GOALS (S):

RESPECTFULLY SUBMITTED:

City Manager, Gregroy Rose

MEETING DATE:

March 28, 2022

Missouri Lawyers Media

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12097944 County Mar. 13, 2022

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CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER: <i>For City Clerk Use</i>	CA2022032-01
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SUBJECT/TITLE:

Consent to Deed of Trust and Bond Pledge by Winco Redevelopment Corporation for 6315 Maple

REQUESTED BY:

Gregory Rose, City Manager

DEPARTMENT / WARD

Administration

AGENDA SECTION:

Consent

CAN ITEM BE RESCHEDULED?

Yes

CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION:

The City Manager recommends approval.

FISCAL IMPACT:

AMOUNT:

ACCOUNT No.:

FROM FUND:

TO FUND:

EXPLANATION:

Winco and certain affiliates are refinancing their existing operating and mortgage loans with Midland States Bank (Midland). In conjunction with the execution and recording of Midland's Deed of Trust collateralizing the subject properties and Midland's receipt of a pledge of the Bonds to secure the loans, Midland requests the City's consent and approval as Lessor and Issuer. No revisions or amendments to the Lease or the Bonds are being requested. The Deed of Trust consent language is materially the same agreed to and executed by the City in conjunction with the 2010 Deed of Trust from Winco in favor of Fifth Third Bank.

STAFF COMMENTS AND BACKGROUND INFORMATION:

Please see attached staff report for background information.

CIP No.

n/a

RELATED ITEMS / ATTACHMENTS:

1. Staff Report
2. Memorandum from Armstrong Teasdale LLP, counsel for Midland States Bank, including the Consent of Lessor and Consent of Issuer

LIST CITY COUNCIL GOALS (5):

RESPECTFULLY SUBMITTED:

City Manager, Gregory Rose

MEETING DATE:

March 28, 2022

AGENDA ITEM – STAFF REPORT

MEETING DATE: March 28, 2022

DEPARTMENT: Administration / City Manager's Office

AGENDA ITEM TITLE:

Consent to Deed of Trust and Bond Pledge by Winco Redevelopment Corporation for 6315 Maple

ADDITIONAL BACKGROUND INFORMATION:

University City (City) issued Industrial Development Revenue Bonds (Bonds) in the original amount of \$5.8 million in 2003 for the purpose of providing funds to finance and refinance the costs of acquiring, constructing, furnishing and equipping an approximately 79,500 square foot manufacturing facility and a 5,930 square foot building attached thereto (Project), all on land located at 6200 and 6315 Maple, for Winco Redevelopment Corporation, Inc. (Winco). In conjunction with the issuance of the Bonds, the City entered into a Lease Agreement with Winco under which the City provided for the acquisition, construction, improvement and equipping of the Project in consideration of rental payments by Winco which would be sufficient to pay the principal of, premium, if any, and interest on the Bonds. (See Ordinance No. 6462, 11/3/2003.)

The Lease Agreement was amended in 2010 to cure certain ambiguities in it, to more precisely identify the Project financed by the Bonds, and to evidence and memorialize the resignation of the original Indenture Trustee, replacement of the original remarketing agent, and replacement of the original Letter of Credit securing payment of the principal of and interest on the bonds. (See Ordinance No. 6819, 6/21/2010.)

Thereafter, in the fall of 2011, the Bonds were subject to mandatory tender on account of conversion of the Bonds to a fixed rate of interest, and concurrently with the execution of the Second Supplemental Lease Agreement dated October 25, 2011, Winco purchased all of the outstanding Bonds and became both payor and payee, and is the current owner. The Bonds mature on November 1, 2028, and the termination of the Leases coincides with this maturity date.

At this time, Winco and certain affiliates are refinancing their existing operating and mortgage loans with Midland States Bank (Midland). In conjunction with the execution and recording of Midland's Deed of Trust collateralizing the subject properties and Midland's receipt of a pledge of the Bonds to secure the loans, Midland requests the City's consent and approval as Lessor and Issuer. No revisions or amendments to the Lease or the Bonds are being requested. The Deed of Trust consent language is materially the same agreed to and executed by the City in conjunction with the 2010 Deed of Trust from Winco in favor of Fifth Third Bank.



Memorandum

To: City of University City, Missouri
c/o John F. Mulligan, Jr.

From: Armstrong Teasdale LLP

Date: March 24, 2022

Subject: Lease Agreement dated November 1, 2003 between Winco Redevelopment Corporation, Inc. ("**Winco**") and the City of University City, Missouri (the "**City**") (as modified and amended from time to time, including by that certain *First Supplemental Lease Agreement* dated June 28, 2010 and that certain *Second Supplemental Lease Agreement* dated October 25, 2011, collectively, the "**Lease**").

Background.

In conjunction with the City's 2003 issuance of its *Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003* in the original amount of \$5,800,000.00 (the "**Bonds**"), the City entered into the Lease with respect to the properties located at 6200 and 6315 Maple Avenue in the City. The Lease was amended in 2010 to coincide with the resignation of the original indenture trustee, replacement of the original remarketing agent, and replacement of the original letter of credit securing payment of the principal of and interest on the Bonds. This Lease amendment was executed in order to cure certain ambiguities in the Lease, to more precisely identify the project financed by the Bonds, and to evidence and memorialize the above resignations and replacements.

Thereafter, in the fall of 2011, the Bonds were subject to mandatory tender on account of the conversion of the Bonds to a fixed rate of interest, and Winco ultimately purchased the Bonds and is the current owner and holder. In addition, the Lease was further amended to provide for Winco's ownership of the Bonds. The Bonds currently mature on November 1, 2028, and the termination of the Leases coincides with this maturity date.

Request.

At this time, Winco and certain affiliates are refinancing their existing operating and mortgage loans with Midland States Bank ("**Midland**"). In conjunction with execution and recording of Midland's deed of trust collateralizing the subject properties and Midland's receipt of a pledge of the Bonds to secure the loans, Midland requests the City's consent and approval. No revisions or amendments to the Lease or the underlying Bonds and Bond documents are requested at this time, and the only request made of the City is to execute the following proposed consent language in Midland's deed of trust (a draft of which is enclosed for your reference):

The City of University City, Missouri (the "**Lessor**"), the fee simple owner of the Real Property described as Parcels 2 and 3 in the attached Exhibit A (the "**Leased Property**") hereby joins in the execution of the Deed of Trust to which this Consent of Lessor is

attached (the “**Deed of Trust**”), which Deed of Trust is granted in favor Midland States Bank, an Illinois banking corporation (the “**Bank**” and “**Grantee**”) for the purpose of subjecting and subordinating the Lessor’s fee simple interest in the Leased Property (including the interest, if any, of Lessor in any Improvements (as defined in the Deed of Trust) located or to be located thereon in the future) to the lien of the Deed of Trust so as to grant a lien in favor of the Bank superior to any interest in which the Lessor has or may have in the future on the Leased Property. By joining in the execution of the Deed of Trust, the Lessor is not obligated to repay any portion of the Indebtedness (as defined in the Deed of Trust) secured by the Deed of Trust, and the Lessor is not independently making any of the representations, warranties, or covenants contained in such Deed of Trust other than as specifically set forth in this Consent of Lessor.

This is materially the same consent language agreed to and executed by the City in conjunction with the 2010 deed of trust from Winco in favor of Fifth Third Bank (a copy of is enclosed for your reference), which was executed in conjunction with the 2010 restructure, and is sufficient to satisfy Midland’s title insurance and other requirements.

In addition, Midland requests that the City execute the following proposed consent language in Midland’s bond pledge agreement (a draft of which is enclosed for your reference):

The City of University City, Missouri (the “**City**”) hereby acknowledges and consents to the pledge of the Bonds by Winco Redevelopment Corporation, Inc., a Missouri corporation (“**Assignor**”) in favor of Midland States Bank, an Illinois banking corporation (“**Assignee**”). The City agrees that, upon receipt of a written notice from Assignee that an Event of Default has occurred under the Loan Obligation by Assignor, the City shall recognize Assignee’s rights in and to the Bonds, including the right to vote as bondholder, and shall further consent to any assignment of the Bonds by Assignee subject to compliance with any transfer requirements set forth in the *Trust Indenture* dated as of November 1, 2003, as supplemented and amended by that certain *First Supplemental Trust Indenture* dated as of June 28, 2010, and by that certain *Second Supplemental Trust Indenture* dated as of October 25, 2011 for the Bonds.

cc: Clay Shackelford, Midland States Bank (via email only)

Enclosures.

Space Above Line Reserved For Recorder's Use

TITLE OF DOCUMENT: Deed of Trust

DATE OF DOCUMENT: March _____, 2022

GRANTOR: Winco Redevelopment Corporation, Inc.
6200 Maple Ave
St. Louis, Missouri 63130

GRANTEE: Midland States Bank
5991 South Hwy 94
Weldon Spring, Missouri 63304

SEND TAX NOTICES TO: Winco Redevelopment Corporation, Inc.
6200 Maple Avenue
St. Louis, Missouri 63130

LEGAL DESCRIPTION: See **Exhibit A** attached to this document.

REFERENCE BOOK AND PAGE: Book 15480, Page 1429
(Memorandum of Lease as to Parcels 2 and 3)

**DEED OF TRUST
WITH FUTURE ADVANCES AND FUTURE OBLIGATIONS
GOVERNED BY SECTION 443.055 RSMO**

**THE TOTAL PRINCIPAL AMOUNT OF ALL OBLIGATIONS SECURED THAT MAY
BE SECURED BY THIS FUTURE ADVANCE DEED OF TRUST IS \$_____**

MAXIMUM LIEN. The total principal amount of obligations at any one time which is secured by this Deed of Trust (as defined herein), in addition to any interest and any amounts advanced by the Bank (as defined below) for the protection of the security interests granted herein is \$_____. This Deed of Trust (as defined herein) shall be governed by all provisions of Section 443.055 of the Revised Statutes of Missouri in effect as of the date of this Deed of Trust.

THIS DEED OF TRUST (as may be amended and supplemented, this "*Deed of Trust*") is dated as of March ____, 2022, by **WINCO REDEVELOPMENT CORPORATION, INC.**, a Missouri corporation with a mailing address of 6200 Maple Avenue, St. Louis, Missouri 63130 (the "*Grantor*"); **MIDLAND STATES BANK**, an Illinois banking corporation with a mailing address of 5991 South Hwy 94, Weldon Spring, Missouri 63304, as beneficiary (with and its successors and assigns, the "*Bank*" and the "*Grantee*"); and **AT, INC.**, a Missouri corporation with a mailing address of 7700 Forsyth Boulevard, Suite 1800, St. Louis, Missouri 63105 (the "*Trustee*").

CONVEYANCE AND GRANT. For valuable consideration, the Grantor does hereby grant, bargain, sell, convey, and confirm unto the Trustee for the benefit of the Bank as beneficiary (1) the real property described in **Exhibit A** hereto, including (a) the Grantor's fee simple interest in the real property described as Parcels 1, 4, 4A, and 5, and (b) the Grantor's now or hereinafter acquired leasehold interest in, and option to purchase, the real property described as Parcels 2 and 3, (c) with respect to such Parcels 1, 2, 3, 4, 4A, and 5, all existing or subsequently erected or affixed Improvements (as defined below); all easements, rights of way, and appurtenances; all water, water rights, and ditch rights (including stock in utilities with ditch or irrigation rights); all proceeds (including insurance proceeds); and all other rights, royalties, and profits, including without limitation all minerals, oil, gas, geothermal, and similar matters (as described **Exhibit A** hereto and in clauses (a), (b) and (c) above, the "*Real Property*"), and (2) all equipment, fixtures, and other articles of personal property now or hereafter owned by the Grantor, and now or hereafter attached or affixed to the Real Property together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Real Property (the "*Personal Property*" and, together with the Real Property, collectively, the "*Mortgaged Property*").

CROSS-COLLATERALIZATION. This Deed of Trust secures the following (collectively, the "*Indebtedness*"): all obligations, debts, and liabilities, plus interest thereon, of (a) BMS Holdings, Inc., Winco Manufacturing, Inc., the Grantor, Architectural Metals, Inc., Architectural Glass Products, LLC, and Winco Window Company, Inc., (collectively, "*Borrower*") to the Bank pursuant to the Promissory Note dated as of March ____, 2022 in the principal amount of \$1,870,000.00 ("*Note 1*") by Borrower for the benefit of the Bank; (b) Borrower to the Bank pursuant to the Promissory Note dated March ____, 2022 in the principal amount of \$5,000,000.00 by Borrower for the benefit of the Bank ("*Note 2*"); and (c) Borrower to the Bank pursuant to the Promissory Note dated March ____, 2022 in the principal amount of \$420,000.00 by Borrower for the benefit of the Bank ("*Note 3*," and with Note 1 and Note 2, collectively, the "*Notes*").

FUTURE ADVANCES. In addition to the Notes, this Deed of Trust secured all future advances made by the Bank to Borrower or the Grantor whether or not the advances are made pursuant to a commitment.

Specifically, without limitation, this Deed of Trust secures, in addition to the amounts specified in the Notes, all future obligations of Borrower or the Grantor to the Bank and all future amounts the Bank in its discretion may loan to Borrower or the Grantor, together with interest thereon.

REVOLVING LINE OF CREDIT. Included in the amounts specified in the Indebtedness above, and without limitation, this Deed of Trust secures a revolving line of credit which obligates the Bank to make advances to Borrower so long as Borrower complies with all the terms of the Notes.

The Grantor presently assigns to the Bank (also known as the Grantee in this Deed of Trust) all of the Grantor's right, title, and interest in and to all present and future leases and subleases of all or any portion of the Mortgaged Property and all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived by the Grantor from the Mortgaged Property (collectively, the "*Rents*"). In addition, the Grantor grants to the Bank a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

THE GRANTOR'S REPRESENTATIONS AND WARRANTIES. The Grantor warrants that: (a) the Grantor has the full power, sight, and authority to enter into this Deed of Trust; (b) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon the Grantor and do not result in a violation of any international, foreign, federal, state, and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, and administrative or judicial precedents, including without limitation the interpretation thereof by any international, foreign, federal, state, county, or municipal government, or political subdivision thereof, governmental or quasi-governmental agency, central bank, or comparable authority, authority, board, bureau, commission, department, instrumentality, or public body, or court or administrative tribunal of competent jurisdiction charged with the enforcement thereof (collectively, the "*Laws*") applicable to the Grantor; (c) with respect to any guaranteed Indebtedness, the Grantor has established adequate means of obtaining from Winco Window Company, Inc., a Missouri Corporation, BMS Holdings, Inc., a Missouri corporation, Winco Manufacturing, Inc., a Missouri corporation, Architectural Metals, Inc., a Missouri corporation, and/or Architectural Glass Products, LLC, a Missouri limited liability company (individually and collectively, the "*Winco Affiliates*"), or any additional borrower, on a continuing basis information about the financial condition of the Winco Affiliates or such other borrower; and (d) the Bank has made no representation to the Grantor about the Winco Affiliates or any other borrower (including without limitation the creditworthiness of such party).

GRANTOR'S WAIVERS. The Grantor waives any and all rights and defenses arising by reason of (a) any "*one-action*" or "*anti-deficiency*" law, or any other Law that may prevent the Bank from bringing any action or claim for deficiency against any of the Winco Affiliates or any other borrower, (b) any election of remedies by the Bank which may limit the Grantor's rights to proceed against any party liable under the Indebtedness, or (c) any disability or defense of any party indebted under the Indebtedness, any other guarantor or any other person by reason of cessation of the Indebtedness due under the Indebtedness for any reason other than full payment of the Indebtedness.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, the Grantor shall strictly perform all of the Grantor's obligations with respect to the Indebtedness and under this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE MORTGAGED PROPERTY. The Bank and the Grantor agree that possession and use of the Mortgaged Property by the Grantor and/or any of the Winco Affiliates shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default (as defined below), the Grantor may (1) remain in possession and control of the Mortgaged Property; (2) use, operate, or manage the Mortgaged Property; and (3) collect the Rents from the lease or sublease of the Mortgaged Property.

Duty to Maintain. The Grantor shall, or shall cause the Winco Affiliates, to maintain the Mortgaged Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. The Grantor represents and warrants to the Bank that: (1) During the period of the Grantor's ownership and/or leasing of the Mortgaged Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substances by any person on, under, about or from the Mortgaged Property; (2) the Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by the Bank in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any Hazardous Substances on, under, about or from the Mortgaged Property by any prior owners or occupants of the Mortgaged Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) except as previously disclosed to and acknowledged by the Bank in writing, (a) neither the Grantor nor any tenant, contractor, agent, or other authorized user of the Mortgaged Property shall use, generate, manufacture, store, treat, dispose of, or release any Hazardous Substances on, under, about, or from the Mortgaged Property and (b) any such activity shall be conducted in compliance with all applicable Laws, including without limitation all Environmental Laws. Upon Grantee's reasonable notice to Grantor, the Grantor authorizes the Bank and its agents to enter upon the Mortgaged Property to make such inspections and tests, at the Grantor's expense, as the Bank may deem appropriate to determine compliance of the Mortgaged Property with this section of the Deed of Trust. Any inspections or tests made by the Bank shall be for the Bank's purposes only and shall not be construed to create any responsibility or liability on the part of the Bank to the Grantor or to any other person. The representations and warranties contained herein are based on the Grantor's due diligence in investigating the Mortgaged Property for Hazardous Substances. The Grantor hereby (1) releases and waives any future claims against the Bank for indemnity or contribution in the event the Grantor becomes liable for cleanup or other costs under any such Laws and (2) agrees to indemnify and hold harmless the Bank against any and all claims, losses, liabilities, damages, penalties, and expenses which the Bank may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release, or threatened release occurring prior to the Grantor's ownership or interest in the Mortgaged Property, whether or not the same was or should have been known to the Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by the Bank's acquisition of any interest in the Mortgaged Property, whether by foreclosure or otherwise.

For purposes of this Deed of Trust, the words "*Hazardous Substances*" mean materials that, because of their quantity, concentration, or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The

words “*Hazardous Substances*” are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term “*Hazardous Substances*” also includes, without limitation, petroleum or petroleum byproducts or any fraction thereof and asbestos.

For purposes of this Deed of Trust, the words “*Environmental Laws*” means any and all state, federal or local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. (“*CERCLA*”), the Superfund Amendments and Reauthorization act of 1986, Pub. L. No. 99-499 (“*SARA*”), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Nuisance, Waste. The Grantor shall not cause, conduct, or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Mortgaged Property or any portion of the Mortgaged Property. Without limiting the generality of the foregoing, the Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel, or rock products without the Bank’s prior written consent.

Removal of Improvements. The Grantor shall not demolish or remove from the Real Property any existing or future improvements, buildings, structures, fixtures, facilities, additions, or affixed to or constructed on the Real Property (collectively, the “*Improvements*”) from the Real Property without the Bank’s prior written consent. As a condition to the removal of any Improvements, the Bank may require the Grantor to make arrangements satisfactory to the Bank to replace such Improvements with Improvements of at least equal value.

Right to Enter and Inspect. The Bank and the Bank’s agents and representatives may enter upon the Real Property, after giving reasonable notice, at all reasonable times to attend to the Bank’s interests and to inspect the Real Property for purposes of determining the Grantor’s compliance with the terms and conditions of this Deed of Trust.

Compliance with Laws. The Grantor shall promptly comply with all Laws now or hereafter in effect applicable to the use or occupancy of the Mortgaged Property, including without limitation, the Americans With Disabilities Act. The Grantor may contest in good faith any such Law and withhold compliance during any proceeding, including appropriate appeals, so long as the Grantor has notified the Bank in writing prior to doing so and so long as, in the Bank’s sole opinion, the Bank’s interests in the Mortgaged Property are not jeopardized. The Bank may require the Grantor to post adequate security or a surety bond, reasonably satisfactory to the Bank, to protect the Bank’s interest.

Duty to Protect. The Grantor agrees neither to abandon or leave unattended the Mortgaged Property. The Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Mortgaged Property are reasonably necessary to protect and preserve the Mortgaged Property.

Compliance with the Lease. The Grantor will pay all rents and will strictly observe and perform on a timely basis all other terms, covenants, and conditions of the Lease (defined in the Rider attached to this Deed of Trust). The Grantor will indemnify, defend, and hold the Bank harmless against all losses, liabilities, actions, suits, proceedings, costs including attorneys’ fees claims,

demands, and damages whatsoever which may be incurred by reason of the Grantor's failure to pay rents or strictly observe or perform under the Lease.

Other Agreements Relating to the Lease. The Grantor further agrees (1) not to surrender, terminate, or cancel the Lease, and (2) not to modify, change, supplement, alter, or amend the Lease, either orally or in writing, without the Bank's prior written consent. Any attempt by the Grantor to do any of the foregoing without the Bank's prior written consent will be void and of no force and effect. At the Bank's option, the Grantor will deposit with the Bank as further security all original documents relating to the Lease and the leasehold interest in the Mortgaged Property. Unless the Grantor is in breach or default of any of the terms contained in this Deed of Trust, the Bank will have no right to cancel, modify, change, supplement, alter or amend the leasehold interest. No estate in the Mortgaged Property, whether fee title to the leasehold premises, the leasehold estate, or any subleasehold estate will merge without the Bank's express written consent; rather these estates will remain separate and distinct, even if there is a union of these estates in the landlord, the Grantor, or a third party who purchases or otherwise acquires the estates. The Grantor further agrees that if the Grantor acquires all or a portion of the fee simple title, or any other leasehold or subleasehold title to the Mortgaged Property, that title will, at the Bank's option, immediately become subject to the terms of this Deed of Trust, and the Grantor will execute, deliver and record all documents necessary or appropriate to assure that such title is secured by this Deed of Trust.

Notices Relating to the Lease. The Grantor will promptly notify the Bank in writing:

- (1) if the Grantor is in default in the performance or observance of any of the terms, covenants, or conditions which the Grantor is to perform or observe under the Lease;
- (2) if any event occurs which would constitute a default under the Lease;
- (3) if any notice of default is given to the Grantor by Lessor under the Lease;
- (4) if, pursuant to the Lease, any proceeds received for the Mortgaged Property are deposited with someone other than the Bank, whether received from any insurance on the Mortgaged Property or from the taking of any or all of the Mortgaged Property by eminent domain; and
- (5) if any arbitration or appraisal proceedings are requested or instituted pursuant to the Lease.

The Grantor agrees to provide Lender promptly with a copy of all written materials relating to any of the above and to provide the Bank with such other information as the Bank may reasonably request. The Grantor agrees that promptly after the execution and delivery of this Deed of Trust, the Grantor will notify Lessor under the Lease in writing of the execution and delivery of this Deed of Trust and of the name and address of the Bank and will deliver a copy of this Deed of Trust to Lessor.

Option to Cure Lease Default. Upon the Bank's receipt of any written notice of the Grantor's default under the Lease, the Bank may, at the Bank's option, cure such default, even though the Grantor, or any party on behalf of the Grantor, questions or denies the existence of such default or the nature of the default. The Grantor expressly grants to the Bank the absolute and immediate right to entry upon the Mortgaged Property to such extent and as often as the Bank in its sole discretion deems necessary or desirable in order to prevent or cure any such default by the Grantor.

DUE ON SALE-CONSENT BY BANK. The Bank may, at the Bank's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Bank's prior written consent, of all or any part of the Mortgaged Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title, or interest in the Real Property whether legal, beneficial, or equitable, whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If the Grantor is a corporation, partnership, or limited liability company, transfer also includes any change in ownership of more than twenty five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of the Grantor.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Mortgaged Property are part of this Deed of Trust:

Payment. The Grantor shall pay when due (and in all events prior to delinquency) all taxes, payments in lieu of taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Mortgaged Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Mortgaged Property. The Grantor shall not further encumber the Mortgaged Property or permit or suffer any mechanic's, laborer's, materialman's, statutory, or other lien on the Mortgaged Property, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. The Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as the Bank's interest in the Mortgaged Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, the Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the Grantor has notice of the filing, secure the discharge of the lien, or if requested by the Bank, deposit with the Bank cash or a sufficient corporate surety bond or other security satisfactory to the Bank in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, the Grantor shall defend itself and the Bank and shall satisfy any adverse judgment before enforcement against the Mortgaged Property. The Grantor shall name the Bank as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. The Grantor shall upon demand furnish to the Bank satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to the Bank at any time a written statement of the taxes and assessments against the Mortgaged Property.

Notice of Construction. The Grantor shall notify the Bank at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Mortgaged Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. The Grantor will upon request of the Bank furnish to the Bank advance assurances satisfactory to the Bank that the Grantor can and will pay the cost of such Improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Mortgaged Property are a part of this Deed of Trust.

Maintenance of Insurance. The Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis (or the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of the Bank. The Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as the Bank may request with the Trustee and the Bank being named as additional insureds in such liability insurance policies. Additionally, the Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as the Bank may reasonably require. Policies shall be written in form, amounts, coverages, and basis reasonably acceptable to the Bank and issued by a company or companies reasonably acceptable to the Bank. The Grantor, upon request of the Bank, will deliver to the Bank from time to time the policies or certificates of insurance in form satisfactory to the Bank, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to the Bank. Each insurance policy also shall include an endorsement providing that coverage in favor of the Bank will not be impaired in any way by any act, omission or default of the Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, the Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by the Bank that the Mortgaged Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by the Bank, and to maintain such insurance for the term of the loan.

Application of Proceeds. All insurance moneys received on account of any loss or damage to the Mortgaged Property shall be applied pursuant to the provisions contained in the Loan Documents. For purposes of this Deed of Trust, the words "*Loan Documents*" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Grantor's Report on Insurance. Upon request of the Bank, however not more than once a year, the Grantor shall furnish to the Bank a report on each existing policy of insurance showing (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. The Grantor shall, upon request of the Bank, have an independent appraiser satisfactory to the Bank determine the cash value replacement cost of the Mortgaged Property.

Notice Regarding Insurance. The following notice is provided pursuant to Section 427.120 of Missouri Revised Statutes. As used herein, the terms "*you*" and "*your*" shall refer to the Grantor and the terms "*we*" and "*us*" shall refer to the Bank. **UNLESS YOU PROVIDE EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY YOUR AGREEMENT WITH US, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTERESTS IN YOUR COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT YOUR INTERESTS. THE COVERAGE THAT WE PURCHASE MAY NOT PAY ANY CLAIM THAT YOU MAKE OR ANY CLAIM THAT IS MADE AGAINST YOU IN CONNECTION WITH THE COLLATERAL. YOU MAY LATER CANCEL ANY INSURANCE PURCHASED BY US, BUT ONLY AFTER PROVIDING EVIDENCE THAT YOU HAVE OBTAINED INSURANCE AS REQUIRED BY OUR AGREEMENT. IF WE PURCHASE INSURANCE FOR THE COLLATERAL, YOU WILL BE RESPONSIBLE**

FOR THE COSTS OF THAT INSURANCE, INCLUDING THE INSURANCE PREMIUM, INTEREST AND ANY OTHER CHARGES WE MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO YOUR TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE YOU MAY BE ABLE TO OBTAIN ON YOUR OWN.

BANK'S EXPENDITURES. If any action or proceeding is commenced that would materially affect the Bank's interest in the Mortgaged Property or if the Grantor fails to comply with any provision of this Deed of Trust or any other Loan Documents, including but not limited to the Grantor's failure to discharge or pay when due any amounts the Grantor is required to discharge or pay under this Deed of Trust or any other Loan Documents, the Bank on the Grantor's behalf may (but shall not be obligated to) take any action that the Bank deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances, and other claims, at any time levied or placed on the Mortgaged Property and paying all costs for insuring, maintaining, and preserving the Mortgaged Property. All such expenditures incurred or paid by the Bank for such purposes will then bear interest at the highest default interest rate under the Loan Documents from the date incurred or paid by the Bank to the date of repayment by the Grantor. All such expenses will become a part of the Indebtedness and, at the Bank's option, will (A) be payable on demand; (B) be added to the balance of the Indebtedness and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy or (2) the period in which any Indebtedness are outstanding. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which the Bank may be entitled upon default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Mortgaged Property are a part of this Deed of Trust:

Title. The Grantor warrants that the Grantor holds: (a) a leasehold interest in, and option to purchase, the real property described as Parcels 2 and 3 of **Exhibit A** attached hereto, and (b) fee simple interest in the real property described as Parcels 1, 4, 4A, and 5 of **Exhibit A** attached hereto, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, the Bank in connection with this Deed of Trust, and (b) the Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to the Bank.

Defense of Title. Subject to the exception in the paragraph above, the Grantor warrants and will forever defend its leasehold interest in or fee simple title to, as applicable, the Mortgaged Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions (a) the Grantor's leasehold interest in or fee simple title to, as applicable, the Mortgaged Property, or (b) the interest of the Trustee or the Bank under this Deed of Trust, then the Grantor shall defend such action at the Grantor's expense. The Grantor may be the nominal party in such proceeding, but the Bank shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of the Bank's own choice, and the Grantor will deliver, or cause to be delivered, to the Bank such instruments as the Bank may request from time to time to permit such participation.

Compliance With Laws. The Grantor warrants that the Mortgaged Property and the Grantor's use of the Mortgaged Property complies with all Laws.

Survival of Representations and Warranties. All representations, warranties, and agreements made by the Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as the Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, the Grantor shall promptly notify the Bank in writing, and the Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. The Grantor may be the nominal party in such proceeding, but the Bank shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and the Grantor will deliver or cause to be delivered to the Bank such instruments and documentation as may be requested by the Bank from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Mortgaged Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, the Bank may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Mortgaged Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by the Trustee or the Bank in connection with the condemnation.

IMPOSITION OF TAXES, FEES, AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees, and charges are a part of this Deed of Trust.

Current Taxes, Fees, and Charges. Upon request by the Bank, the Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by the Bank to perfect and continue the Bank's lien on the Mortgaged Property. The Grantor shall reimburse the Bank for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation, all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on the Grantor or any of the Winco Affiliates which party is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust (3) a tax on this type of Deed of Trust chargeable against the Bank or the holder of Bank's interests in the Indebtedness; and (4) a specific tax on all or any portion of the Indebtedness or on payments made by the Grantor or any of the Winco Affiliates with respect to the Indebtedness.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and the Bank may exercise any or all of its available remedies for an Event of Default as provided below unless the Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with the Bank cash or a sufficient corporate surety bond or other security satisfactory to the Bank.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Mortgaged Property constitutes fixtures or other personal property, and the Bank shall have all or the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by the Bank, the Grantor shall execute financing statements and take whatever other action is requested by the Bank to perfect and continue the Bank's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, the Bank may, at any time and without further authorization from the Grantor, file executed counterparts, copies, or reproductions of this Deed of Trust as a financing statement. The Grantor shall reimburse the Bank for all expenses incurred in perfecting or continuing this security interest. Upon default, the Grantor shall not remove, sever, or detach any Personal Property from the Real Property. Upon default, the Grantor shall assemble any Personal Property not affixed to the Real Property in a manner and at a place reasonably convenient to the Grantor and the Bank and make it available to the Bank within three (3) days after receipt of written demand from the Bank to the extent permitted by applicable Law.

Addresses. The mailing addresses of the Grantor (debtor) and the Bank (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of the Bank, the Grantor will make, execute, and deliver, or will cause to be made, executed, or delivered, to the Bank or to the Bank's designee, and when requested by the Bank, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as the Bank may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of the Bank, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) the obligations of the Grantor and the Winco Affiliates under this Deed of Trust and the other Loan Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Mortgaged Property, whether now owned or hereafter acquired by the Grantor. Unless prohibited by Law or the Bank agrees to the contrary in writing, the Grantor shall reimburse the Bank for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-In-Fact. If the Grantor falls to do any of the things referred to in the preceding paragraph, the Bank may do so for and in the name of the Grantor and at the Grantor's expense. For such purposes, the Grantor hereby irrevocably appoints the Bank as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in the Bank's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If the Grantor shall strictly perform all of the Grantor's obligations with respect to the Indebtedness and otherwise performs all the obligations imposed upon the Grantor under this Deed of Trust, then this Deed of Trust shall cease and be void and the Mortgaged Property shall be released at the cost of the Grantor.

REINSTATEMENT OF SECURITY INTEREST. If payment is made by the Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter the Bank

is forced to remit the amount of that payment (A) to the Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree, or order of any court or administrative body having jurisdiction over the Bank or any of the Bank's property, or (C) by reason of any settlement or compromise of any claim made by the Bank with any claimant (including without limitation the Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Deed of Trust and this Deed of Trust shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Deed of Trust or of any note or other instrument or agreement evidencing the Indebtedness and the Mortgaged Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by the Bank, and the Grantor shall be bound by any judgment, decree, order, settlement, or compromise relating to the Indebtedness or to this Deed of Trust.

EVENTS OF DEFAULT. Each of the following (each, an "*Event of Default*"), at the Bank's option, shall constitute an Event of Default under this Deed of Trust;

Payment Default. The Grantor or any of the Winco Affiliates fails to make any payment when due under the Indebtedness.

Other Default. The Grantor or any of the Winco Affiliates fails to comply with or to perform any other term, obligation, covenant, or condition contained in this Deed of Trust or in any of the Loan Documents or to comply with or to perform any term, obligation, covenant, or condition contained in any other agreement between the Bank and the Grantor or the Winco Affiliates, or the occurrence of an "event of default," however defined, under any other Loan Documents.

Default Under the Indebtedness. Failure by the Grantor or any of the Winco Affiliates to comply with any term, obligation, covenant, or condition contained in the Indebtedness.

Compliance Default. Failure by the Grantor or any of the Winco Affiliates to comply with any other term, obligation, covenant, or condition contained in this Deed of Trust or in any other Loan Documents.

Default on Other Payments. Failure of the Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should the Grantor or the Winco Affiliates default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of the Grantor's property or the ability of the Grantor or the Winco Affiliates to repay the Indebtedness or perform their respective obligations under this Deed of Trust or any of the Loan Documents.

False Statements. Any warranty, representation, or statement made or furnished to the Bank by the Grantor or any of the Winco Affiliates or on such party's behalf under this Deed of Trust or the Loan Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Termination of Future Advances. The Grantor's exercise of the Grantor's rights under Mo. Rev. Stat. Section 443.055 (or any successor provision to such statute) to terminate the operation of this Deed of Trust as security for future advances on future obligations.

Defective Collateralization. This Deed of Trust or any of the Loan Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of the existence of the Grantor or any of the Winco Affiliates as a going business, the solvency of the Grantor or any of the Winco Affiliates, the appointment of a receiver for any part of the property of the Grantor or any of the Winco Affiliates, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Grantor or any of the Winco Affiliates.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession, or any other method, by any creditor of the Grantor or any of the Winco Affiliates by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of the accounts, including deposit accounts, of the Grantor or any of the Winco Affiliates with the Bank. However, this Event of Default shall not apply if there is a good faith dispute by the Grantor or any of the Winco Affiliates as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if the Grantor or any of the Winco Affiliates gives the Bank written notice of the creditor or forfeiture proceeding and deposits with the Bank monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by the Bank, in its sole discretion, as being an adequate reserve or bond for the dispute.

Lease Default. The Grantor defaults under the terms of the Lease, or any other event (whether or not the Grantor's fault) results in the termination or cancellation of the Grantor's leasehold rights.

Breach of Other Agreement. Any breach by the Grantor or any of the Winco Affiliates under the terms of any other agreement between the Grantor or such Winco Affiliates and the Bank that is not remedied within any grace period provided therein, including without limitation any agreement concerning any Indebtedness or other obligation of the Grantor or any of the Winco Affiliates to the Bank, whether existing now or later.

Events Affecting Guaranties. Any of the preceding events occurs with respect to any of the Winco Affiliates or the Guarantor or any of the Winco Affiliates revokes or disputes the validity of, or liability under, any guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in the financial condition of the Grantor or the Winco Affiliates, or the Bank believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. The Bank in good faith believes itself insecure with respect to the Indebtedness.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, the Trustee or the Bank may exercise any one or more of the following rights and remedies.

Accelerate Indebtedness. The Bank shall have the right at its option without notice to the Grantor or any of the Winco Affiliates to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which the Grantor or the Winco Affiliates would be required to pay.

Foreclosure. The Bank shall have the right to direct the Trustee to proceed to sell the Mortgaged Property at public vendue or out-cry to the highest bidder for cash, (as to any part of the Mortgaged Property situated in the City of St. Louis) at the east front door of the Court House, being the Civil Courts Building, at 11th and Market Streets, in the city of St. Louis, State of Missouri; and/or (as to any part of the Mortgaged Property situated in the County of St. Louis) in the main lobby of the St. Louis County Courts Building, 105 South Central Avenue, in Clayton, in the County of St. Louis, State of Missouri, first giving all notices required by Missouri law, then in effect, with respect to exercising powers of sale under the deed of trust. Upon such sale, the Trustee shall execute and deliver a deed or deeds of conveyance of the Mortgaged Property sold to the purchasers thereof, and any statement or recital of fact in any such deed shall be prima facie evidence of the truth of such statement or recital. The Trustee shall receive the proceeds of any such sale, out of which the Trustee shall pay, first the costs and expenses of executing this trust, including compensation to the Trustee and to any attorneys employed by the Trustee for their services and the cost of procuring evidence of title; second, to the Bank, for all moneys paid for insurance, taxes, lien claims, and other charges, together with interest thereon as provided in this Deed of Trust; third, to the Bank, all remaining Indebtedness; fourth, the remainder, if any, to the holders of any lien on the Mortgaged Property junior to the lien of this Deed of Trust and to the Grantor, as their interests may appear. In the event the net proceeds of such sale or sales shall not be sufficient to pay in full the Indebtedness secured by this Deed of Trust, unless prohibited by law, the Grantor hereby promises and agrees to pay any deficiency thereon on demand, with interest.

Until a sale shall be held hereunder, the Trustee hereby lets the Mortgaged Property to the Grantor, upon the following terms and conditions: the Grantor, and every and all persons claiming or possessing the Mortgaged Property, or any part thereof, by, through, or under the Grantor shall or will pay rent therefor during said term at the rate of one cent per month, payable monthly upon demand and shall and will surrender peaceable possession of the Mortgaged Property, and any and every part thereof, to the Trustee, its successors, assignees, or purchasers thereof, without notice or demand therefor, upon the occurrence of such sale.

UCC Remedies. With respect to all or any part of the Personal Property, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. The Bank shall have the right, without notice to the Grantor to take possession of and manage the Mortgaged Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above the Bank's costs against the Indebtedness. In furtherance of this right, the Bank may require any tenant or other user of the Mortgaged Property to make payments of rent or use fees directly to the Bank. If the Rents are collected by the Bank, then the Grantor irrevocably designates the Bank as the Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of the Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to the Bank in response to Bank's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. The Bank may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. The Bank shall have the right to have a general or limited receiver appointed to take possession of all or any part of the Mortgaged Property with all the powers of a general or limited receiver under the Missouri Commercial Receivership Act, including, but not limited to, the power to protect and preserve the Mortgaged Property, to operate the Mortgaged Property preceding foreclosure or state, to collect the Rents from the Mortgaged Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness, and to sell the Mortgaged Property. The receiver may serve without bond if permitted by law. The Bank's right

to the appointment of a receiver shall exist whether or not the apparent value of the Mortgaged Property exceeds the Indebtedness by a substantial amount. Employment by the Bank shall not disqualify a person from serving as a receiver.

Other Remedies. The Trustee or the Bank shall have any other right or remedy provided in this Deed of Trust or the other Loan Documents or by law.

Election of Remedies. Except as may be prohibited by applicable law, all of the Bank's rights and remedies, whether evidenced by this Deed of Trust, the other Loan Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by the Bank to pursue any remedy shall not exclude pursuit of any other remedy, and as election to make expenditures or to take action to perform an obligation of the Grantor under this Deed of Trust, after the Grantor's failure to perform, shall not affect the Bank's right to declare a default and exercise its remedies.

Cumulative Remedies. All of the Bank's rights and remedies, whether evidenced by this Deed of Trust, the other Loan Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by the Bank to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of the Grantor under this Deed of Trust, after the Grantor's failure to perform, shall not affect the Bank's right to declare a default and to exercise its remedies.

Notice of Sale. The Bank shall give the Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Mortgaged Property. To the extent permitted by applicable Law, the Grantor hereby waives any and all rights to have the Mortgaged Property marshaled. In exercising its rights and remedies, the Trustee or the Bank shall be free to sell all or any part of the Mortgaged Property together or separately, in one sale or by separate sale. The Bank shall be entitled to bid at any public sale on all or any portion of the Mortgaged Property.

Attorneys' Fees; Expenses. If the Bank institutes any suit or action to enforce any of the terms of this Deed of Trust, the Bank shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses the Bank incurs that in the Bank's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the highest default interest rate under the Loan Documents from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation (but subject to any limits under applicable Laws), the Bank's attorney fees and the Bank's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. The Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. The Trustee shall have all of the rights and duties of the Bank as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of the Trustee are part of this Deed of Trust;

Powers of Trustee. In addition to all powers of the Trustee arising as a matter of law, the Trustee shall have the power to take the following actions with respect to the Mortgaged Property to the extent necessary to give clear title and upon the written request of the Bank and the Grantor (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of the Bank under this Deed of Trust.

Obligations to Notify. The Trustee shall not be obligated to notify any other party of a pending sale under any other trust, deed, or lien, or of any action or proceeding in which the Grantor, the Bank, or the Trustee shall be a party, unless the action or proceeding is brought by the Trustee.

Trustee. The Trustee shall meet all qualifications required for the Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Mortgaged Property, the Trustee shall have the right to foreclose by notice and sale, and the Bank shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. The Bank, at the Bank's option, may from time to time appoint a successor trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by the Bank and recorded in the office of the recorder of St. Louis County, Missouri. The instrument shall contain, in addition to all other matters required by state law, the names of the original Bank, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by the Bank or its successor in interest. The successor trustee, without conveyance of the Mortgaged Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any Lien which has priority over this Deed of Trust shall be sent to the Bank's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, the Grantor agrees to keep the Bank informed at all times of the Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by the Bank to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any other Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless

given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Mortgaged Property is used (for purposes other than the Grantor's place of business, the Grantor shall furnish to the Bank, upon request, a certified statement of net operating income received from the Mortgaged Property during the Grantor's previous fiscal year in such form and detail as the Bank shall require. "*Net operating income*" shall mean all cash receipts from the Mortgaged Property less all cash expenditures made in connection with the operation of the Mortgaged Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Incorporation By Reference. All riders, schedules, and exhibits attached hereto are hereby incorporated by reference to this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Mortgaged Property at any time held by or for the benefit of the Bank in any capacity, without the written consent of the Bank.

Governing Law. This Deed of Trust will be governed by, construed, and enforced in accordance with federal law and the laws of the State of Missouri. This Deed of Trust has been accepted by the Bank in the State of Missouri.

CONSENT TO JURISDICTION. THE GRANTOR HEREBY IRREVOCABLY (A) SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF ANY MISSOURI STATE COURT SITTING IN ST. LOUIS COUNTY, MISSOURI AND/OR ANY UNITED STATES OF AMERICA COURT SITTING IN THE EASTERN DISTRICT OF MISSOURI, EASTERN DIVISION, AS THE BANK MAY ELECT, IN ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO THIS DEED OF TRUST AND/OR ANY OTHER LOAN DOCUMENT; (B) AGREES THAT ALL CLAIMS IN RESPECT TO SUCH SUIT, ACTION, OR PROCEEDING MAY BE HELD AND DETERMINED IN ANY OF SUCH COURTS; (C) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH THE GRANTOR MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT; AND (D) WAIVES ANY CLAIM THAT SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

Joint and Several Liability. All obligations of the Grantor under this Deed of Trust shall be joint and several, and all references to the Grantor shall mean each and every Grantor. This means that each party signing below is responsible for all obligations in this Deed of Trust. Where any one or more of the parties is a corporation, partnership, limited liability company, or similar entity, it is not necessary for the Bank to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act

on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Deed of Trust.

No Waiver by the Bank. The Bank shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Bank of a provision of this Deed of Trust shall not prejudice or constitute a waiver of the Bank's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by the Bank, nor any course of dealing between the Bank and the Grantor, shall constitute a waiver of any of the Bank's rights or of any of the Grantor's obligations as to any future transactions. Whenever the consent of the Bank is required under this Deed of Trust, the granting of such consent by the Bank in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent maybe granted or withheld in the sole discretion of the Bank.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid, and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity, or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of the Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If the Grantor's leasehold interest of ownership, as applicable, of the Mortgaged Property becomes vested in a person other than the Grantor, the Bank, without notice to the Grantor, may deal with the Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing the Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

DEFINITIONS. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code.

WAIVE JURY. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENT TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS

OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT. TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

THE GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUS, AND THE GRANTOR AGREES TO ITS TERMS.

(The remainder of this page is intentionally left blank.)

THE GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND THE GRANTOR AGREES TO ITS TERMS.

GRANTOR:

WINCO REDEVELOPMENT CORPORATION, INC.

By: _____

Name: _____

Title: _____

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

On this _____ day of March, 2022, before me appeared Wilfred J. Krenn, to me personally known, who, being by me duly sworn, did say that he is the _____ of Winco Redevelopment Corporation, Inc., a corporation organized under the laws of the State of Missouri, and that said instrument was signed in behalf of said corporation by authority of its board of directors, and said officer acknowledged said instrument to be the free act and deed of said corporation and that said corporation has no corporate seal.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.

Name(print): _____

Notary Public in and for said State

My Commission Expires:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

EXHIBIT A TO DEED OF TRUST

PARCEL 1: (6200 MAPLE AVENUE) - FEE

A TRACT OF LAND BEING LOTS M-20 AND M-21 OF CUNNINGHAM PARK, PLAT NO. 2, AS RECORDED IN PLAT BOOK 136, PAGES 40 AND 41, LOTS 26 THRU 54 IN BLOCK 6 OF DELMAR AVENUE ADDITION, AS RECORDED IN PLAT BOOK 4, PAGES 74 AND MAPLE AVENUE (60 FEET WIDE) VACATED BY ORDINANCE NO. 5577 RECORDED IN BOOK 8025, PAGE 1828, THE WEST 1/2 LEONA AVENUE (40 FEET WIDE) VACATED BY ORDINANCE NO. 4567 RECORDED IN BOOK 6460, PAGE 161 AND IRMA AVENUE (40 FEET WIDE) VACATED BY ORDINANCE 4567 AS RECORDED IN BOOK 6460, PAGE 161 OF THE ST. LOUIS COUNTY, MISSOURI RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWEST CORNER OF LOT M-20 BEING THE INTERSECTION OF THE NORTHERN RIGHT-OF-WAY LINE OF OLIVE (60' WIDE) BOULEVARD WITH THE EASTERN RIGHT-OF-WAY OF EAST PARK INDUSTRIAL (50' WIDE) DRIVE; THENCE SOUTH 72 DEGREES 09 MINUTES 21 SECONDS EAST ALONG THE SAID NORTHERN LINE OF SAID OLIVE BOULEVARD A DISTANCE OF 649.71 FEET TO A POINT IN THE WESTERN RIGHT-OF-WAY OF HAYS (40' WIDE) AVENUE; THENCE NORTH 00 DEGREES 37 MINUTES 15 SECONDS EAST ALONG SAID WESTERN LINE OF HAYS AVENUE A DISTANCE OF 394.78 FEET TO A POINT IN THE SOUTHERN RIGHT-OF-WAY OF MAPLE (60' WIDE) AVENUE; THENCE NORTH 88 DEGREES 49 MINUTES 45 SECONDS WEST ALONG THE SOUTHERN LINE OF MAPLE AVENUE A DISTANCE OF 612.96 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET AN ARC DISTANCE OF 39.51 FEET TO A POINT OF TANGENCY; THENCE SOUTH 00 DEGREES 37 MINUTES 15 SECONDS WEST ALONG THE EASTERN LINE OF SAID EAST PARK INDUSTRIAL DRIVE A DISTANCE OF 159.41 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET AN ARC DISTANCE OF 31.71 FEET TO THE POINT OF BEGINNING CONTAINING 4.38 ACRES MORE OR LESS.

PARCEL 2: (6315 MAPLE AVENUE) - LEASEHOLD

A TRACT OF LAND BEING LOTS M-13, M-14 AND M-17 IN CUNNINGHAM INDUSTRIAL PARK, PLAT NO. 1 AS RECORDED IN PLAT BOOK 136, PAGES 38 & 39, LOTS 2 THRU 9, 15 THRU 24, AND 35 THRU 43 OF BLOCK B OF WEST HORTON PLACE AND LOTS 1 THRU 24 OF BLOCK C OF WEST HORTON PLACE AS RECORDED IN PLAT BOOK 5, PAGE 2 OF THE ST. LOUIS COUNTY, MISSOURI RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT M-13 OF CUNNINGHAM INDUSTRIAL PARK PLAT NO. 1, SAID POINT ON THE SOUTHERN RIGHT-OF-WAY LINE OF BARTMER INDUSTRIAL DRIVE (50' WIDE); THENCE ALONG THE SOUTHERN LINE OF BARTMER INDUSTRIAL DRIVE SOUTH 88 DEGREES 45 MINUTES 45 SECONDS EAST A DISTANCE OF 368.10 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 100.00 FEET AND AN ARC LENGTH OF 91.00 FEET TO A POINT OF TANGENCY; THENCE NORTH 39 DEGREES 14 MINUTES 15 SECONDS EAST A DISTANCE OF 20.11 FEET TO A POINT; THENCE SOUTH 00 DEGREES 37 MINUTES 15 SECONDS WEST A DISTANCE OF 279.28 FEET TO A POINT; THENCE SOUTH 88 DEGREES 45 MINUTES 45 SECONDS EAST A DISTANCE OF 20.00 FEET TO A POINT; THENCE SOUTH 00 DEGREES 37 MINUTES 15 SECONDS WEST A DISTANCE OF 254.64 FEET TO A POINT; THENCE NORTH 88 DEGREES 49 MINUTES 45 SECONDS WEST A DISTANCE OF 480.62 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET AND AN ARC LENGTH OF 39.03 FEET TO A POINT OF TANGENCY; THENCE NORTH 00 DEGREES 37 MINUTES 15 SECONDS EAST A DISTANCE OF 430.21 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET AND AN ARC LENGTH OF 39.54 FEET TO A POINT OF TANGENCY BEING THE POINT OF BEGINNING CONTAINING 5.49 ACRES MORE OR LESS.

PARCEL 3: - LEASEHOLD

A TRACT OF LAND IN ST. LOUIS COUNTY, MISSOURI, AND BEING A PORTION OF MAPLE AVENUE (60' WIDE).

BEGINNING AT A POINT OF INTERSECTION OF THE NORTH LINE OF MAPLE AVENUE WITH THE WEST LINE OF LEONA AVENUE (40 FEET WIDE - NOW VACATED); THENCE SOUTH 01 DEGREE 10 MINUTES 15 SECONDS WEST 60.00 FEET TO A POINT ON THE SOUTH LINE OF MAPLE AVENUE; THENCE ALONG SAID SOUTH LINE, NORTH 88 DEGREES 49 MINUTES 45 SECONDS WEST A DISTANCE OF 460.14 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 25.00 FEET AND CENTRAL ANGLE IS 90 DEGREES 33 MINUTES TO A POINT OF TANGENCY, SAID POINT BEING ON THE EAST LINE OF EAST PARK INDUSTRIAL DRIVE (50 FEET WIDE); THENCE NORTH 01 DEGREE 10 MINUTES 15 SECONDS EAST A DISTANCE OF 110.00 FEET TO A POINT OF CURVATURE, SAID POINT BEING ON THE EAST LINE OF EAST PARK INDUSTRIAL DRIVE; THENCE ALONG A CURVE TO THE LEFT, WHOSE RADIUS IS 25.00 FEET AND CENTRAL ANGLE IS 89 DEGREES 27 MINUTES TO A POINT OF TANGENCY, SAID POINT BEING ON THE NORTH LINE OF SAID MAPLE AVENUE; THENCE ALONG SAID NORTH LINE, SOUTH 88 DEGREES 49 MINUTES 45 SECONDS EAST A DISTANCE OF 460.82 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.74 ACRES MORE OR LESS.

PARCEL 4: (6201 MAPLE AVENUE) FEE

ALL OF LOTS 1 THROUGH 7 INCLUSIVE AND THE SOUTH 10 FEET OF LOT 8 IN BLOCK C OF WEST HORTON PLACE ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 5, PAGE 2 OF THE ST. LOUIS COUNTY RECORDER'S OFFICE.

PARCEL 4A:

THE EAST 20 FEET OF LEONA AVENUE (40 FEET WIDE) ADJOINING AND ABUTTING THE WEST LINE OF LOTS 1, 5, 6, AND 7 AND THE SOUTH 10 FEET OF LOT 8 IN BLOCK C OF WEST HORTON PLACE ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 5, PAGE 2 OF THE ST. LOUIS COUNTY RECORDS WHICH HAS BEEN VACATED BY THE CITY OF UNIVERSITY CITY ORDINANCE NO. 4567 A COPY OF WHICH IS RECORDED IN BOOK 6460, PAGE 161.

PARCEL 5: (6191 MAPLE AVENUE) FEE

LOT 7 OF WEST DE-HODIAMONT PLACE, A SUBDIVISION IN ST. LOUIS COUNTY, MISSOURI, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 72 OF THE ST. LOUIS COUNTY, RECORDS, ALSO A TRACT OF LAND IN ST. LOUIS COUNTY, MISSOURI, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE NORTH LINE OF MAPLE AVENUE 60 FEET WIDE, DISTANCE 205 FEET 0-1/8 INCHES WEST OF WEST LINE OF THE WABASH RAILROAD; THENCE WEST ALONG THE NORTH LINE OF MAPLE AVENUE 100 FEET TO THE EAST LINE OF LOT 7 OF WEST DE-HODIAMONT PLACE, THENCE NORTH ALONG THE EAST LINE OF SAID LOT 7, 147 FEET 7 INCHES THENCE EAST 100 FEET; THENCE SOUTH 147 FEET 7 INCHES TO BEGINNING AND SHOWN ON THE PLAT OF WEST DE-HODIAMONT PLACE LOTS 5 AND 6.

LEASEHOLD RIDER TO DEED OF TRUST

THIS LEASEHOLD RIDER TO DEED OF TRUST (this "*Rider*") is attached to, and by this reference incorporated in, the foregoing Deed of Trust (the "*Deed of Trust*") being executed and delivered to Midland States Bank, an Illinois banking corporation (the "*Bank*" and "*Grantee*") by Winco Redevelopment Corporation, Inc., a Missouri corporation (the "*Grantor*") and dated of even date herewith. In the event of any conflict between the terms of this Rider and any other provisions of the Deed of Trust, the terms of this Rider shall govern. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Deed of Trust.

The parties hereto acknowledge and agree that the Deed of Trust covers and, with respect to the Real Property described as Parcels 2 and 3 in the attached **Exhibit A** (the "*Leased Property*"), is limited to the Grantor's leasehold estate in the Leased Property (the "*Tenancy*") pursuant to a certain Lease Agreement dated November 1, 2003 (the "*Lease*") between the Grantor and the City of University City, Missouri (the "*Lessor*"), a memorandum of which was recorded November 19, 2003 in Book 15480, Page 1429, of the records of the Office of the Recorder of Deeds of St. Louis County, Missouri, as modified by that certain *First Supplemental Memorandum of Lease Agreement* recorded in Book 19014, Page 1457, of the records of the Office of the Recorder of Deeds of St. Louis County, Missouri, demising the land described herein for a term of years.

The Grantor hereby covenants, represents, and warrants as follows with respect to the Lease:

1. The Lease is a valid and subsisting lease of the Leased Property, is in full force and effect in accordance with its terms, and has not been amended or modified in any respect.
2. No default has occurred and is continuing under the Lease and no event has occurred or is occurring which, with the passage of time or service of notice, or both, would constitute an event of default under the Lease.
3. The Lease is not subject to any liens or encumbrances of any kind or nature.
4. The Grantor is the owner of the Tenancy created by the Lease, has the right and authority under the Lease to execute the Deed of Trust and to encumber the Tenancy as provided therein, and the Grantor's execution and delivery of the Deed of Trust to Bank does not violate the terms or provisions of any other document to which the Grantor is a party or by which its property may be bound or affected.
5. The Grantor will promptly perform and observe all the terms, covenants, and conditions required to be performed and observed by the Grantor as lessee under the Lease, within the periods provided in the Lease. The Grantor shall also do all things necessary to preserve and keep unimpaired its rights under the Lease. The Grantor will furnish the Bank, upon demand, proof of payment of all items which are required to be paid by the Grantor pursuant to the Lease and proof of payment of which is required to be given to the Lessor under the Lease. The Grantor shall not, without the prior written consent of the Bank, waive any of its rights under the Lease, or refrain from exercising any right or remedy accorded to it under the Lease on account of any default by the Lessor thereunder, or release the Lessor from any liability or condone or excuse any improper actions of the Lessor without first obtaining the written consent of the Bank.
6. For the purpose of preventing or curing any default by the Grantor under the Lease, the Bank may (but shall be under no obligation to) do any act or execute any document in the name of the Grantor or as its attorney-in-fact, as well as in the name of the Bank. The Grantor hereby irrevocably appoints the Bank its true and lawful attorney-in-fact in its name or otherwise to do any and all acts and to

execute any and all documents which in the opinion of the Bank may be necessary or desirable to prevent or cure any default under the Lease or to preserve any rights of the Bank in, to or under the Lease, or any sublease thereof, including the right to effectuate a renewal of the Lease or to preserve any rights of the Grantor whatsoever in respect of any part of the Leased Property.

7. The curing by the Bank of any default by the Grantor under the Lease shall not remove or waive, as between the Grantor and the Bank, the Event of Default which occurred hereunder by virtue of the default by the Grantor under such Lease, and all sums expended by the Bank in order to cure any such default and costs and expenses incurred by the Bank in connection with the curing of such default shall be paid by the Grantor to the Bank upon demand with interest thereon at the highest default interest rate under the Loan Documents, and any such indebtedness shall be deemed to be secured by the Deed of Trust.

8. The Grantor shall not, without the written consent of the Bank, modify or amend the Lease or terminate or surrender the Lease or suffer or permit the Lease to be terminated or surrendered or consent to any subordination of the Lease to any mortgage by the Lessor or the Grantor in the Mortgaged Property. The Bank's consent to a modification or amendment to the Lease shall not be unreasonably withheld or delayed.

9. The Grantor shall notify the Bank promptly of (i) the occurrence of any default by the Lessor under the Lease or the occurrence of any event which, with the passage of time or service of notice, or both, would constitute a default by the Lessor under the Lease, (ii) the receipt by the Grantor of any written notice from the Lessor under the Lease and of any written notice noting or claiming the occurrence of any default by the Grantor under the Lease or the occurrence of any event which, with the passage of time or service of notice, or both, would constitute a default by the Grantor under the Lease, (iii) any request made by either party to the Lease for arbitration proceedings pursuant to such Lease, if any, and of the institution or commencement of arbitration proceedings thereunder. The Grantor shall promptly cause a copy of each notice sent to or by the Grantor under the Lease to be delivered to the Bank. The Grantor shall also permit the Bank to participate in any arbitration proceedings in association with the Grantor, and if at the time any such arbitration proceedings shall be initiated, the Grantor shall be in default hereunder and an Event of Default has occurred, the Bank is hereby granted the sole and exclusive right to designate and appoint any arbitrators to be appointed by the Grantor under the Lease.

10. Promptly upon demand by Bank, the Grantor shall use reasonable efforts to obtain from the Lessor under the Lease and furnish to the Bank an estoppel certificate of the Lessor stating the date through which rent has been paid, the terms of the Lease, any amendments and whether or not there are any defaults under the Lease and specifying the nature of such defaults, if any.

11. The Grantor shall not sell or assign the Lease or any of its rights thereunder or the Tenancy created thereby or sublease all or any portion of the Leased Property without the prior written consent of the Bank. Any change in the members, general partners, or shareholders of the Grantor shall also constitute a prohibited assignment of the Lease.

12. If both the Grantor's and the Lessor's estates under the Lease shall at any time become vested in the Grantor, the Grantor agrees upon the demand of the Bank to execute in form acceptable to the Bank a supplemental deed of trust subjecting the Grantor's fee ownership interest to the Deed of Trust.

13. The lien of the Deed of Trust includes and attaches to all of the Grantor's rights and remedies at any time arising under or pursuant to Section 365(h) of the Bankruptcy Code (as hereinafter defined), including, without limitation, all of the Grantor's rights to remain in possession of the real estate.

14. The Grantor shall not without the Bank's prior written consent elect to treat the Lease as terminated or to remain in possession of the real estate under Section 365(h)(1) of the Bankruptcy Code (as hereinafter defined). Any such election made without Bank's prior written consent shall be void.

15. The Grantor hereby unconditionally assigns, transfers, and sets over to Bank all of the Grantor's claims and rights to the payment of damages arising from any rejection by the Lessor of the Lease under the Bankruptcy Code, 11 U.S.C. §101 et seq. (the "*Bankruptcy Code*"). The Bank shall have the right to proceed in its own name or in the name of the Grantor in respect of any claim, suit, action, or proceeding relating to the rejection of the Lease, including, without limitation, the right to file and prosecute, to the exclusion of the Grantor, any proofs of claim, complaints, motions, applications, notice, and other documents, in any case in respect of the Lessor under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights, and remedies, and shall continue in effect until all of the Indebtedness and other obligations secured by the Deed of Trust shall have been satisfied and discharged in full. Any amounts received by the Bank as damages arising out of the rejection of the Lease as aforesaid shall be applied first to all costs and expenses of the Bank (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection with the exercise of any of its rights or remedies under this paragraph and then as otherwise provided in the Deed of Trust.

16. If pursuant to Section 365(h)(2) of the Bankruptcy Code, the Grantor seeks to offset against the rent reserved in the Lease the amount of any damages caused by the non-performance by the Lessor of any of the Lessor's obligations under the Lease after the rejection by the Lessor of the Lease under the Bankruptcy Code, the Grantor shall, prior to effecting such offset, notify the Bank of its intent so to do, setting forth the amounts proposed to be so offset and the basis therefor. The Bank shall have the right to object to all or any part of such offset, and, in the event of such objection, the Grantor shall not affect any offset of the amounts so objected to by the Bank. If the Bank has failed to object as aforesaid within thirty (30) days after notice from the Grantor in accordance with the first sentence of this paragraph, the Grantor may proceed to effect such offset in the amounts set forth in the Grantor's notice. Neither the Bank's failure to object as aforesaid nor any objection or other communication between the Bank and the Grantor relating to such offset shall constitute an approval of any such offset by the Bank. The Grantor shall indemnify and save the Bank harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs, and expenses of every nature whatsoever (including, without limitation, attorneys' fees and expenses) arising from or relating to any offset by the Grantor against the rent reserved in the Lease.

17. If any action, proceeding, motion, or notice shall be commenced or filed in respect of the Lessor in connection with any case under the Bankruptcy Code, the Bank shall have the option, to the exclusion of the Grantor, exercisable upon notice from the Bank to the Grantor, to conduct and control any such litigation with counsel of the Bank's choice. The Bank may proceed in its own name or in the name of the Grantor in connection with any such litigation, and the Grantor agrees to execute any and all powers, authorizations, consents, or other documents required by the Bank in connection therewith. The Grantor shall, upon demand, pay to the Bank all costs and expenses (including reasonable attorneys' fees and expenses) paid or incurred by the Bank in connection with the prosecution or conduct of any such proceedings. Any such costs or expenses not paid by the Grantor as aforesaid shall be secured by the lien of the Deed of Trust. The Grantor shall not commence any action, suit, proceeding, or case, or file any application or make any motion, in respect of the Lease in any such case under the Bankruptcy Code without the prior written consent of the Bank.

18. The Grantor shall promptly after obtaining knowledge thereof notify the Bank orally of any filing by or against the Lessor of a petition under the Bankruptcy Code. The Grantor shall thereafter forthwith give written notice of such filing to the Bank, setting forth any information available to the Grantor as to the date of such filing, the court in which such petition was filed, and the relief sought therein.

The Grantor shall promptly deliver to the Bank following receipt any and all notices, summonses, pleadings, applications, and other documents received by the Grantor in connection with any such petition and any proceedings relating thereto or in connection therewith.

19. In addition to the Events of Default set forth in the Deed of Trust, any default under the Lease shall be a default hereunder and the Bank shall be entitled to exercise all of its rights and remedies as provided in the Deed of Trust.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, Winco Redevelopment Corporation, Inc., has caused this Leasehold Rider to Deed of Trust to be duly executed as of the date first above written.

WINCO REDEVELOPMENT CORPORATION, INC.

By: _____
Name: _____
Title: _____

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

On this _____ day of March, 2022, before me appeared Wilfred J. Krenn, to me personally known, who, being by me duly sworn, did say that he is the _____ of Winco Redevelopment Corporation, Inc., a corporation organized under the laws of the State of Missouri, and that said instrument was signed in behalf of said corporation by authority of its board of directors, and said officer acknowledged said instrument to be the free act and deed of said corporation and that said corporation has no corporate seal.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.

Name(print): _____

Notary Public in and for said State

My Commission Expires:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

CONSENT OF LESSOR

The City of University City, Missouri (the “*Lessor*”), the fee simple owner of the Real Property described as Parcels 2 and 3 in the attached **Exhibit A** (the “*Leased Property*”) hereby joins in the execution of the Deed of Trust to which this Consent of Lessor is attached (the “*Deed of Trust*”), which Deed of Trust is granted in favor Midland States Bank, an Illinois banking corporation (the “*Bank*” and “*Grantee*”) for the purpose of subjecting and subordinating the Lessor’s fee simple interest in the Leased Property (including the interest, if any, of Lessor in any Improvements (as defined in the Deed of Trust) located or to be located thereon in the future) to the lien of the Deed of Trust so as to grant a lien in favor of the Bank superior to any interest in which the Lessor has or may have in the future on the Leased Property. By joining in the execution of the Deed of Trust, the Lessor is not obligated to repay any portion of the Indebtedness (as defined in the Deed of Trust) secured by the Deed of Trust, and the Lessor is not independently making any of the representations, warranties, or covenants contained in such Deed of Trust other than as specifically set forth in this Consent of Lessor.

CITY OF UNIVERSITY CITY, MISSOURI

By: _____

Name: _____

Title: _____

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

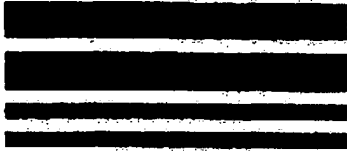
On this _____ day of March, 2022, personally appeared _____, the _____ of the City of University City, Missouri, to me known to be the person who executed the foregoing instrument on behalf of such City and acknowledged to me that he/she executed the same for the purposes therein stated.

Name(print): _____

Notary Public in and for said State

My Commission Expires:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX



* 2010061000468 *

JANICE M. HAMMONDS, RECORDER OF DEEDS
ST. LOUIS COUNTY MISSOURI
41 SOUTH CENTRAL, CLAYTON, MO 63105

TYPE OF INSTRUMENT DT	GRANTOR WINCO REDEVELOPMENT CORP	TO	GRANTEE FIFTH THIRD BANK
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PROPERTY DESCRIPTION: **CUNNINGHAM INDUSTRIAL PARK PLAT #2 L: 20M 21 M PB: 136 PG: 40**
W O P

Lien Number

Notation

Locator

NOTE: I, the undersigned Recorder of Deeds, do hereby certify that the information shown on this Certification Sheet as to the TYPE OF INSTRUMENT, the NAMES of the GRANTOR and GRANTEE as well as the DESCRIPTION of the REAL PROPERTY affected is furnished merely as a convenience only, and in the case of any discrepancy of such information between this Certification Sheet and the attached Document, the ATTACHED DOCUMENT governs. Only the DOCUMENT NUMBER, the DATE and TIME of filing for record, and the BOOK and PAGE of the recorded Document is taken from this CERTIFICATION SHEET.

RECORDER OF DEEDS DOCUMENT CERTIFICATION

STATE OF MISSOURI)
 SS.
 COUNTY OF ST. LOUIS)

Document Number
00468

I, the undersigned Recorder of Deeds for said County and State, do hereby certify that the following and annexed instrument of writing, which consists of 28 pages, (this page inclusive), was filed for record in my office on the 10 day of June 2010 at 02:45PM and is truly recorded in the book and at the page number printed above.

In witness whereof I have hereunto set my hand and official seal the day, month and year aforesaid.

EAR2
 Deputy Recorder



Janice M. Hammonds
 St. Louis County, Missouri

Mail to:

Destination code: **44 P**

RECORDING FEE 102.00
 (Paid at the time of Recording)

27 -

WOP

Space Above Line Reserved For Recorder's Use

TITLE OF DOCUMENT:	Deed of Trust
DATE OF DOCUMENT:	As of May 1, 2010
GRANTOR:	Winco Redevelopment Corporation, Inc. 6200 Maple Avenue St. Louis, MO 63130
GRANTEE:	Fifth Third Bank 8000 Maryland Avenue, Suite 1400 St. Louis, MO 63105
SEND TAX NOTICES TO:	Winco Redevelopment Corporation, Inc. 6200 Maple Avenue St. Louis, MO 63130
LEGAL DESCRIPTION:	See Exhibit A attached to this document.
REFERENCE BOOK AND PAGE:	Book 15480, Page 1429 (Memorandum of Lease as to Parcels 2 and 3)

**DEED OF TRUST
WITH FUTURE ADVANCES AND FUTURE OBLIGATIONS
GOVERNED BY SECTION 443.055 RSMO**

**THE TOTAL PRINCIPAL AMOUNT OF ALL OBLIGATIONS SECURED THAT MAY
BE SECURED BY THIS FUTURE ADVANCE DEED OF TRUST IS \$7,260,720.00**

MAXIMUM LIEN. The total principal amount of obligations at any one time which is secured by this Deed of Trust, in addition to any interest and any amounts advanced by the Bank (as defined below) for the protection of the security interests granted herein is \$7,260,720.00. This Deed of Trust (as defined herein) shall be governed by all provisions of Section 443.055 of the Revised Statutes of Missouri in effect as of the date of this Deed of Trust.

THIS DEED OF TRUST (as may be amended and supplemented, this "*Deed of Trust*") is dated as of May 1, 2010, by Winco Redevelopment Corporation, Inc., a Missouri corporation with a mailing address of 6200 Maple Avenue, St. Louis, MO 63130 (the "*Grantor*"); Fifth Third Bank, an Ohio banking corporation with a mailing address of 8000 Maryland Avenue, Suite 1400, St. Louis, MO 63105, as beneficiary (with and its successors and assigns, the "*Bank*" and the "*Grantee*"); and AT, INC., c/o Armstrong Teasdale LLP, with a mailing address prior to June 15, 2010 of One Metropolitan Square, Suite 2600, St. Louis, MO 63102, and a mailing address after June 14, 2010 of 7700 Forsyth Boulevard, Suite 1800, St. Louis, MO 63105 (the "*Trustee*").

CONVEYANCE AND GRANT. For valuable consideration, the Grantor does hereby grant, bargain, sell, convey, and confirm unto the Trustee for the benefit of the Bank as beneficiary (1) the real property described in **Exhibit A** hereto, including (a) the Grantor's fee simple interest in the real property described as Parcel 1, and (b) the Grantor's now or hereinafter acquired leasehold interest in, and option to purchase, the real property described as Parcels 2 and 3, (c) with respect to such Parcels 1, 2, and 3, all existing or subsequently erected or affixed Improvements (as defined hereinbelow); all easements, rights of way, and appurtenances; all water, water rights, and ditch rights (including stock in utilities with ditch or irrigation rights); all proceeds (including insurance proceeds); and all other rights, royalties, and profits, including without limitation all minerals, oil, gas, geothermal, and similar matters (as described **Exhibit A** hereto and in clauses (a), (b) and (c) above, the "*Real Property*"), and (2) all equipment, fixtures, and other articles of personal property now or hereafter owned by the Grantor, and now or hereafter attached or affixed to the Real Property together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Real Property (the "*Personal Property*" and, together with the Real Property, the "*Mortgaged Property*").

CROSS-COLLATERALIZATION. This Deed of Trust secures the following (collectively, the "*Indebtedness*"): all obligations, debts, and liabilities, plus interest thereon, (a) of the Grantor to the Bank pursuant to the Letter of Credit Application and Reimbursement Agreement dated as of May 1, 2010 by and between the Bank and the Grantor (the "*Reimbursement Agreement*"), (b) of Winco Window Company, Inc., a Missouri corporation ("*Winco Window*")

to the Bank pursuant to the Revolving Credit Agreement dated as of May 1, 2010 ("*Revolving Credit Agreement*") by and between the Bank and Winco Window, (c) of Winco Window to the Bank pursuant to the Revolving Credit Note dated June 10, 2010 by Winco Window for the benefit of the Bank (the "*Note*"), and (d) of the Grantor to the Bank pursuant to any Rate Management Agreements (as defined in the Reimbursement Agreement), as well as all claims by the Bank against the Grantor or Winco Window, whether now existing or hereafter arising, whether related or unrelated to the purpose of the instruments described in clauses (a) through (d) above, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether the Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

REVOLVING LINE OF CREDIT/REIMBURSEMENT AGREEMENT. Included in the amounts specified in the Indebtedness definition, and without limitation, this Deed of Trust secures (a) a revolving line of credit which obligates the Bank to make advances to Winco Window so long as Winco Window complies with all the terms of the Revolving Credit Agreement and the Note, and (b) the Grantor's obligations under the Reimbursement Agreement with respect to that certain irrevocable letter of credit issued by the Bank in favor of the bond trustee for the benefit of the holders of the City of University City, Missouri Tax-Exempt Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003.

The Grantor presently assigns to the Bank (also known as the Grantee in this Deed of Trust) all of the Grantor's right, title, and interest in and to all present and future leases and subleases of all or any portion of the Mortgaged Property and all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived by the Grantor from the Mortgaged Property (collectively, the "*Rents*"). In addition, the Grantor grants to the Bank a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

THE GRANTOR'S REPRESENTATIONS AND WARRANTIES. The Grantor warrants that: (a) the Grantor has the full power, sight, and authority to enter into this Deed of Trust; (b) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon the Grantor and do not result in a violation of any international, foreign, federal, state, and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, and administrative or judicial precedents, including without limitation the interpretation thereof by any international, foreign, federal, state, county, or municipal government, or political subdivision thereof, governmental or quasi-governmental agency, central bank, or comparable authority, authority, board, bureau, commission, department, instrumentality, or public body, or court or administrative tribunal of competent jurisdiction

charged with the enforcement thereof (collectively, the "Laws") applicable to the Grantor; (c) with respect to any guarantied Indebtedness, the Grantor has established adequate means of obtaining from Winco Window, BMS Holdings, Inc., a Missouri corporation, Winco Manufacturing, Inc., a Missouri corporation, Architectural Metals, Inc., a Missouri corporation, and/or Architectural Glass Products, LLC, a Missouri limited liability company (individually and collectively, the "Winco Affiliates"), or any additional borrower, on a continuing basis information about the financial condition of the Winco Affiliates or such other borrower; and (d) the Bank has made no representation to the Grantor about the Winco Affiliates or any other borrower (including without limitation the creditworthiness of such party).

GRANTOR'S WAIVERS. The Grantor waives any and all rights and defenses arising by reason of (a) any "one-action" or "anti-deficiency" law, or any other Law that may prevent the Bank from bringing any action or claim for deficiency against any of the Winco Affiliates or any other borrower, (b) any election of remedies by the Bank which may limit the Grantor's rights to proceed against any party liable under the Indebtedness, or (c) any disability or defense of any party indebted under the Indebtedness, any other guarantor or any other person by reason of cessation of the Indebtedness due under the Indebtedness for any reason other than full payment of the Indebtedness.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, the Grantor shall strictly perform all of the Grantor's obligations with respect to the Indebtedness and under this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE PROPERTY. The Bank and the Grantor agree that possession and use of the Mortgaged Property by the Grantor and/or any of the Winco Affiliates shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default (as defined hereinbelow), the Grantor may (1) remain in possession and control of the Mortgaged Property; (2) use, operate, or manage the Mortgaged Property; and (3) collect the Rents from the lease or sublease of the Mortgaged Property.

Duty to Maintain. The Grantor shall, or shall cause the Winco Affiliates, to maintain the Mortgaged Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. The Grantor represents and warrants to the Bank that: (1) During the period of the Grantor's ownership and/or leasing of the Mortgaged Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Materials (as defined in the Reimbursement Agreement) by any person on, under, about or from the Mortgaged Property; (2) the Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by the Bank in writing, (a) any breach or violation of any Environmental Laws (as defined in the Reimbursement Agreement), (b) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any Hazardous Materials on, under, about or from the Mortgaged Property by any prior owners or occupants of the Mortgaged Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and

(3) except as previously disclosed to and acknowledged by the Bank in writing, (a) neither the Grantor nor any tenant, contractor, agent, or other authorized user of the Mortgaged Property shall use, generate, manufacture, store, treat, dispose of, or release any Hazardous Materials on, under, about, or from the Mortgaged Property and (b) any such activity shall be conducted in compliance with all applicable Laws, including without limitation all Environmental Laws. Upon Grantee's reasonable notice to Grantor, the Grantor authorizes the Bank and its agents to enter upon the Mortgaged Property to make such inspections and tests, at the Grantor's expense, as the Bank may deem appropriate to determine compliance of the Mortgaged Property with this section of the Deed of Trust. Any inspections or tests made by the Bank shall be for the Bank's purposes only and shall not be construed to create any responsibility or liability on the part of the Bank to the Grantor or to any other person. The representations and warranties contained herein are based on the Grantor's due diligence in investigating the Mortgaged Property for Hazardous Materials. The Grantor hereby (1) releases and waives any future claims against the Bank for indemnity or contribution in the event the Grantor becomes liable for cleanup or other costs under any such Laws and (2) agrees to indemnify and hold harmless the Bank against any and all claims, losses, liabilities, damages, penalties, and expenses which the Bank may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release, or threatened release occurring prior to the Grantor's ownership or interest in the Mortgaged Property, whether or not the same was or should have been known to the Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by the Bank's acquisition of any interest in the Mortgaged Property, whether by foreclosure or otherwise.

Nuisance, Waste. The Grantor shall not cause, conduct, or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Mortgaged Property or any portion of the Mortgaged Property. Without limiting the generality of the foregoing, the Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel, or rock products without the Bank's prior written consent.

Removal of Improvements. The Grantor shall not demolish or remove from the Real Property any existing or future improvements, buildings, structures, fixtures, facilities, additions, or affixed to or constructed on the Real Property (collectively, the "Improvements") from the Real Property without the Bank's prior written consent. As a condition to the removal of any Improvements, the Bank may require the Grantor to make arrangements satisfactory to the Bank to replace such Improvements with Improvements of at least equal value.

Right to Enter and Inspect. The Bank and the Bank's agents and representatives may enter upon the Real Property, after giving reasonable notice, at all reasonable times to attend to the Bank's interests and to inspect the Real Property for purposes of determining the Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Laws. The Grantor shall promptly comply with all Laws now or hereafter in effect applicable to the use or occupancy of the Mortgaged Property, including without limitation, the Americans With Disabilities Act. The Grantor may contest in good faith any such Law and withhold compliance during any proceeding, including appropriate appeals, so long as

the Grantor has notified the Bank in writing prior to doing so and so long as, in the Bank's sole opinion, the Bank's interests in the Mortgaged Property are not jeopardized. The Bank may require the Grantor to post adequate security or a surety bond, reasonably satisfactory to the Bank, to protect the Bank's interest.

Duty to Protect. The Grantor agrees neither to abandon or leave unattended the Mortgaged Property. The Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Mortgaged Property are reasonably necessary to protect and preserve the Mortgaged Property.

DUE ON SALE-CONSENT BY BANK. The Bank may, at the Bank's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Bank's prior written consent, of all or any part of the Mortgaged Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title, or interest in the Real Property whether legal, beneficial, or equitable, whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. Except as permitted by Section 7.3 of the Reimbursement Agreement, if the Grantor is a corporation, partnership, or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of the Grantor.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Mortgaged Property are part of this Deed of Trust:

Payment. The Grantor shall pay when due (and in all events prior to delinquency) all taxes, payments in lieu of taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Mortgaged Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Mortgaged Property. The Grantor shall not further encumber the Mortgaged Property or permit or suffer any mechanic's, laborer's, materialman's, statutory, or other lien on the Mortgaged Property, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. The Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as the Bank's interest in the Mortgaged Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, the Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the Grantor has notice of the filing, secure the discharge of the lien, or if requested by the Bank, deposit with the Bank cash or a sufficient corporate surety bond or other security satisfactory to the Bank in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, the Grantor shall defend itself and the Bank and shall satisfy any adverse judgment before enforcement against the Mortgaged Property. The Grantor shall name the Bank as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. The Grantor shall upon demand furnish to the Bank satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to the Bank at any time a written statement of the taxes and assessments against the Mortgaged Property.

Notice of Construction. The Grantor shall notify the Bank at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Mortgaged Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. The Grantor will upon request of the Bank furnish to the Bank advance assurances satisfactory to the Bank that the Grantor can and will pay the cost of such Improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Mortgaged Property are a part of this Deed of Trust.

Maintenance of Insurance. The Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis (or the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of the Bank. The Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as the Bank may request with the Trustee and the Bank being named as additional insureds in such liability insurance policies. Additionally, the Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as the Bank may reasonably require. Policies shall be written in form, amounts, coverages, and basis reasonably acceptable to the Bank and issued by a company or companies reasonably acceptable to the Bank. The Grantor, upon request of the Bank, will deliver to the Bank from time to time the policies or certificates of insurance in form satisfactory to the Bank, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to the Bank. Each insurance policy also shall include an endorsement providing that coverage in favor of the Bank will not be impaired in any way by any act, omission or default of the Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, the Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by the Bank that the Mortgaged Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by the Bank, and to maintain such insurance for the term of the loan.

Application of Proceeds. All insurance moneys received on account of any loss or damage to the Mortgaged Property shall be applied pursuant to the provisions contained in Section 6.17 of the Reimbursement Agreement.

Grantor's Report on Insurance. Upon request of the Bank, however not more than once a year, the Grantor shall furnish to the Bank a report on each existing policy of insurance showing (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. The Grantor shall, upon request of the Bank,

have an independent appraiser satisfactory to the Bank determine the cash value replacement cost of the Mortgaged Property.

Notice Regarding Insurance. The following notice is provided pursuant to Section 427.120 of Missouri Revised Statutes. As used herein, the terms "you" and "your" shall refer to the Grantor and the terms "we" and "us" shall refer to the Bank. **UNLESS YOU PROVIDE EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY YOUR AGREEMENT WITH US, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTERESTS IN YOUR COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT YOUR INTERESTS. THE COVERAGE THAT WE PURCHASE MAY NOT PAY ANY CLAIM THAT YOU MAKE OR ANY CLAIM THAT IS MADE AGAINST YOU IN CONNECTION WITH THE COLLATERAL. YOU MAY LATER CANCEL ANY INSURANCE PURCHASED BY US, BUT ONLY AFTER PROVIDING EVIDENCE THAT YOU HAVE OBTAINED INSURANCE AS REQUIRED BY OUR AGREEMENT. IF WE PURCHASE INSURANCE FOR THE COLLATERAL, YOU WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING THE INSURANCE PREMIUM, INTEREST AND ANY OTHER CHARGES WE MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO YOUR TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE YOU MAY BE ABLE TO OBTAIN ON YOUR OWN.**

BANK'S EXPENDITURES. If any action or proceeding is commenced that would materially affect the Bank's interest in the Mortgaged Property or if the Grantor fails to comply with any provision of this Deed of Trust or any other Loan Documents (as defined in the Reimbursement Agreement), including but not limited to the Grantor's failure to discharge or pay when due any amounts the Grantor is required to discharge or pay under this Deed of Trust or any other Loan Documents, the Bank on the Grantor's behalf may (but shall not be obligated to) take any action that the Bank deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances, and other claims, at any time levied or placed on the Mortgaged Property and paying all costs for insuring, maintaining, and preserving the Mortgaged Property. All such expenditures incurred or paid by the Bank for such purposes will then bear interest at the Default Rate (as defined in the Reimbursement Agreement) from the date incurred or paid by the Bank to the date of repayment by the Grantor. All such expenses will become a part of the Indebtedness and, at the Bank's option, will (A) be payable on demand; (B) be added to the balance of the Indebtedness and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy or (2) the period in which any Indebtedness are outstanding. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which the Bank may be entitled upon default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Mortgaged Property are a part of this Deed of Trust:

Title. The Grantor warrants that the Grantor holds: (a) a leasehold interest in, and option to purchase, the real property described as Parcels 2 and 3 of **Exhibit A** attached hereto, and (b) fee simple interest in the real property described as Parcel 1 of **Exhibit A** attached hereto, free and clear of all liens and encumbrances other than those set forth in the Real Property description or

in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, the Bank in connection with this Deed of Trust, and (b) the Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to the Bank.

Defense of Title. Subject to the exception in the paragraph above, the Grantor warrants and will forever defend its leasehold interest in or fee simple title to, as applicable, the Mortgaged Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions (a) the Grantor's leasehold interest in or fee simple title to, as applicable, the Mortgaged Property, or (b) the interest of the Trustee or the Bank under this Deed of Trust, then the Grantor shall defend such action at the Grantor's expense. The Grantor may be the nominal party in such proceeding, but the Bank shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of the Bank's own choice, and the Grantor will deliver, or cause to be delivered, to the Bank such instruments as the Bank may request from time to time to permit such participation.

Compliance With Laws. The Grantor warrants that the Mortgaged Property and the Grantor's use of the Mortgaged Property complies with all Laws.

Survival of Representations and Warranties. All representations, warranties, and agreements made by the Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as the Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, the Grantor shall promptly notify the Bank in writing, and the Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. The Grantor may be the nominal party in such proceeding, but the Bank shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and the Grantor will deliver or cause to be delivered to the Bank such instruments and documentation as may be requested by the Bank from time to time to permit such participation.

Application of Net Proceeds. Any amounts awarded to the Grantor with respect to any or all of the Mortgaged Property taken through condemnation proceedings or by virtue of the exercise of the right of eminent domain or pursuant to governmental action, shall be applied pursuant to the provisions contained in Section 6.17 of the Reimbursement Agreement.

IMPOSITION OF TAXES, FEES, AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees, and charges are a part of this Deed of Trust.

Current Taxes, Fees, and Charges. Upon request by the Bank, the Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by the Bank to perfect and continue the Bank's lien on the Mortgaged Property. The Grantor shall reimburse the Bank for all taxes, as described below, together with all expenses incurred in

recording, perfecting or continuing this Deed of Trust, including without limitation, all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on the Grantor or any of the Winco Affiliates which party is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust (3) a tax on this type of Deed of Trust chargeable against the Bank or the holder of Bank's interests in the Indebtedness; and (4) a specific tax on all or any portion of the Indebtedness or on payments made by the Grantor or any of the Winco Affiliates with respect to the Indebtedness.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and the Bank may exercise any or all of its available remedies for an Event of Default as provided below unless the Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with the Bank cash or a sufficient corporate surety bond or other security satisfactory to the Bank.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Mortgaged Property constitutes fixtures or other personal property, and the Bank shall have all or the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by the Bank, the Grantor shall execute financing statements and take whatever other action is requested by the Bank to perfect and continue the Bank's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, the Bank may, at any time and without further authorization from the Grantor, file executed counterparts, copies, or reproductions of this Deed of Trust as a financing statement. The Grantor shall reimburse the Bank for all expenses incurred in perfecting or continuing this security interest. Upon default, the Grantor shall not remove, sever, or detach any Personal Property from the Real Property. Upon default, the Grantor shall assemble any Personal Property not affixed to the Real Property in a manner and at a place reasonably convenient to the Grantor and the Bank and make it available to the Bank within three (3) days after receipt of written demand from the Bank to the extent permitted by applicable Law.

Addresses. The mailing addresses of the Grantor (debtor) and the Bank (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of the Bank, the Grantor will make, execute, and deliver, or will cause to be made, executed, or delivered, to the Bank or

to the Bank's designee, and when requested by the Bank, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as the Bank may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of the Bank, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) the obligations of the Grantor and the Winco Affiliates under this Deed of Trust and the other Loan Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Mortgaged Property, whether now owned or hereafter acquired by the Grantor. Unless prohibited by Law or the Bank agrees to the contrary in writing, the Grantor shall reimburse the Bank for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-In-Fact. If the Grantor fails to do any of the things referred to in the preceding paragraph, the Bank may do so for and in the name of the Grantor and at the Grantor's expense. For such purposes, the Grantor hereby irrevocably appoints the Bank as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in the Bank's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If the Grantor shall strictly perform all of the Grantor's obligations with respect to the Indebtedness and otherwise performs all the obligations imposed upon the Grantor under this Deed of Trust, then this must shall cease and be void and the Mortgaged Property shall be released at the cost of the Grantor.

REINSTATEMENT OF SECURITY INTEREST. If payment is made by the Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter the Bank is forced to remit the amount of that payment (A) to the Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree, or order of any court or administrative body having jurisdiction over the Bank or any of the Bank's property, or (C) by reason of any settlement or compromise of any claim made by the Bank with any claimant (including without limitation the Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Deed of Trust and this Deed of Trust shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Deed of Trust or of any note or other instrument or agreement evidencing the Indebtedness and the Mortgaged Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by the Bank, and the Grantor shall be bound by any judgment, decree, order, settlement, or compromise relating to the Indebtedness or to this Deed of Trust.

EVENTS OF DEFAULT. Each of the following (each, an "*Event of Default*"), at the Bank's option, shall constitute an Event of Default under this Deed of Trust;

Payment Default. The Grantor or any of the Winco Affiliates fails to make any payment when due under the Indebtedness.

Other Default. The Grantor or any of the Winco Affiliates fails to comply with or to perform any other term, obligation, covenant, or condition contained in this Deed of Trust or in any of the Loan Documents or to comply with or to perform any term, obligation, covenant, or condition contained in any other agreement between the Bank and the Grantor or the Winco Affiliates, or the occurrence of an "event of default," however defined, under any other Loan Documents.

Default Under the Indebtedness. Failure by the Grantor or any of the Winco Affiliates to comply with any term, obligation, covenant, or condition contained in the Indebtedness.

Compliance Default. Failure by the Grantor or any of the Winco Affiliates to comply with any other term, obligation, covenant, or condition contained in this Deed of Trust or in any other Loan Documents. If such a failure is curable and if the Grantor or the Winco Affiliates have not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if the Grantor or the Winco Affiliates, after the Bank sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

Default on Other Payments. Failure of the Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should the Grantor or the Winco Affiliates default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of the Grantor's property or the ability of the Grantor or the Winco Affiliates to repay the Indebtedness or perform their respective obligations under this Deed of Trust or any of the Loan Documents.

False Statements. Any warranty, representation, or statement made or furnished to the Bank by the Grantor or any of the Winco Affiliates or on such party's behalf under this Deed of Trust or the Loan Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Termination of Future Advances. The Grantor's exercise of the Grantor's rights under Mo. Rev. Stat. Section 443.055 (or any successor provision to such statute) to terminate the operation of this Deed of Trust as security for future advances on future obligations.

Defective Collateralization. This Deed of Trust or any of the Loan Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of the existence of the Grantor or any of the Winco Affiliates as a going business, the solvency of the Grantor or any of the Winco Affiliates, the appointment of a receiver for any part of the property of the Grantor or any of the Winco Affiliates, any assignment for the benefit of creditors, any type of creditor workout, or the

commencement of any proceeding under any bankruptcy or insolvency laws by or against the Grantor or any of the Winco Affiliates.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession, or any other method, by any creditor of the Grantor or any of the Winco Affiliates by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of the accounts, including deposit accounts, of the Grantor or any of the Winco Affiliates with the Bank. However, this Event of Default shall not apply if there is a good faith dispute by the Grantor or any of the Winco Affiliates as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if the Grantor or any of the Winco Affiliates gives the Bank written notice of the creditor or forfeiture proceeding and deposits with the Bank monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by the Bank, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by the Grantor or any of the Winco Affiliates under the terms of any other agreement between the Grantor or such Winco Affiliates and the Bank that is not remedied within any grace period provided therein, including without limitation any agreement concerning any Indebtedness or other obligation of the Grantor or any of the Winco Affiliates to the Bank, whether existing now or later.

Events Affecting Guaranties. Any of the preceding events occurs with respect to any of the Winco Affiliates or the Guarantor or any of the Winco Affiliates revokes or disputes the validity of, or liability under, any guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in the financial condition of the Grantor or the Winco Affiliates, or the Bank believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. The Bank in good faith believes itself insecure with respect to the Indebtedness.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, the Trustee or the Bank may exercise any one or more of the following rights and remedies.

Accelerate Indebtedness. The Bank shall have the right at its option without notice to the Grantor or any of the Winco Affiliates to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which the Grantor or the Winco Affiliates would be required to pay.

Foreclosure. The Bank shall have the right to direct the Trustee to proceed to sell the Mortgaged Property at public vendue or out-cry to the highest bidder for cash, (as to any part of the Mortgaged Property situated in the City of St. Louis) at the Court House located in the Civil Courts Building, 10 North Tucker Blvd., in the City of St. Louis; and/or (as to any part of the Mortgaged Property situated in the County of St. Louis) at the First Floor, Plaza Level, North Door of the St. Louis County Government Center Courts Building, 7900 Carondelet Avenue, in Clayton, in the County of St. Louis, State of Missouri, first giving all notices required by Missouri law, then in effect, with respect to exercising powers of sale under the deed of trust.

Upon such sale, the Trustee shall execute and deliver a deed or deeds of conveyance of the Mortgaged Property sold to the purchasers thereof, and any statement or recital of fact in any such deed shall be prima facie evidence of the truth of such statement or recital. The Trustee shall receive the proceeds of any such sale, out of which the Trustee shall pay, first the costs and expenses of executing this trust, including compensation to the Trustee and to any attorneys employed by the Trustee for their services and the cost of procuring evidence of title; second, to the Bank, for all moneys paid for insurance, taxes, lien claims, and other charges, together with interest thereon as provided in this Deed of Trust; third, to the Bank, all remaining Indebtedness; fourth, the remainder, if any, to the holders of any lien on the Mortgaged Property junior to the lien of this Deed of Trust and to the Grantor, as their interests may appear. In the event the net proceeds of such sale or sales shall not be sufficient to pay in full the Indebtedness secured by this Deed of Trust, unless prohibited by law, the Grantor hereby promises and agrees to pay any deficiency thereon on demand, with interest.

Until a sale shall be held hereunder, the Trustee hereby lets the Mortgaged Property to the Grantor, upon the following terms and conditions: the Grantor, and every and all persons claiming or possessing the Mortgaged Property, or any part thereof, by, through, or under the Grantor shall or will pay rent therefor during said term at the rate of one cent per month, payable monthly upon demand and shall and will surrender peaceable possession of the Mortgaged Property, and any and every part thereof, to the Trustee, its successors, assignees, or purchasers thereof, without notice or demand therefor, upon the occurrence of such sale.

UCC Remedies. With respect to all or any part of the Personal Property, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. The Bank shall have the right, without notice to the Grantor to take possession of and manage the Mortgaged Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above the Bank's costs against the Indebtedness. In furtherance of this right, the Bank may require any tenant or other user of the Mortgaged Property to make payments of rent or use fees directly to the Bank. If the Rents are collected by the Bank, then the Grantor irrevocably designates the Bank as the Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of the Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to the Bank in response to Bank's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. The Bank may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. The Bank shall have the right to have a receiver appointed to take possession of all or any part of the Mortgaged Property with the power to protect and preserve the Mortgaged Property, to operate the Mortgaged Property preceding foreclosure or state, and to collect the Rents from the Mortgaged Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. The Bank's right to the appointment of a receiver shall exist whether or not the apparent value of the Mortgaged Property exceeds the Indebtedness by a substantial amount. Employment by the Bank shall not disqualify a person from serving as a receiver.

Other Remedies. The Trustee or the Bank shall have any other right or remedy provided in this Deed of Trust or the other Loan Documents or by law.

Election of Remedies. Except as may be prohibited by applicable law, all of the Bank's rights and remedies, whether evidenced by this Deed of Trust, the other Loan Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by the Bank to pursue any remedy shall not exclude pursuit of any other remedy, and as election to make expenditures or to take action to perform an obligation of the Grantor under this Deed of Trust, after the Grantor's failure to perform, shall not affect the Bank's right to declare a default and exercise its remedies.

Cumulative Remedies. All of the Bank's rights and remedies, whether evidenced by this Deed of Trust, the other Loan Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by the Bank to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of the Grantor under this Deed of Trust, after the Grantor's failure to perform, shall not affect the Bank's right to declare a default and to exercise its remedies.

Notice of Sale. The Bank shall give the Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Mortgaged Property. To the extent permitted by applicable Law, the Grantor hereby waives any and all rights to have the Mortgaged Property marshaled. In exercising its rights and remedies, the Trustee or the Bank shall be free to sell all or any part of the Mortgaged Property together or separately, in one sale or by separate sale. The Bank shall be entitled to bid at any public sale on all or any portion of the Mortgaged Property.

Attorneys' Fees; Expenses. If the Bank institutes any suit or action to enforce any of the terms of this Deed of Trust, the Bank shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses the Bank incurs that in the Bank's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Default Rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation (but subject to any limits under applicable Laws), the Bank's attorney fees and the Bank's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. The Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. The Trustee shall have all of the rights and duties of the Bank as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of the Trustee are part of this Deed of Trust;

Powers of Trustee. In addition to all powers of the Trustee arising as a matter of law, the Trustee shall have the power to take the following actions with respect to the Mortgaged Property to the extent necessary to give clear title and upon the written request of the Bank and the Grantor (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of the Bank under this Deed of Trust.

Obligations to Notify. The Trustee shall not be obligated to notify any other party of a pending sale under any other trust, deed, or lien, or of any action or proceeding in which the Grantor, the Bank, or the Trustee shall be a party, unless the action or proceeding is brought by the Trustee.

Trustee. The Trustee shall meet all qualifications required for the Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Mortgaged Property, the Trustee shall have the right to foreclose by notice and sale, and the Bank shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. The Bank, at the Bank's option, may from time to time appoint a successor trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by the Bank and recorded in the office of the recorder of St. Louis County, Missouri. The instrument shall contain, in addition to all other matters required by state law, the names of the original Bank, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by the Bank or its successor in interest. The successor trustee, without conveyance of the Mortgaged Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any Lien which has priority over this Deed of Trust shall be sent to the Bank's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, the Grantor agrees to keep the Bank informed at all times of the Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by the Bank to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any other Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Mortgaged Property is used (for purposes other than the Grantor's place of business, the Grantor shall furnish to the Bank, upon request, a certified statement of net operating income received from the Mortgaged Property during the Grantor's previous fiscal year in such form and detail as the Bank shall require. "Net operating income" shall mean all cash receipts from the Mortgaged Property less all cash expenditures made in connection with the operation of the Mortgaged Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Incorporation By Reference. All riders, schedules, and exhibits attached hereto are hereby incorporated by reference to this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Mortgaged Property at any time held by or for the benefit of the Bank in any capacity, without the written consent of the Bank.

Governing Law. This Deed of Trust will be governed by, construed, and enforced in accordance with federal law and the laws of the State of Missouri. This Deed of Trust has been accepted by the Bank in the State of Missouri.

Joint and Several Liability. All obligations of the Grantor under this Deed of Trust shall be joint and several, and all references to the Grantor shall mean each and every Grantor. This means that each party signing below is responsible for all obligations in this Deed of Trust. Where any one or more of the parties is a corporation, partnership, limited liability company, or similar entity, it is not necessary for the Bank to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Deed of Trust.

No Waiver by the Bank. The Bank shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Bank of a provision of this Deed of Trust shall not prejudice or constitute a waiver of the Bank's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by the Bank, nor any course of dealing between the Bank and the Grantor, shall constitute a waiver of any of the Bank's rights or of any of the Grantor's obligations as to any future transactions. Whenever the consent of the Bank is required under this Deed or Trust, the granting of such consent by the Bank in any instance shall not

constitute continuing consent to subsequent instances where such consent is required and in all cases such consent maybe granted or withheld in the sole discretion of the Bank.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid, and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity, or enforceability of any other provision of this Deed of Trust.

Survival of Reimbursement Agreement. For purposes of references herein, all terms and provisions of the Reimbursement Agreement referenced herein shall survive any termination or release of the Reimbursement Agreement.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of the Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If the Grantor's leasehold interest of ownership, as applicable, of the Mortgaged Property becomes vested in a person other than the Grantor, the Bank, without notice to the Grantor, may deal with the Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing the Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

DEFINITIONS. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code.

WAIVE JURY. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

(The remainder of this page is intentionally left blank.)

THE GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND THE GRANTOR AGREES TO ITS TERMS.

GRANTOR:

WINCO REDEVELOPMENT CORPORATION, INC.

By: _____

Wilfred J. Krenn, Secretary/Treasurer

STATE OF MISSOURI)

) SS.

COUNTY OF ST. LOUIS)

On this 24 day of May, 2010, before me appeared Wilfred J. Krenn, to me personally known, who, being by me duly sworn, did say that he is the Secretary/Treasurer of Winco Redevelopment Corporation, Inc., a corporation organized under the laws of the State of Missouri, and that said instrument was signed in behalf of said corporation by authority of its board of directors, and said officer acknowledged said instrument to be the free act and deed of said corporation and that said corporation has no corporate seal.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.

Maureen J. Parrish
Name(print): MAUREEN J. PARRISH
Notary Public in and for said State MISSOURI
My Commission Expires April 24, 2013

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

EXHIBIT A TO DEED OF TRUST

LEGAL DESCRIPTION OF PARCEL 1

6200 MAPLE AVENUE

TAX PARCEL 18H443288

A tract of land being Lots M-20 and M-21 of Cunningham Park, Plat No. 2, as recorded in Plat Book 136, Pages 40 and 41, Lots 26 thru 54 in Block 6 of Delmar Avenue Addition, as recorded in Plat Book 4, Pages 74 and Maple Avenue (60 feet wide) vacated by Ordinance No. 5577 recorded in Book 8025, Page 1828, the West ½ Leona Avenue (40 feet wide) vacated by Ordinance No. 4567 recorded in Book 6460, Page 161 and Irma Avenue (40 feet wide) by Ordinance 4567 as recorded in Book 6460, Page 161 of the St. Louis County, Missouri records and being more particularly described as follows:

Beginning at a point in the Southwest corner of Lot M-21 being the intersection of the Northern right-of-way line of Olive (60' wide) Boulevard with the Eastern right-of-way of East Park Industrial (50' wide) drive; thence South 72 degrees 09 minutes 21 seconds East along the said northern line of said Olive Boulevard a distance of 649.71 feet to a point in the Western right-of-way of Hays (40' wide) Avenue; thence North 00 degrees 37 minutes 15 seconds East along said Western line of Hays Avenue a distance of 394.78 feet to a point in the Southern right-of-way of Maple (60' wide) Avenue; thence North 88 degrees 49 minutes 45 seconds West along the Southern line of Maple Avenue a distance of 612.96 feet to a point of curvature; thence along a curve to the left having a radius of 25.00 feet an arc distance of 39.51 feet to a point of tangency; thence South 00 degrees 37 minutes 15 seconds West along the Eastern line of said East Park Industrial Drive a distance of 159.41 feet to a point of curvature; thence along a curve to the left having a radius of 25.00 feet an arc distance of 31.71 feet to the point of beginning containing 4.38 acres more or less.

LEGAL DESCRIPTION OF PARCEL 2

6315 MAPLE AVENUE

TAX PARCEL 17H123066

A tract of land being Lots M-13, M-14 and M-17 in Cunningham Industrial Park, Plat No. 1 as recorded in Plat Book 136, Pages 38 & 39, Lots 2 thru 9, 15 thru 24, and 35 thru 43 of Block B of West Horton Place and Lots 1 thru 24 of Block C of West Horton Place as recorded in Plat Book 5, Page 2 of the St. Louis County, Missouri Records and being more particularly described as follows:

Beginning at the Northwest corner of Lot M-13 of Cunningham Industrial Park Plat No. 1, said point on the Southern right-of-way line of Bartmer Industrial Drive (50' wide); thence along the Southern line of Bartmer Industrial Drive South 88 degrees 45 minutes 45 seconds East a distance of 368.10 feet to a point of curvature; thence along a curve to the left having a radius of 100.00 feet and an arc length of 91.00 feet to a point of tangency; thence North 39 degrees 14 minutes 15 seconds East a distance of 20.11 feet to a point; thence South 00 degrees 37 minutes 15 seconds West a distance of 279.28 feet to a point; thence South 88 degrees 45 minutes 45 seconds East a distance of 20.00 feet to a point; thence South 00 degrees 37 minutes 15 seconds

West a distance of 254.64 feet to a point; thence North 88 degrees 49 minutes 45 seconds West a distance of 480.62 feet to a point of curvature; thence along a curve to the right having a radius of 25.00 feet and an arc length of 39.03 feet to a point of tangency; thence North 00 degrees 37 minutes 15 seconds East a distance of 430.21 feet to a point of curvature; thence along a curve to the right having a radius of 25.00 feet and an arc length of 39.54 feet to a point of tangency being the point of beginning containing 5.49 acres more or less.

LEGAL DESCRIPTION OF PARCEL 3
VACATED MAPLE AVENUE
(ORDINANCE NO. 5577)
TAX PARCEL 17H123066

A tract of land in St. Louis County, Missouri, and being a portion of Maple Avenue (60' wide).

Beginning at a point of intersection of the North line of Maple Avenue with the West line of Leone Avenue (40 feet wide - now vacated); thence South 01 degree 10 minutes 15 seconds West 60.00 feet to a point on the South line of Maple Avenue; thence along said South line, North 88 degrees 49 minutes 45 seconds West a distance of 460.14 feet to a point of curvature; thence along a curve to the left, whose radius is 25.00 feet and central angle is 90 degrees 33 minutes to a point of tangency, said point being on the East line of East Park Industrial Drive (50 feet wide); thence North 01 degree 10 minutes 15 seconds East a distance of 110.00 feet to a point of curvature, said point being on the East line of East Park Industrial Drive; thence along a curve to the left, whose radius is 25.00 feet and central angle is 89 degrees 27 minutes to a point of tangency, said point being on the North line of said Maple Avenue; thence along said North line, South 88 degrees 49 minutes 45 seconds East a distance of 460.82 feet to the point of beginning and containing 0.74 acres more or less.

LEASEHOLD RIDER TO DEED OF TRUST

THIS LEASEHOLD RIDER TO DEED OF TRUST (this "*Rider*") is attached to, and by this reference incorporated in, the foregoing Deed of Trust (the "*Deed of Trust*") being executed and delivered to Fifth Third Bank, a Ohio banking corporation (the "*Bank*" and "*Grantee*") by Winco Redevelopment Corporation, Inc., a Missouri corporation (the "*Grantor*") and dated of even date herewith. In the event of any conflict between the terms of this Rider and any other provisions of the Deed of Trust, the terms of this Rider shall govern. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Deed of Trust.

The parties hereto acknowledge and agree that the Deed of Trust covers and, with respect to the Real Property described as Parcels 2 and 3 in the attached Exhibit A (the "*Leased Property*"), is limited to the Grantor's leasehold estate in the Leased Property (the "*Tenancy*") pursuant to a certain Lease Agreement dated November 1, 2003 (the "*Lease*") between the Grantor and the City of University City, Missouri (the "*Lessor*"), a memorandum of which was recorded November 19, 2003 in Book 15480, Page 1429, of the records of the Office of the Recorder of Deeds of St. Louis County, Missouri.

The Grantor hereby covenants, represents, and warrants as follows with respect to the Lease:

1. The Lease is a valid and subsisting lease of the Leased Property, is in full force and effect in accordance with its terms, and has not been amended or modified in any respect.
2. No default has occurred and is continuing under the Lease and no event has occurred or is occurring which, with the passage of time or service of notice, or both, would constitute an event of default under the Lease.
3. The Lease is not subject to any liens or encumbrances of any kind or nature.
4. The Grantor is the owner of the Tenancy created by the Lease, has the right and authority under the Lease to execute the Deed of Trust and to encumber the Tenancy as provided therein, and the Grantor's execution and delivery of the Deed of Trust to Bank does not violate the terms or provisions of any other document to which the Grantor is a party or by which its property may be bound or affected.
5. The Grantor will promptly perform and observe all the terms, covenants, and conditions required to be performed and observed by the Grantor as lessee under the Lease, within the periods provided in the Lease. The Grantor shall also do all things necessary to preserve and keep unimpaired its rights under the Lease. The Grantor will furnish the Bank, upon demand, proof of payment of all items which are required to be paid by the Grantor pursuant to the Lease and proof of payment of which is required to be given to the Lessor under the Lease. The Grantor shall not, without the prior written consent of the Bank, waive any of its rights under the Lease, or refrain from exercising any right or remedy accorded to it under the Lease on account of any default by the Lessor thereunder, or release the Lessor from any liability or condone or excuse any improper actions of the Lessor without first obtaining the written consent of the Bank.

6. For the purpose of preventing or curing any default by the Grantor under the Lease, the Bank may (but shall be under no obligation to) do any act or execute any document in the name of the Grantor or as its attorney-in-fact, as well as in the name of the Bank. The Grantor hereby irrevocably appoints the Bank its true and lawful attorney-in-fact in its name or otherwise to do any and all acts and to execute any and all documents which in the opinion of the Bank may be necessary or desirable to prevent or cure any default under the Lease or to preserve any rights of the Bank in, to or under the Lease, or any sublease thereof, including the right to effectuate a renewal of the Lease or to preserve any rights of the Grantor whatsoever in respect of any part of the Leased Property.

7. The curing by the Bank of any default by the Grantor under the Lease shall not remove or waive, as between the Grantor and the Bank, the Event of Default which occurred hereunder by virtue of the default by the Grantor under such Lease, and all sums expended by the Bank in order to cure any such default and costs and expenses incurred by the Bank in connection with the curing of such default shall be paid by the Grantor to the Bank upon demand with interest thereon at the Default Rate, and any such indebtedness shall be deemed to be secured by the Deed of Trust.

8. The Grantor shall not, without the written consent of the Bank, modify or amend the Lease or terminate or surrender the Lease or suffer or permit the Lease to be terminated or surrendered or consent to any subordination of the Lease to any mortgage by the Lessor or the Grantor in the Mortgaged Property. The Bank's consent to a modification or amendment to the Lease shall not be unreasonably withheld or delayed.

9. The Grantor shall notify the Bank promptly of (i) the occurrence of any default by the Lessor under the Lease or the occurrence of any event which, with the passage of time or service of notice, or both, would constitute a default by the Lessor under the Lease, (ii) the receipt by the Grantor of any written notice from the Lessor under the Lease and of any written notice noting or claiming the occurrence of any default by the Grantor under the Lease or the occurrence of any event which, with the passage of time or service of notice, or both, would constitute a default by the Grantor under the Lease, (iii) any request made by either party to the Lease for arbitration proceedings pursuant to such Lease, if any, and of the institution or commencement of arbitration proceedings thereunder. The Grantor shall promptly cause a copy of each notice sent to or by the Grantor under the Lease to be delivered to the Bank. The Grantor shall also permit the Bank to participate in any arbitration proceedings in association with the Grantor, and if at the time any such arbitration proceedings shall be initiated, the Grantor shall be in default hereunder and an Event of Default has occurred, the Bank is hereby granted the sole and exclusive right to designate and appoint any arbitrators to be appointed by the Grantor under the Lease.

10. Promptly upon demand by Bank, the Grantor shall use reasonable efforts to obtain from the Lessor under the Lease and furnish to the Bank an estoppel certificate of the Lessor stating the date through which rent has been paid, the terms of the Lease, any amendments and whether or not there are any defaults under the Lease and specifying the nature of such defaults, if any.

11. The Grantor shall not sell or assign the Lease or any of its rights thereunder or the Tenancy created thereby or sublease all or any portion of the Leased Property without the prior written consent of the Bank. Any change in the members, general partners, or shareholders of the Grantor shall also constitute a prohibited assignment of the Lease.

12. If both the Grantor's and the Lessor's estates under the Lease shall at any time become vested in the Grantor, the Grantor agrees upon the demand of the Bank to execute in form acceptable to the Bank a supplemental deed of trust subjecting the Grantor's fee ownership interest to the Deed of Trust.

13. The lien of the Deed of Trust includes and attaches to all of the Grantor's rights and remedies at any time arising under or pursuant to Section 365(h) of the Bankruptcy Code (as hereinafter defined), including, without limitation, all of the Grantor's rights to remain in possession of the real estate.

14. The Grantor shall not without the Bank's prior written consent elect to treat the Lease as terminated or to remain in possession of the real estate under Section 365(h)(1) of the Bankruptcy Code (as hereinafter defined). Any such election made without Bank's prior written consent shall be void.

15. The Grantor hereby unconditionally assigns, transfers, and sets over to Bank all of the Grantor's claims and rights to the payment of damages arising from any rejection by the Lessor of the Lease under the Bankruptcy Code, 11 U.S.C. §101 et seq. (the "*Bankruptcy Code*"). The Bank shall have the right to proceed in its own name or in the name of the Grantor in respect of any claim, suit, action, or proceeding relating to the rejection of the Lease, including, without limitation, the right to file and prosecute, to the exclusion of the Grantor, any proofs of claim, complaints, motions, applications, notice, and other documents, in any case in respect of the Lessor under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights, and remedies, and shall continue in effect until all of the Indebtedness and other obligations secured by the Deed of Trust shall have been satisfied and discharged in full. Any amounts received by the Bank as damages arising out of the rejection of the Lease as aforesaid shall be applied first to all costs and expenses of the Bank (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection with the exercise of any of its rights or remedies under this paragraph and then as otherwise provided in the Deed of Trust.

16. If pursuant to Section 365(h)(2) of the Bankruptcy Code, the Grantor seeks to offset against the rent reserved in the Lease the amount of any damages caused by the non-performance by the Lessor of any of the Lessor's obligations under the Lease after the rejection by the Lessor of the Lease under the Bankruptcy Code, the Grantor shall, prior to effecting such offset, notify the Bank of its intent so to do, setting forth the amounts proposed to be so offset and the basis therefor. The Bank shall have the right to object to all or any part of such offset, and, in the event of such objection, the Grantor shall not affect any offset of the amounts so objected to by the Bank. If the Bank has failed to object as aforesaid within thirty (30) days after notice from the Grantor in accordance with the first sentence of this paragraph, the Grantor may proceed to effect such offset in the amounts set forth in the Grantor's notice. Neither the Bank's failure to object as aforesaid nor any objection or other communication between the Bank and

the Grantor relating to such offset shall constitute an approval of any such offset by the Bank. The Grantor shall indemnify and save the Bank harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs, and expenses of every nature whatsoever (including, without limitation, attorneys' fees and expenses) arising from or relating to any offset by the Grantor against the rent reserved in the Lease.

17. If any action, proceeding, motion, or notice shall be commenced or filed in respect of the Lessor in connection with any case under the Bankruptcy Code, the Bank shall have the option, to the exclusion of the Grantor, exercisable upon notice from the Bank to the Grantor, to conduct and control any such litigation with counsel of the Bank's choice. The Bank may proceed in its own name or in the name of the Grantor in connection with any such litigation, and the Grantor agrees to execute any and all powers, authorizations, consents, or other documents required by the Bank in connection therewith. The Grantor shall, upon demand, pay to the Bank all costs and expenses (including reasonable attorneys' fees and expenses) paid or incurred by the Bank in connection with the prosecution or conduct of any such proceedings. Any such costs or expenses not paid by the Grantor as aforesaid shall be secured by the lien of the Deed of Trust. The Grantor shall not commence any action, suit, proceeding, or case, or file any application or make any motion, in respect of the Lease in any such case under the Bankruptcy Code without the prior written consent of the Bank.

18. The Grantor shall promptly after obtaining knowledge thereof notify the Bank orally of any filing by or against the Lessor of a petition under the Bankruptcy Code. The Grantor shall thereafter forthwith give written notice of such filing to the Bank, setting forth any information available to the Grantor as to the date of such filing, the court in which such petition was filed, and the relief sought therein. The Grantor shall promptly deliver to the Bank following receipt any and all notices, summonses, pleadings, applications, and other documents received by the Grantor in connection with any such petition and any proceedings relating thereto or in connection therewith.

19. In addition to the Events of Default set forth in the Deed of Trust, any default under the Lease shall be a default hereunder and the Bank shall be entitled to exercise all of its rights and remedies as provided in the Deed of Trust.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, Winco Redevelopment Corporation, Inc., has caused this Leasehold Rider to Deed of Trust to be duly executed as of the date first above written.

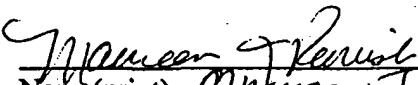
WINCO REDEVELOPMENT CORPORATION, INC.


By: 
Wilfred J. Krenn, Secretary/Treasurer

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

On this 24 day of May, 2010, before me appeared Wilfred J. Krenn, to me personally known, who, being by me duly sworn, did say that he is the Secretary/Treasurer of Winco Redevelopment Corporation, Inc., a corporation organized under the laws of the State of Missouri, and that said instrument was signed in behalf of said corporation by authority of its board of directors, and said officer acknowledged said instrument to be the free act and deed of said corporation and that said corporation has no corporate seal.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.


Name(print): MARLEEN J. PARISH
Notary Public in and for said State MISSOURI
My Commission Expires: April 24, 2013


PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

CONSENT OF LESSOR

The City of University City, Missouri (the "Lessor"), the fee simple owner of the Real Property described as Parcels 2 and 3 in the attached Exhibit A (the "Leased Property") hereby joins in the execution of the Deed of Trust to which this Consent of Lessor is attached (the "Deed of Trust"), which Deed of Trust is granted in favor Fifth Third Bank, a Ohio banking corporation (the "Bank" and "Grantee") for the purpose of subjecting and subordinating the Lessor's fee simple interest in the Leased Property (including the interest, if any, of Lessor in any Improvements (as defined in the Deed of Trust) located or to be located thereon in the future) to the lien of the Deed of Trust so as to grant a lien in favor of the Bank superior to any interest in which the Lessor has or may have in the future on the Leased Property. By joining in the execution of the Deed of Trust, the Lessor is not obligated to repay any portion of the Indebtedness (as defined in the Deed of Trust) secured by the Deed of Trust, and the Lessor is not independently making any of the representations, warranties, or covenants contained in such Deed of Trust other than as specifically set forth in this Consent of Lessor.

CITY OF UNIVERSITY CITY, MISSOURI

By: Janet K. Watson
 Name: Janet K. Watson
 Title: Interim City Manager

STATE OF MISSOURI)
) SS
 COUNTY OF ST. LOUIS)

On this 24th day of May, 2010, personally appeared JANET WATSON, the INTERIM CITY MANAGER of the City of University City, Missouri, to me known to be the person who executed the foregoing instrument on behalf of such City and acknowledged to me that he/she executed the same for the purposes therein stated.

Deanna Townson
 Name(print): DEANNA TOWNSON
 Notary Public in and for said State
 My Commission Expires:

DEANNA TOWNSON
 Notary Public - Notary Seal
 State of Missouri
 Commissioned to: ST LOUIS County
 My Commission Expires: Sep. 29, 2011
 COMMISSION #07985772

 PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

BOND PLEDGE AGREEMENT

THIS BOND PLEDGE AGREEMENT (this “**Pledge Agreement**”) is made and entered into as of March ____, 2022 by and between **WINCO REDEVELOPMENT CORPORATION, INC.**, a Missouri corporation with a mailing address of 6200 Maple Avenue, St. Louis, Missouri 63130 (“**Pledgor**”) to **MIDLAND STATES BANK**, an Illinois banking corporation with a mailing address of 5991 South Hwy 94, Weldon Spring, Missouri 63304, as beneficiary (with and its successors and assigns, collectively, “**Lender**”).

WHEREAS, Pledgor is the registered owner of the Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003, issued by the City of University City, Missouri (the “**Issuer**”) in the initial aggregate principal amount of \$5,800,000.00 (the “**Bonds**”); and

WHEREAS, Lender has made a loan in the principal amount of \$_____ to BMS Holdings, Inc., Winco Manufacturing, Inc., Pledgor, Architectural Metals, Inc., Architectural Glass Products, LLC, and Winco Window Company, Inc. (collectively, “**Borrower**”), evidenced by, among other things, those certain loan documents (collectively, the “**Loan Documents**”) and those certain promissory notes (collectively, the “**Note**”) by and among Borrower and Lender, of even date herewith (collectively, the “**Loan Obligation**”), and Lender has required Pledgor to pledge the Bonds to Lender as collateral to secure repayment by Borrower of their obligations under the Loan Obligation.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Definitions.** Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Documents.

2. **Pledge and Grant of Security Interests.** To secure the prompt payment and performance in full when due, whether by lapse of time or otherwise, of the Obligations (as defined in Section 3), Pledgor hereby pledges and assigns to Lender, and grants to Lender, a continuing security interest in any and all right, title, and interest of Pledgor in and to the Bonds, whether now owned or existing or owned, acquired, or arising hereafter, including the right to vote as bondholder (collectively, the “**Pledged Collateral**”), as well as all proceeds and products of the foregoing, however and whenever acquired and in whatever form.

Without limiting the generality of the foregoing, it is hereby specifically understood and agreed that Pledgor shall hereafter deliver additional bonds to Lender as collateral security for the Obligations (as hereinafter defined) if additional bonds are issued to Pledgor in connection with the Bonds by the Issuer. Upon delivery to Lender, such additional bonds shall be deemed to be part of the Pledged Collateral of Pledgor and shall be subject to the terms of this Pledge Agreement whether or not this Pledge Agreement is amended to refer to such additional bonds.

3. **Security for Obligations.** The security interest created hereby in the Pledged Collateral of Pledgor constitutes continuing collateral security for the Obligations, now existing or hereafter arising pursuant to the Loan Documents, the Note, and all documents in connection therewith, owing from Borrower to Lender in any capacity, howsoever evidenced, created, incurred, or acquired, whether primary, secondary, direct, contingent, or joint and several, including, without limitation, all obligations and liabilities incurred in connection with collecting and enforcing the foregoing (collectively, the “**Obligations**”).

4. **Delivery of the Pledged Collateral.** Pledgor hereby agrees that:

4.1. Pledgor shall deliver to Lender (i) simultaneously with or prior to the execution and delivery of this Pledge Agreement, (A) all original certificates constituting the Bonds as well as duly executed instruments of assignment as attached and required for any re-registration of the Bonds in blank, (B) a certificate from UMB Bank, N.A., successor-in-interest to Commerce Bank, National Association, as trustee of the Bonds, certifying the current outstanding principal amount of each of the Bonds, and (C) a consent from UMB Bank, N.A., successor-in-interest to Commerce Bank, National Association, as trustee of the Bonds, acknowledging and consenting to this Pledge Agreement and the rights of Lender hereunder, and (ii) promptly upon the receipt thereof by or on behalf of Pledgor, all other certificates and instruments constituting Pledged Collateral of Pledgor, if any. Prior to delivery to Lender, all such certificates and instruments constituting Pledged Collateral of Pledgor shall be held in trust by Pledgor for the benefit of Lender pursuant hereto.

4.2. Lender may file a financing statement describing the Pledged Collateral in any applicable public filing office.

5. **Representations and Warranties.** Pledgor hereby represents and warrants to Lender that so long as any of the Obligations remain outstanding:

5.1. The Bonds are duly authorized and validly issued, are otherwise unencumbered, unredeemed and nonassessable and are not subject to the preemptive rights of any person, except in accordance with their terms. There are no options, warrants, or other rights outstanding to acquire the Bonds.

5.2. Other than the security interest granted hereby, Pledgor is the sole registered owner of the Pledged Collateral and will at all times be the legal and beneficial owner of such Pledged Collateral free and clear of any lien or encumbrance, except as otherwise stated in the Loan Documents and this Pledge Agreement.

5.3. The Pledged Collateral constitutes all of the authorized and issued Bonds of the Issuer related to the subject project.

5.4. Other than satisfaction of any transfer restrictions as described in the trust indenture applicable to the Bonds, the exercise by Lender of its rights and remedies hereunder will not violate any law or governmental regulation or any material unwaived contractual restriction binding on or affecting Pledgor or any of Pledgor's property.

5.5. No additional authorization, approval, or action by, and no additional notice or filing with any governmental authority or with the Issuer is required either (i) for the pledge made by Pledgor or for the granting of the security interest by Pledgor pursuant to this Pledge Agreement or (ii) for the exercise by Lender of its rights and remedies hereunder, other than the necessity for satisfaction of any transfer restrictions and registration requirements as described in the trust indenture applicable to the Bonds.

5.6. This Pledge Agreement creates a valid security interest in favor of Lender in the Pledged Collateral. The taking possession by Lender of the certificates representing the Bonds as well as the executed assignments and all other certificates and instruments constituting Pledged Collateral will perfect and establish the first priority of Lender's security interest in the Bonds. Except as set forth in Section 4, no action is necessary to perfect or otherwise prioritize such security interest.

6. **Covenants.** Pledgor hereby covenants, that so long as any of the Obligations remain outstanding, Pledgor shall:

6.1. Warrant and defend title to and ownership of the Pledged Collateral at its own expense against the claims and demands of all parties, other than Pledgor and Lender (including its lawful participants and transferees), claiming an interest therein, keep the Pledged Collateral free from all liens and encumbrances, and not sell, pledge, exchange, transfer, assign, lease or otherwise dispose of Pledged Collateral or any interest therein without the prior written consent of Lender.

6.2. Promptly execute and deliver at its expense all further instruments and documents and take all further action that may be necessary and desirable or that Lender may reasonably request in order to (i) perfect and prioritize the security interest created hereby in the Pledged Collateral (including, without limitation, any and all action necessary to satisfy Lender that Lender has obtained a first priority perfected security interest); (ii) enable Lender to exercise and enforce its rights and remedies hereunder in respect of the Pledged Collateral; and (iii) otherwise effect the purposes of this Pledge Agreement.

6.3. Other than by issuance of additional bonds becoming Pledged Collateral, Pledgor shall not make or consent to any amendment or other modification or waiver with respect to any of the Pledged Collateral or enter into any agreement or allow to exist any new or additional restrictions with respect to any of the Pledged Collateral.

7. **Advances by Lender.** On failure of Pledgor to perform any of the covenants and agreements contained herein, Lender may, at its sole option and in its reasonable discretion, upon five (5) business days prior written notice to Pledgor, perform the same and in so doing may expend such sums as Lender may reasonably deem advisable in the performance thereof, including, without limitation, a payment to obtain a release of a lien or potential lien, expenditures made in defending against any adverse claim and all other expenditures which Lender may make for the protection of the security hereof or which may be compelled to make by operation of law. All such sums and amounts so expended shall be repayable by Pledgor promptly upon notice and demand from Lender, shall constitute additional Obligations and shall bear interest from the date said amounts are expended at the default rate specified in the Loan Documents. No such performance of any covenant or agreement by Lender on behalf of Pledgor, and no such advance or expenditure therefor, shall relieve Pledgor of any Event of Default. After an Event of Default, Lender may make any payment hereby authorized in accordance with any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien, title, or claim except to the extent such Payment is being contested in good faith by Pledgor in appropriate proceedings and against which adequate reserves are being maintained in accordance with GAAP.

8. **Event of Default.** The occurrence of an event which under the Loan Documents or the Note shall constitute an Event of Default shall be an Event of Default hereunder (an “**Event of Default**”).

9. **Remedies.**

9.1. **General Remedies.** Upon the occurrence of an Event of Default and during the continuation thereof, Lender shall have, in respect of the Pledged Collateral, in addition to the rights and remedies provided herein, in the Loan Documents, and the Note, the rights and remedies of a secured party under the Missouri Uniform Commercial Code or any other applicable law.

9.2. **Sale of Pledged Collateral.** Subject to the limitations and restrictions on the registration, transfer and exchange of the Pledged Collateral set forth in that certain *Trust Indenture*

dated as of November 1, 2003, as supplemented and amended by that certain *First Supplemental Trust Indenture* dated as of June 28, 2010, and by that certain *Second Supplemental Trust Indenture* dated as of October 25, 2011, by and between the Issuer and UMB Bank, N.A., successor-in-interest to Commerce Bank, National Association, as Trustee, upon the occurrence of an Event of Default and during the continuation thereof, without limiting the generality of this Section and without notice (provided Pledgor has notice of default), Lender may, in its sole discretion, subject to the limitations of applicable law, sell or otherwise dispose of or realize upon the Pledged Collateral, or any part thereof, in whole or in part, at public or private sale, at such price or prices and on such other terms as Lender may deem commercially reasonable, for cash, credit or for future delivery or otherwise in accordance with applicable law. To the extent permitted by law, Lender may in such event bid for the purchase of such Bonds, Pledgor agrees that, to the extent notice of sale shall be required by law and has not been waived by Pledgor, any requirement of reasonable notice shall be met if notice, specifying the place of any public sale or the time after which any private sale is to be made, is personally served on or mailed postage prepaid to Pledgor in accordance with the notice provisions of the Loan Documents at least 10 days before the time of such sale. Lender shall not be obligated to make any sale of Pledged Collateral regardless of notice of sale having been given. Lender may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

9.3. Private Sale. Upon the occurrence of an Event of Default and during the continuation thereof, Pledgor recognizes that Lender may deem it impracticable to effect a public sale of all or any part of the Bonds and that Lender may, therefore, determine to make one or more private sales of any such Bonds. Pledgor acknowledges that any such private sale may be at prices and on terms less favorable to the seller than the prices and other terms which might have been obtained at a public sale and, notwithstanding the foregoing, agrees that such private sale shall be deemed to have been made in a commercially reasonable manner.

9.4. Retention of Pledged Collateral. In addition to the rights and remedies hereunder, upon the occurrence of an Event of Default, Lender may retain all or any portion of the Pledged Collateral in satisfaction of the Obligations. Unless and until Lender shall have provided such notices, however, Lender shall not be deemed to have retained any Pledged Collateral in satisfaction of any Obligations for any reason.

9.5. Deficiency. In the event that the proceeds of any sale, collection or realization are insufficient to pay all amounts to which Lender is legally entitled, Pledgor shall be liable for the deficiency, plus interest thereon at the default rate specified in the Loan Documents, plus all costs and expenses (including without limitation reasonable attorneys' fees and legal expenses) paid or incurred by Lender to collect such deficiency.

10. Rights of Lender.

10.1. Power of Attorney. In addition to other powers of attorney contained herein, Pledgor hereby designates and appoints Lender and each of its designees or agents as attorney-in-fact of Pledgor, irrevocably and with power of substitution, with authority to take any or all of the following actions upon the occurrence and during the continuance of an Event of Default:

10.1.1. demand, collect, settle, compromise, adjust and give discharges and releases concerning the Pledged Collateral, all as Lender may reasonably determine;

10.1.2. commence and prosecute any actions at any court for the purposes of collecting any of the Pledged Collateral and enforcing any other right in respect thereof;

10.1.3. defend, settle or compromise any action brought and, in connection herewith, give such discharge or release as Lender may deem reasonably appropriate;

10.1.4. to pay or discharge taxes, liens, security interests, or other encumbrances levied or placed on or threatened against the Pledged Collateral;

10.1.5. to direct any parties liable for any payment under any of the Pledged Collateral to make payment of any and all monies due and to become due thereunder directly to Lender or as Lender shall direct;

10.1.6. to exclusively exercise all voting rights as bondholder of the Bonds;

10.1.7. to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Pledged Collateral;

10.1.8. to sign and endorse any drafts, assignments, proxies, stock powers, verifications, notices and other documents relating to the Pledged Collateral;

10.1.9. to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Lender may deem reasonably appropriate;

10.1.10. to execute and deliver all assignments, conveyances, statements, pledge agreements, affidavits, notices and other agreements, instruments and documents that Lender may determine necessary in order to perfect and maintain the security interests and liens granted in this Pledge Agreement and in order to fully consummate all of the transactions contemplated herein; and

10.1.11. to do and perform all such other acts and things as Lender may reasonably deem to be necessary, proper or convenient in connection with protection of the Pledged Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable for so long as any of the Obligations remain outstanding. Lender shall be under no duty to exercise or withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to Lender in this Pledge Agreement, and shall not be liable for any failure to do so or any delay in doing so. This power of attorney is conferred on Lender solely to protect, preserve and realize upon its security interest in the Pledged Collateral.

10.2. Assignment by Lender. Subject to the limitations of applicable law, Lender may from time to time assign the Obligations and any portion thereof and/or the Pledged Collateral and any portion thereof, and the assignee shall be entitled to all of the rights and remedies of Lender under this Pledge Agreement in relation thereto.

10.3. Lender's Duty of Care. Other than the exercise of reasonable care to assure the safe custody of the Pledged Collateral while being held by Lender hereunder, Lender shall have no duty or liability to preserve rights pertaining thereto, it being understood and agreed that Pledgor

shall be responsible for preservation of all rights in the Pledged Collateral, and Lender shall be relieved of all responsibility for Pledged Collateral upon surrendering it or tendering the surrender of it to Pledgor. Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if such Pledged Collateral is accorded treatment substantially equal to that which Lender accords its own property, which shall be no less than the treatment employed by a reasonable and prudent agent in the industry, it being understood that Lender shall not have responsibility for taking any necessary steps to preserve rights against any parties with respect to any Pledged Collateral.

10.4. **Release of Pledged Collateral.** Lender may release any of the Pledged Collateral from this Pledge Agreement or may substitute any of the Pledged Collateral for other Pledged Collateral without altering, varying or diminishing in any way the force, effect, lien, pledge or security interest of this Pledge Agreement as to any Pledged Collateral not expressly released or substituted, and this Pledge Agreement shall continue as a first priority lien on all Pledged Collateral not expressly released or substituted.

10.5. **Assignor Rights Under Bonds.** Unless and until an Event of Default by Assignor in the performance of any obligations or liability of Assignor to Assignee under the Loan Obligation, Assignor shall have the rights, enjoyment and benefits of the Bonds.

11. **Application of Proceeds.** Upon the occurrence and during the continuance of an Event of Default, any payments in respect of the Obligations and any proceeds of any Pledged Collateral, when received by Lender in cash or its equivalent, will be applied in reduction of the Obligations in the order determined by Lender in its sole and absolute discretion, and Pledgor irrevocably waives the right to direct the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply and reapply any and all such payments and proceeds in Lender's sole discretion, notwithstanding any entry to the contrary upon any of its books and records.

12. **Costs of Counsel.** At all times hereafter, Pledgor agrees to promptly pay upon demand any and all reasonable costs and expenses of Lender (a) as required under the Loan Documents or the Note, and (b) as necessary to reasonably protect the Pledged Collateral or to exercise any rights or remedies under this Pledge Agreement or with respect to any Pledged Collateral. All of the foregoing costs and expenses shall constitute Obligations hereunder.

13. **Continuing Agreement.**

13.1. This Pledge Agreement shall be a continuing agreement in every respect and shall remain in full force and effect so long as any of the Obligations remain outstanding. Upon such payment and termination, this Pledge Agreement shall be automatically terminated and Lender shall, upon the request and at the expense of Pledgor (i) promptly return all certificates representing the Bonds, all other certificates and instruments constituting Pledged Collateral and all instruments of assignment which have been delivered to Lender pursuant to this Pledge Agreement and (ii) forthwith release all of its liens and security interests hereunder and shall deliver all Uniform Commercial Code termination statements and/or other documents reasonably requested by Pledgor evidencing such termination. Notwithstanding the foregoing, all releases and indemnities provided hereunder shall survive termination of this Pledge Agreement.

13.2. This Pledge Agreement shall continue to be effective or be automatically reinstated, as the case may be, if at any time payment, in whole or in part, of any of the Obligations is rescinded or must otherwise be restored or returned by Lender as a preference, fraudulent conveyance or otherwise under any bankruptcy, insolvency or similar law, all as though such

payment had not been made; provided that in the event payment of all or any part of the Obligations is rescinded or must be restored or returned, all reasonable costs and expenses (including, without limitation, any reasonable legal fees and disbursements) incurred by Lender in defending and enforcing such reinstatement shall be deemed to be included as a part of the Obligations.

14. **Amendments; Waivers; Modifications.** This Pledge Agreement and the provisions hereof may not be amended, waived, modified, changed, discharged, or terminated except in a writing signed by a duly authorized officer of both parties.

15. **Successors in Interest.** This Pledge Agreement shall create a continuing security interest in the Pledged Collateral and shall be binding upon Pledgor, its successors and assigns and shall inure, together with the rights and remedies of Lender hereunder, to the benefit of Lender and its successors and assigns; provided, however, that Pledgor may not assign its rights or delegate its duties hereunder without the prior written consent of Lender, which consent may be withheld by Lender in Lender's sole and absolute discretion. To the fullest extent permitted by law, Pledgor hereby releases Lender, and its successors and assigns, from any liability for any act or omission relating to this Pledge Agreement or the Pledged Collateral, except for any liability arising from the gross negligence or willful misconduct of Lender or its officers, employees or agents.

16. **Notices.** All notices required or permitted to be given under this Pledge Agreement shall be in conformance with the notice terms contained in the Loan Documents.

17. **Counterparts.** This Pledge Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this Pledge Agreement to produce or account for more than one such counterpart.

18. **Headings.** The headings of the sections and subsections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Pledge Agreement.

19. **Governing Law; Submission to Jurisdiction; Venue.**

19.1. This Pledge Agreement shall be construed in accordance with the laws of the State of Missouri, without regard to principles of conflict of laws, and applicable federal law. Any controversy, claim, or dispute arising out of or relating to this Pledge Agreement or the relationship, either during the existence of the relationship or afterwards, between the parties hereto, their permitted assignees, their affiliates, their attorneys, or agents, shall be litigated solely in (a) the state court located in St. Louis County, Missouri, or (b) the Eastern District of Missouri federal court located in the City of St. Louis, Missouri. Each party (a) submits to the jurisdiction of such court, (b) waives the defense of an inconvenient forum and all similar defenses, and (c) agrees that valid consent to service may be made by mailing or delivery of such service to the party at the party's last known address.

19.2. Pledgor hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Pledge Agreement brought in the courts referred to in subsection (a) hereof and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

20. **Waiver of Jury Trial.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES TO THIS PLEDGE AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

21. **Severability.** If any provision of this Pledge Agreement is determined to be illegal, invalid, or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

22. **Entirety.** This Pledge Agreement represents the entire agreement of the parties with regard to the subject matter contained herein, and supersedes all prior agreements and understandings, oral or written, if any, among the parties.

23. **Other Security.** To the extent that any of the Obligations are now or hereafter secured by property other than the Pledged Collateral (including, without limitation, real and other personal property owned by Pledgor), or by a guarantee, endorsement, or property of any other person or entity, then Lender shall have the right to proceed against such other property, guarantee, or endorsement upon the occurrence of any Event of Default, and Lender has the right, in its sole discretion, to determine which rights, security, liens, security interests, or remedies Lender shall at any time pursue, relinquish, subordinate, modify, or take with respect thereto, without in any way modifying or affecting any of them or any of Lender's rights or the Obligations under this Pledge Agreement.

[remainder of this page intentionally left blank; signature(s) follow]

WHEREFORE, each of the parties hereto has caused a counterpart of this Pledge Agreement to be duly executed and delivered as of the date first above written.

PLEDGOR:

WINCO REDEVELOPMENT CORPORATION, INC.

By: _____
Name: _____
Title: _____

LENDER:

MIDLAND STATES BANK

By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENT OF PLEDGE

The undersigned, trustee of the City of University City, Missouri, Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003, hereby acknowledges the pledge of the Bonds by Winco Redevelopment Corporation, Inc., a Missouri corporation to Midland States Bank, an Illinois banking corporation (the “**Bank**”) and agrees to (1) give the Bank written notice of any Event of Default under the *Lease Agreement* dated November 1, 2003 between Winco Redevelopment Corporation, Inc. and the City of University City, Missouri (as modified and amended from time to time, including by that certain First Supplemental Lease Agreement dated June 28, 2010 and that certain Second Supplemental Lease Agreement dated October 25, 2011), and (2) to recognize the Bank’s right to vote as bondholder upon a default by Winco Redevelopment Corporation, Inc. under the Bond Pledge Agreement.

**UMB BANK, N.A., successor-in-interest to
Commerce Bank, National Association, as
Trustee**

By: _____
Name: _____
Title: _____

CONSENT BY ISSUER

The City of University City, Missouri (the “City”) hereby acknowledges and consents to the pledge of the Bonds by Winco Redevelopment Corporation, Inc., a Missouri corporation (“Assignor”) in favor of Midland States Bank, an Illinois banking corporation (“Assignee”). The City agrees that, upon receipt of a written notice from Assignee that an Event of Default has occurred under the Loan Obligation by Assignor, the City shall recognize Assignee’s rights in and to the Bonds, including the right to vote as bondholder, and shall further consent to any assignment of the Bonds by Assignee subject to compliance with any transfer requirements set forth in the *Trust Indenture* dated as of November 1, 2003, as supplemented and amended by that certain *First Supplemental Trust Indenture* dated as of June 28, 2010, and by that certain *Second Supplemental Trust Indenture* dated as of October 25, 2011 for the Bonds.

Date of execution: March _____, 2022.

CITY OF UNIVERSITY CITY, MISSOURI

By: _____

Name: _____

Title: _____



CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER: <i>For City Clerk Use</i>	CM20220328-01
--------------------------------------	---------------

SUBJECT/TITLE: FY2021 Annual Comprehensive Financial Report (ACFR) and Report on Federal Awards Audit Reporting Presentation			
REQUESTED BY: Keith Cole, Director of Finance		DEPARTMENT / WARD Finance / All	
AGENDA SECTION:	City Manager's Report	CAN ITEM BE RESCHEDULED?	Yes
CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION: The City Manager recommends the City Council accepts the reports.			
FISCAL IMPACT: n/a			
AMOUNT:	n/a	ACCOUNT No.:	n/a
FROM FUND:	n/a	TO FUND:	n/a
EXPLANATION:			

STAFF COMMENTS AND BACKGROUND INFORMATION: The City's independent auditors, Sikich, LLC., will present to the Mayor and City Council the FY2021 ACFR audit report. The presentation will consist of an overview on the financial reports.
--

CIP No.	n/a
RELATED ITEMS / ATTACHMENTS: 1) Annual Comprehensive Financial Report (ACFR) 2) Report on Federal Awards	

LIST CITY COUNCIL GOALS (S):			
RESPECTFULLY SUBMITTED:	City Manager, Gregory Rose	MEETING DATE:	March 28, 2022



CITY OF UNIVERSITY CITY, MISSOURI
Annual Comprehensive Financial Report
For The Year Ended June 30, 2021



CITY OF UNIVERSITY CITY, MISSOURI

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

Prepared by:
Finance Department

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INTRODUCTORY SECTION

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6801 Delmar Boulevard, University City, MO 63130

February 24, 2022

Honorable Mayor, Members of the City Council and
Residents of University City:

Pursuant to City policy and in conformance with state law, the Annual Comprehensive Financial Report of the City of University City, Missouri (the City), for the fiscal year ended June 30, 2021, is hereby submitted. The report was prepared in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by an independent firm of licensed certified public accountants.

This report is the City's management representations concerning the finances of the City and, therefore, management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation. The City's Finance Department prepared this report and believes that the financial statements, supporting schedules, and statistical information fairly present the financial position and results of operations of the various funds and agencies of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain an understanding of the City's financial activities.

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

PROFILE OF THE CITY

University City (City) is an inner-ring suburb on the western boundary of the City of St. Louis, Missouri. The City is located in St. Louis County. It ranks third and sixth with respect to total population and assessed valuation in St. Louis County. The City was founded by Edward Gardner Lewis and was incorporated in 1906.

The form of government established by Charter is Council-Manager. The City Council is the legislative and governing body of the City. It consists of six Council members and the Mayor, all of whom are elected by the residents of the City. Council members are elected from three wards to serve four-year staggered terms. The Mayor is elected at large and serves a four-year term. The City Council and Mayor appoint the City Manager and City Clerk, and enact legislation to protect the health, safety, and general welfare of the citizens of the City. The City Manager directly supervises all City government agencies and departments, except the Library, while also serving as chief advisor to the City Council.

The City is considered a residential community with a diverse population. There are approximately 35,065 residents (U.S. Census Bureau 2020) and 15,600 housing units in the City. The population density is 6,000 inhabitants per square mile. The area of the City is approximately 6 square miles.

The City provides a full range of municipal services for its citizens. These include public safety (police and fire), streets, sanitation (solid waste), parks and recreation, public improvements, planning and development, and general administrative services. The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board (GASB) Cod. Sec. 2100. GASB requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for Potential Component Units (PCU). The City has determined that its financial reporting entity consists of the City (the primary government) and two blended component units: the University City Loop Special Business District and the Parkview Gardens Special Business District.

In addition to City funds, the City has a fiduciary responsibility as trustee for assets of the City's two Pension Funds (Non-Uniformed and Police & Firefighter) and other miscellaneous deposits.

DISCRETE COMPONENT UNITS

The City is financially accountable for the three legally separate entities that are discretely presented component units. The first two are the University City Industrial Development Authority that helps to attract industrial development and economic expansion in the City, and the Land Clearance for Redevelopment Authority that may prepare, recommend, and carry out the redevelopment plan as needed. The third is the University City Library. Prior to FY 2014, the Library's financial statement was presented as a governmental fund as opposed to the discrete component unit.

ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment the City operates within.

Local Economy. Known for a diverse mix of retail and restaurant establishments and cultural activities, the City is a regional destination in the St. Louis region. It is located north of Washington University Saint Louis, west of the City of St. Louis, and near major transportation corridors making access to City attractions convenient. Most commercial development is located along two major thoroughfares: Olive Boulevard and Delmar Boulevard. These two roadways run parallel to each other, traversing the City from East to West. The City's economy is also supported by secondary business districts and neighborhood serving commercial districts. The City is fully landlocked and developed as a stable residential community with a large variety of housing types that contribute to growth in residential and commercial assessed values. The City's future growth continues to be in the development and redevelopment of business and residential areas.

Long-term Financial Planning. Each year the City updates its five-year capital improvement plan. Projects totaling over \$43.7 million are planned for the fiscal years 2022 through 2026. The City confines long-term borrowing to capital improvements or projects that cannot be financed from current revenues, and where the issuance of long-term debt is required. The bonds are paid back within a period not to exceed the expected useful life of the project. Projects for which bonds have been issued include expansion and renovation of the City's recreational facility, renovation of City Hall, and renovation of Fire Station #2. A general obligation property tax levy repays a small issuance of debt related to City Hall renovations. The City paid off the certificates of participation in January of 2020. The City is currently working with an architectural and design firm to renovate the police annex station. To complete this project, the City would look to issuance of long-term debt.

FINANCIAL MANAGEMENT AND CONTROLS

The City's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the evaluation of the relative costs and benefits of the control system requires estimates and judgments by management.

Budgetary Controls

The annual budget serves as a foundation for the City's financial planning and control. All of the departments of the City are required to submit requests for appropriation to the City Manager who uses these requests as a starting point for development of a proposed budget. The Finance Director presents to the City Manager estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The City Manager presents a proposed budget to the City Council who holds work sessions and a public hearing prior to adopting a budget in June. The budget is prepared by fund; broken down further by department, programs, or projects within the department; then object of expenditures within programs; and finally, line items within objects. Budget transfers up to \$25,000 within the same department and fund are approved by the City Manager. Transfers over \$25,000, or between departments or funds, are approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund, this comparison is presented as required supplemental information. For other governmental funds that have an adopted budget, comparison schedules are found in other supplemental information.

OTHER INFORMATION

Independent Audit


The City's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

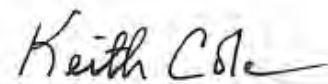
Awards and Acknowledgments. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in financial reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the various departments who assisted and contributed to the preparation. Further appreciation is extended to the Mayor and the City Council for their encouragement, interest, and support in conducting the financial operations of the City in a sound and progressive manner. The professional assistance of the City's auditors is also worthy of mention.

Respectively submitted,



Gregory E. Rose
City Manager

Keith Cole
Director of Finance

CITY OF UNIVERSITY CITY, MISSOURI

List of Principal Officials

As of June 30, 2021

MAYOR

Terry Crow

COUNCIL MEMBERS - WARD ONE

Jeff Hales

Steve McMahon

COUNCIL MEMBERS - WARD TWO

Aleta Klein

Tim Cusick

COUNCIL MEMBERS - WARD THREE

Stacy Clay

Bwayne Smotherson

CITY MANAGER

Gregory Rose

ASSISTANT CITY MANAGER

Brooke Smith

Gabrielle Macaluso

City Clerk

LaRette Reese

Director of Planning and Development

Clifford Cross

Police Chief

Larry Hampton

Director of Public Works

Sinan Alpaslan

Fire Chief

William Hinson

Library Director

Patrick Wall

Director of Finance

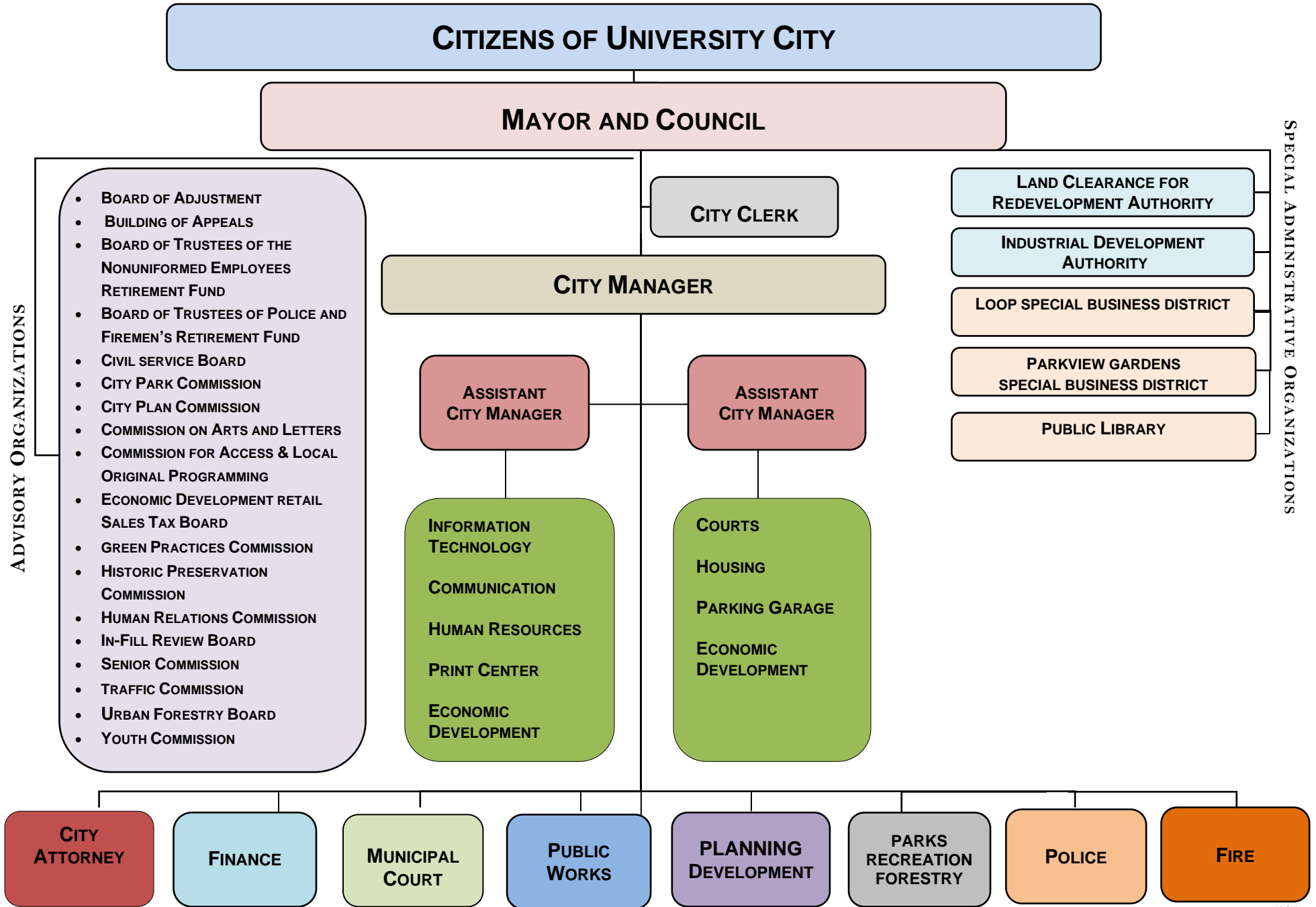
Keith Cole

City Attorney

John Mulligan, Jr.

Director of Parks, Recreation, and Forestry

Darren Dunkle





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of University City
Missouri**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
CITY OF UNIVERSITY CITY, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **CITY OF UNIVERSITY CITY, MISSOURI** (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City has omitted the schedules of changes for the net pension liability and related ratios, pension contributions, and annual money-weighted return on investments for the year ended June 30, 2014 that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

St. Louis, Missouri
February 24, 2022

This section of the City of University City, Missouri's (the City) financial report presents an easily readable analysis of the City's financial activities based on currently known facts, decisions, and conditions. For a comprehensive understanding of the financial statements, please review the City's financial statements, including the footnotes that follow the Management's Discussion and Analysis (MD&A).

FINANCIAL HIGHLIGHTS (excluding discretely presented component units)

- On a government-wide basis, the City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2021 by \$20.1 million. Of this amount, negative \$40.1 million is unrestricted.
- As of June 30, 2021, governmental activities and business-type activities had net positions of \$18.1 million and \$2.0 million, respectively.
- The City's net position decreased by \$36.3 million from fiscal year 2020. For governmental activities, expenses exceeded revenues by \$35.7 million. For the business-type activities, expenses exceeded revenues by \$525 thousand.
- General revenues for governmental activities were \$24.9 million which included \$13.9 million of sales and local use and \$5.5 million of gross receipts taxes. Property taxes accounted for \$4.7 million of general revenues.
- Expenses from various functions of the City's governmental and business-type activities totaled \$77.9 million in fiscal year 2021, an increase of \$39.0 million from fiscal year 2020.
- The City's total long-term debt obligations increased by \$31.3 million as compared to fiscal year 2020.
- As of June 30, 2021, the City's governmental funds reported combined ending fund balances of \$30.9 million, an increase of \$7.6 million from \$23.3 million reported in fiscal year 2020. Of this amount, \$12.6 million is unassigned fund balance and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$12.6 million or 51.5% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplemental information and other supplemental information.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's financial position in a manner similar to that of a private-sector business. These statements are reported on the full accrual basis of accounting. Under the full accrual basis, certain revenues and expenses are reported that will not affect cash flows until future periods. The two government-wide statements, Statement of Net Position and Statement of Activities, report the City's net position and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those normally associated with the operation of a government such as public safety, parks, and streets. Business-type activities are those activities of the government that are designed to be self-supporting such as the City's parking garage, golf course, and solid waste services.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources; the difference between these is reported as net position. Evaluating increases and decreases in net position over time may serve as a useful indicator of whether or not the financial position of the City is improving or declining. The Statement of Net Position also provides information on unrestricted and restricted net position and net investment in capital assets.

The Statement of Activities presents information on the net cost of each governmental and business-type function during the fiscal year. The statement also identifies the amount of general revenues needed to fully fund each governmental function.

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

The governmental activities of the City include general government, public safety (fire and police), public works, parks, recreation and forestry, and planning and development, as well as interest and fiscal charges. The business-type activities of the City include a parking facility, golf course, and solid waste.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate redevelopment agencies. Financial information for these component units is reported separately from the financial information presented for the primary government.

Fund Financial Statements. The fund financial statements focus on major governmental funds and proprietary funds separately. These statements provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. The City has three types of funds: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental Funds** -- Governmental funds tell how general government services were financed in the short-term as well as what financial resources remain available for future spending to finance City programs.

The City maintains several individual governmental funds according to their type (General, Special Revenue, and Capital Projects). Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and other major funds. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements in the section of Other Supplemental Information.

2. **Proprietary Funds** -- Proprietary funds offer short-term and long-term financial information about services for which the City charges customers, both external customers and internal departments of the City. The City maintains the following types of proprietary funds:

- *Enterprise Funds* are used to report information similar to business-type activities in the government-wide financial statements. The City uses the Enterprise Funds to account for the operations of the parking garage, golf course, and solid waste.
- *Internal Service Funds* are used to report activities that provide supplies and services for certain City programs and activities. The City uses Internal Service Funds to account for its central garage activities.

3. **Fiduciary Funds** -- Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the City. The City is the trustee or fiduciary responsible for assets which can be used only for the trust beneficiaries per trust arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's Pension Trust Funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements.

Notes to Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplemental Information (RSI). In addition to basic financial statements and notes to financial statements, this report presents RSI concerning the City's budgetary comparisons for the General, Public Safety Sales Tax, and Olive I-170 TIF Funds. The Schedule of Changes in Net Pension Liability, the Schedule of Employer Contribution, the Schedule of Investment Returns for the Non-Uniformed and Police and Fire Pension Trust Funds, and the Schedule of Funding Progress and Other Post-employments Benefit Plans are also presented in this section.

Other Supplemental Information. The other supplemental information section includes budget comparison schedules for the other major funds, as well as combining and individual fund statements which provide fund level detail for all nonmajor governmental funds and related budgetary companion schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE CITY

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

Analysis of Net Position

The City's combined net position is approximately \$20.1 million. Reviewing the net position of governmental and business-type activities separately provides additional information.

The condensed Statement of Net Position was as follows (dollars in thousands):

	June 30							
	Governmental		Business-type					
	Activities		Activities		Total		2021 Change	
	2021	2020	2021	2020	2021	2020	Amount	Percent
ASSETS								
Current and other assets	\$ 34,377	27,300	763	1,222	35,140	28,522	6,618	23.2 %
Capital assets, net	44,828	47,262	3,464	3,702	48,292	50,964	(2,672)	(5.2)
Total Assets	79,205	74,562	4,227	4,924	83,432	79,486	3,946	5.0
DEFERRED OUTFLOWS OF RESOURCES	3,178	5,024	208	451	3,386	5,475	(2,089)	(38.2)
LIABILITIES								
Noncurrent liabilities	52,051	20,627	388	1,440	52,439	22,067	30,372	137.6
Other liabilities	3,070	2,884	1,117	1,157	4,187	4,041	146	3.6
Total Liabilities	55,121	23,511	1,505	2,597	56,626	26,108	30,518	116.9
DEFERRED INFLOWS OF RESOURCES	9,190	2,489	897	220	10,087	2,709	7,378	272.4
NET POSITION								
Net investment in capital assets	44,502	46,832	3,464	3,702	47,966	50,534	(2,568)	(5.1)
Restricted	12,262	6,226	-	-	12,262	6,226	6,036	96.9
Unrestricted	(38,692)	528	(1,431)	(1,144)	(40,123)	(616)	(39,507)	(6,413.5)
Total Net Position	\$ 18,072	53,586	2,033	2,558	20,105	56,144	(36,039)	(64.2) %

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20.1 million at the close of the fiscal year 2021.

The largest portion of the City's net position, \$48.0 million, reflects its net investment in capital assets (e.g., land, buildings, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities. The decrease of \$2.6 million in net investment in capital assets for 2021 is due to a reduction in purchasing of capital assets and implications of COVID had an impact on construction projects.

Included in the City's total net position is \$12.3 million which represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation. The remaining balance of total net position, (\$40.1) million, is unrestricted. This amount is negative related to the issuance of the tax increment financing note.

Changes in Net Position

The City's total revenue on a government-wide basis was \$41.7 million, an increase of \$4.7 million or 12.9% as compared to FY 2020. This increase was primarily due to an increase of \$1.1 million from taxes, \$2.7 million in operating grants due to the CARES Act funds, \$2.9 million from other revenues due to transfers, and a decrease of \$1.8 million in capital grants due to various road and bridge grants.

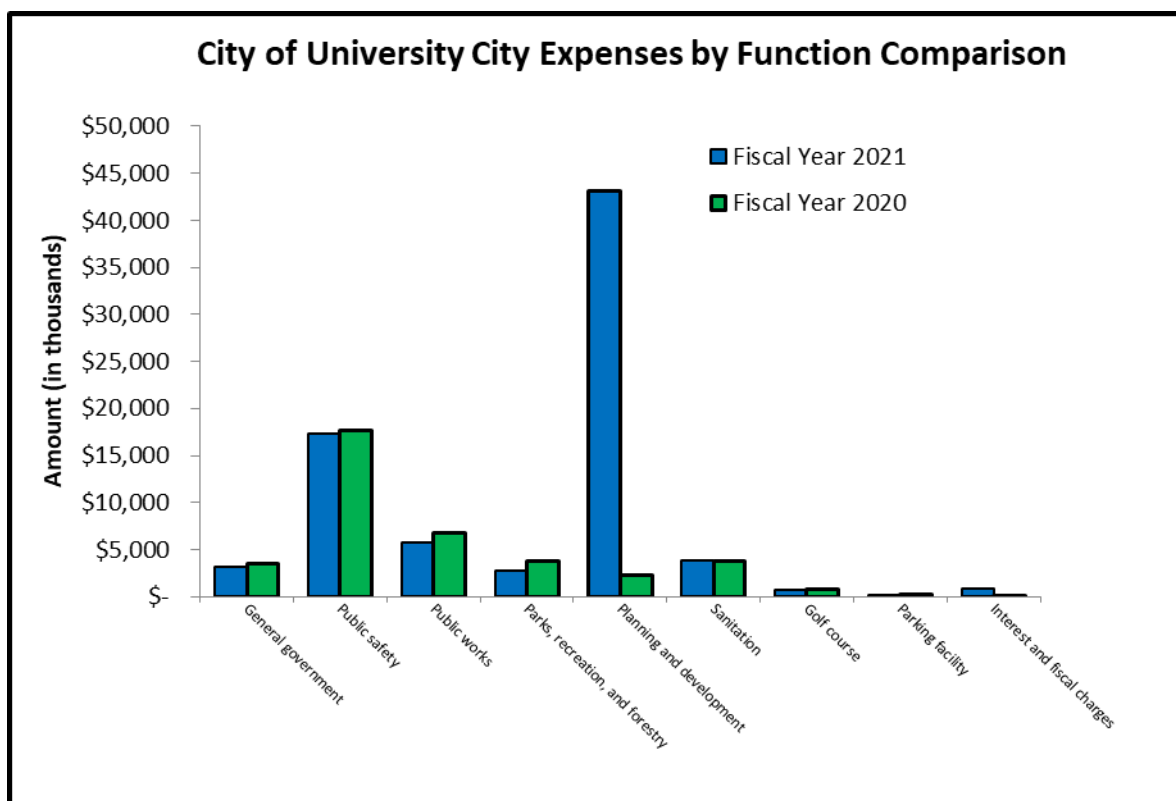
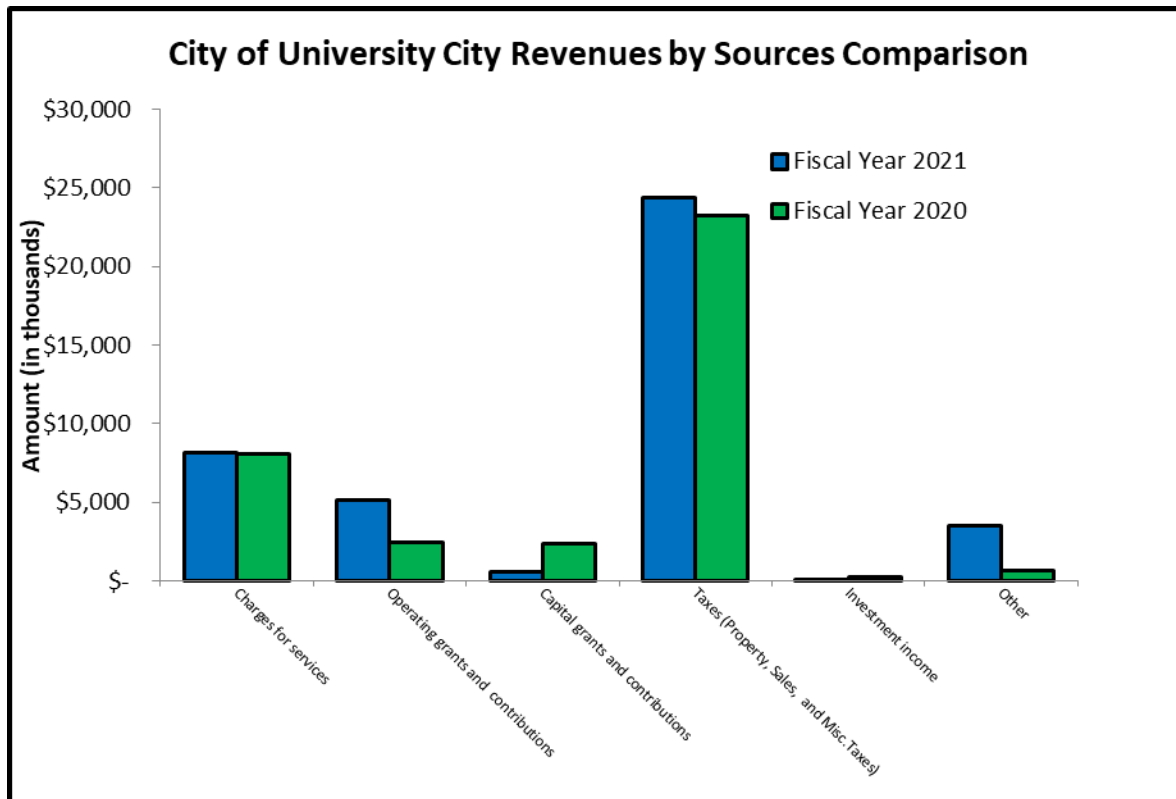
The total cost of all programs and services was \$77.9 million, \$39.1 million or 100.6% higher than FY 2020. The City's expenses cover a range of typical city services. The increase is primarily due to the issuance of the tax increment financing note that is related to the Olive I-170 redevelopment project.

The City's Statement of Activities is as follows (dollars in thousands):

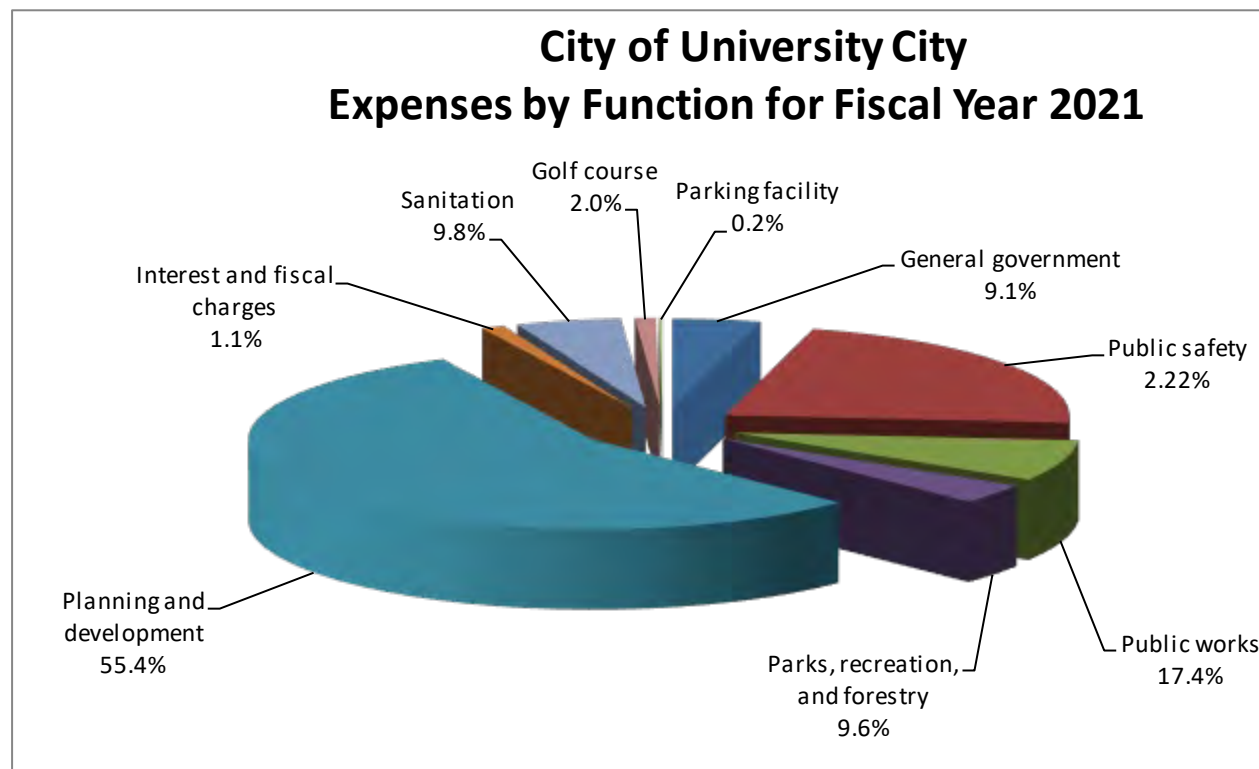
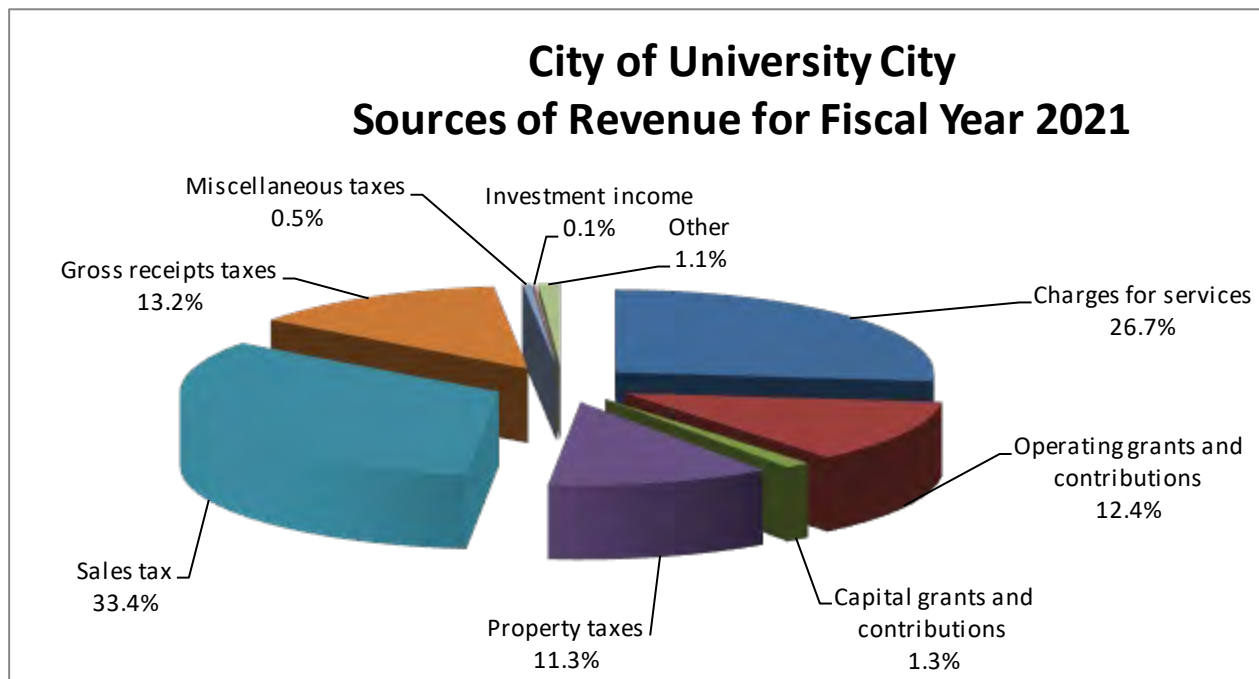
	For The Years Ended June 30							
	Governmental Activities		Business-type Activities		Total		2021 Change	
	2021	2020	2021	2020	2021	2020	Amount	Percent
REVENUES								
Program revenues:								
Charges for services	\$ 6,860	3,994	4,260	4,049	11,120	8,043	3,077	38.3 %
Operating grants and contributions	5,116	2,446	34	13	5,150	2,459	2,691	109.4
Capital grants and contributions	526	2,349	-	-	526	2,349	(1,823)	(77.6)
General revenues:								
Taxes	24,337	23,222	-	-	24,337	23,222	1,115	4.8
Investment income	57	233	-	(5)	57	228	(171)	(75.0)
Other	465	598	-	10	465	608	(143)	(23.5)
Total Revenues	37,361	32,842	4,294	4,067	41,655	36,909	4,746	12.9
EXPENSES								
General government	3,221	3,542	-	-	3,221	3,542	(321)	(9.1)
Public safety	17,298	17,704	-	-	17,298	17,704	(406)	(2.3)
Public works	5,817	6,743	-	-	5,817	6,743	(926)	(13.7)
Parks, recreation, and forestry	2,797	3,725	-	-	2,797	3,725	(928)	(24.9)
Planning and development	43,178	2,232	-	-	43,178	2,232	40,946	1,834.5
Interest and fiscal charges	851	76	-	-	851	76	775	1,019.7
Parking facility	-	-	135	228	135	228	(93)	(40.8)
Golf course	-	-	769	766	769	766	3	0.4
Sanitation	-	-	3,845	3,822	3,845	3,822	23	0.6
Total Expenses	73,162	34,022	4,749	4,816	77,911	38,838	39,073	100.6
TRANSFERS	70	-	(70)	-	-	-	-	-
CHANGE IN NET POSITION	(35,731)	(1,180)	(525)	(749)	(36,256)	(1,929)	(34,327)	1,779.5
NET POSITION, JULY 1	53,586	54,207	2,558	3,307	56,144	57,514	(1,370)	(2.4)
RESTATEMENT	217	559	-	-	217	559	(342)	(61.2)
NET POSITION, JUNE 30	\$ 18,072	53,586	2,033	2,558	20,105	56,144	(36,039)	(64.2) %

The City had a decrease in net position of \$36.3 million based on current year activity. Reasons for the decline are discussed further in the Governmental Activities and Business-type Activities sections of the MD&A.

The charts below illustrate the comparison of 2021 and 2020 revenues by source and expenses by function.



The charts below illustrate the City's sources of revenue and expenses by percentages of total.



Property, sales, and gross receipts taxes totaling 57.9% are the primary revenue sources used to support City-wide program activities. As shown, public safety is the largest function in expense (45.6%) of the total expenses of governmental activities. In FY 2021, the City received \$1.8 million less in capital grants than the previous year and \$2.7 million more in operating grants due to the CARES Act. A combined total of operating and capital grants was \$5.7 million or 13.6% of total revenue.

Governmental Activities -- Governmental activities decreased the City's net position by \$35.7 million. This decrease in net position is attributed to the issuance of the tax increment financing note.

Business-type Activities -- Business-type activities decreased the City's net position by \$525 thousand. The Parking facility decreased its net position by \$23 thousand as opposed to a decrease of \$39 thousand in the previous year. The Golf Course increased its net position by \$350 thousand as opposed to a decrease of \$10 thousand in the previous year. The Solid Waste net position decreased by \$851 thousand as opposed to a decrease of \$701 thousand in the previous year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The governmental fund statements report on a near-term revenues/financial resources and expenditures basis. This information helps determine the City's financial requirements in the near future. In particular, unassigned fund balance is a good indicator of the City's resources available for spending at the end of the year. Restrictions on fund balance do not significantly affect the availability of fund resources for future use.

General Fund

At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$12.6 million, while the total fund balance was \$18.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 51.5% of total General Fund expenditures, while total fund balance represents 75.1% of that same amount. The fund balance of the General Fund increased by \$1.6 million during the current fiscal year. The increase was due to increased revenues related to receiving funds from the CARES Act.

Public Safety Sales Tax Fund

The Public Safety Sales Tax Fund had a decrease in fund balance during the current year of \$92 thousand to bring the year-end fund balance to \$1.3 million. This decrease is mainly due to increase in capital outlay expenditures.

Olive I-170 TIF Fund

The Olive I-170 TIF Fund began during FY 2021 and had an increase in fund balance during the current year of \$3.9 million to bring the year-end fund balance to \$3.9 million. This increase is due to the Olive I-170 Redevelopment Tax Increment Financing Project.

Proprietary Funds. Unrestricted net position of the Parking Garage, Golf Course, and Solid Waste Funds at the end of the year amounted to (\$2) thousand, \$270 thousand, and (\$1,698) thousand, respectively, with a decrease in total net positions of \$525 thousand. The Internal Service Fund, which is used to account for certain City activities, had (\$228) thousand in unrestricted net position.

Fiduciary Funds. The City maintains Fiduciary Funds for the assets of the City Non-Uniformed and Police and Fire Employee Retirement Plans. As of the end of fiscal year 2021, the net position of the Pension Funds totaled \$59.2 million, representing an increase of \$11.6 million in total net position over last fiscal year. The change was primarily related to an increase in the fair value of the Pension Funds' investments during 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of University City's investment in capital assets for the end of 2021 was \$48.3 million, net of accumulated depreciation, in a broad range of capital assets including buildings, park facilities, equipment, roads, bridges, and sidewalks. This amount represents a net decrease for the current fiscal year (including additions and deductions) of \$2.7 million or 5.2% over the previous year. A significant portion of the decrease was due to depreciation. The following table shows the balances by category for governmental activities, business-type activities, and the City as a whole (dollars in thousands):

	June 30					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 8,990	8,990	76	76	9,066	9,066
Construction in progress	815	818	35	-	850	818
Buildings	9,054	9,825	1,780	2,094	10,834	11,919
Improvements other than buildings	8,432	8,806	1,119	815	9,551	9,621
Equipment	2,401	2,940	453	717	2,854	3,657
Infrastructure	15,136	15,883	-	-	15,136	15,883
Total Capital Assets Net Of Depreciation	<u>\$ 44,828</u>	<u>47,262</u>	<u>3,463</u>	<u>3,702</u>	<u>48,291</u>	<u>50,964</u>

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

Additional information on the City's government capital assets can be found in Note C.

Long-term Debt Obligations

At the end of the fiscal year 2021, the City had outstanding long-term debt obligations in the amount of \$52.4 million compared to \$22.1 million in fiscal year 2020. The most significant changes are due to the issuance of the tax increment revenue note and the decrease in the net pension liability amounts.

The City's governmental and business-type activities debt is detailed below (dollars in thousands):

	June 30		2021 Change	
	2021	2020	Amount	Percent
Governmental activities:				
Tax increment note - private placement	\$ 41,029	-	41,029	N/A
Capital leases	327	430	(103)	(24.0) %
Compensated absences	1,558	1,274	284	22.3
Net pension liability	8,113	18,001	(9,888)	(54.9)
Net OPEB liability	973	922	51	5.5
Total Governmental Activities	<u>\$ 52,000</u>	<u>20,627</u>	<u>31,373</u>	152.1
Business-type activities:				
Compensated absences	\$ 74	100	(26)	(26.0)
Net pension liability	219	1,253	(1,034)	(82.5)
Net OPEB liability	95	88	7	8.0
Total Business-Type Activities	<u>\$ 388</u>	<u>1,441</u>	<u>(1,053)</u>	(73.1) %

Additional information on the City's long-term debt can be found in Note D.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget for the City's General Fund expenditures represents an increase of \$581 thousand from an original budget. Actual expenditures for the year were \$23.9 million, being under budget by \$968 thousand.

Revenues were originally budgeted at \$23.1 million. Actual revenues for the year were \$25.0 million which was over budget by \$467 thousand from the final budget.

The General Fund ended the year with an operating budget basis surplus of \$1.4 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Many of the financial impacts inflicted on the FY 2021 Annual Operating Budget will carryover to FY 2022 Annual Operating Budget. The COVID-19 pandemic will continue to influence the buying and living habits of our residents and therefore impact our expenses and revenues in future years. The General fund experienced a \$1.4 million budget basis improvement in FY 2021, which is more than the \$154 thousand forecasted. The adjustments made to increase budgeted expenditures in FY 2021, and increase budgeted revenues forecasted for the FY 2021 annual operating budget were made to respond to FY 2021 anticipated changes. The Mayor and Council will need to continue providing strong disciplined fiscal leadership if we are to endure the challenges associated with coronavirus. It is with this in mind that no increase in property tax rates will be needed for FY 2022, but we will need to keep a close watch on the Solid Waste Fund rates as the reduced revenues from recycling will not be able to continue being absorbed without identifying a new revenue stream.

REQUESTS FOR INFORMATION

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

City of University City
Department of Finance
6801 Delmar Boulevard
University City, MO 63130

CITY OF UNIVERSITY CITY, MISSOURI

STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Library	Other
ASSETS					
Cash and investments	\$ 26,630,248	2,379,520	29,009,768	2,241,254	18,914
Receivables, net:					
Taxes	3,304,549	-	3,304,549	161,023	-
Grants	162,301	24,000	186,301	30,343	-
Court	181,275	-	181,275	-	-
Other	1,569,457	150,463	1,719,920	6,430	-
Internal balances	1,845,861	(1,845,861)	-	-	-
Due from component unit	22,964	-	22,964	-	-
Due from primary government	-	-	-	181,196	-
Inventory	77,465	37,792	115,257	-	-
Prepaid items	12,600	17,768	30,368	6,560	-
Assets held for resale	570,000	-	570,000	-	-
Capital assets:					
Land and construction in progress	9,804,955	111,492	9,916,447	795,289	-
Other capital assets, net of accumulated depreciation	35,023,259	3,352,267	38,375,526	1,318,598	-
Total Assets	<u>79,204,934</u>	<u>4,227,441</u>	<u>83,432,375</u>	<u>4,740,693</u>	<u>18,914</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to OPEB	144,936	10,535	155,471	-	-
Deferred amounts related to pensions	3,033,527	197,683	3,231,210	151,813	-
Total Deferred Outflows Of Resources	<u>3,178,463</u>	<u>208,218</u>	<u>3,386,681</u>	<u>151,813</u>	<u>-</u>
LIABILITIES					
Accounts payable	748,822	208,323	957,145	63,606	-
Accrued expenses	386,060	213,952	600,012	-	-
Due to fiduciary fund	71,491	-	71,491	-	-
Due to component units	181,196	-	181,196	-	-
Due to primary government	-	-	-	-	22,964
Accrued interest payable	845,612	-	845,612	-	-
Deposits	592,901	8,940	601,841	-	-
Unearned revenue	244,316	686,665	930,981	9,872	-
Noncurrent liabilities:					
Due within one year	1,511,743	73,829	1,585,572	76,843	-
Due in more than one year	41,402,738	-	41,402,738	8,538	-
Due in more than one year - total OPEB liability	1,023,645	95,224	1,118,869	-	-
Due in more than one year - net pension liability	8,112,824	219,217	8,332,041	168,350	-
Total Liabilities	<u>55,121,348</u>	<u>1,506,150</u>	<u>56,627,498</u>	<u>327,209</u>	<u>22,964</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to OPEB	37,798	3,375	41,173	-	-
Deferred amounts related to pensions	9,152,145	893,318	10,045,463	686,031	-
Total Deferred Inflows Of Resources	<u>9,189,943</u>	<u>896,693</u>	<u>10,086,636</u>	<u>686,031</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	44,501,532	3,463,759	47,965,291	2,113,887	-
Restricted for:					
Public safety	1,298,417	-	1,298,417	-	-
Special business districts	297,424	-	297,424	-	-
Sewer lateral	210,246	-	210,246	-	-
Economic development	2,695,015	-	2,695,015	-	-
Capital projects	1,981,503	-	1,981,503	-	-
Park and storm water	1,900,868	-	1,900,868	-	-
TIF Districts	3,879,140	-	3,879,140	-	-
Unrestricted	(38,692,039)	(1,430,943)	(40,122,982)	1,765,379	(4,050)
Total Net Position	<u>\$ 18,072,106</u>	<u>2,032,816</u>	<u>20,104,922</u>	<u>3,879,266</u>	<u>(4,050)</u>

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes In Net Position				
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Library	Other
Primary Government									
Governmental Activities									
General government	\$ 3,220,507	610,694	99,302	-	(2,510,511)	-	(2,510,511)	-	-
Public safety	17,297,628	1,599,496	2,700,911	416,892	(12,580,329)	-	(12,580,329)	-	-
Public works	5,817,220	1,615,694	2,309,226	93,035	(1,799,265)	-	(1,799,265)	-	-
Planning and development	43,178,214	3,000,000	-	-	(40,178,214)	-	(40,178,214)	-	-
Parks, recreation and forestry	2,797,573	34,135	6,400	16,178	(2,740,860)	-	(2,740,860)	-	-
Interest and fiscal charges	851,225	-	-	-	(851,225)	-	(851,225)	-	-
Total Governmental Activities	<u>73,162,367</u>	<u>6,860,019</u>	<u>5,115,839</u>	<u>526,105</u>	<u>(60,660,404)</u>	<u>-</u>	<u>(60,660,404)</u>	<u>-</u>	<u>-</u>
Business-type Activities									
Parking facility	135,312	111,885	-	-	-	(23,427)	(23,427)	-	-
Golf course	769,151	1,119,022	-	-	-	349,871	349,871	-	-
Sanitation	<u>3,844,540</u>	<u>3,028,919</u>	<u>34,139</u>	<u>-</u>	<u>-</u>	<u>(781,482)</u>	<u>(781,482)</u>	<u>-</u>	<u>-</u>
Total Business-type Activities	<u>4,749,003</u>	<u>4,259,826</u>	<u>34,139</u>	<u>-</u>	<u>-</u>	<u>(455,038)</u>	<u>(455,038)</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 77,911,370</u>	<u>11,119,845</u>	<u>5,149,978</u>	<u>526,105</u>	<u>(60,660,404)</u>	<u>(455,038)</u>	<u>(61,115,442)</u>	<u>-</u>	<u>-</u>
Component Units									
Library	<u>\$ 1,879,514</u>	<u>5,778</u>	<u>136,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,736,765)</u>	<u>-</u>
General Revenues									
Taxes:									
Property taxes					4,707,416	-	4,707,416	2,633,895	-
Sales and use taxes					13,922,345	-	13,922,345	-	-
Gross receipts taxes					5,516,675	-	5,516,675	-	-
Other taxes					190,677	-	190,677	38,123	-
Investment income					56,938	-	56,938	221	-
Other					465,388	500	465,888	9,809	-
Transfers					<u>70,000</u>	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Revenues And Transfers					<u>24,929,439</u>	<u>(69,500)</u>	<u>24,859,939</u>	<u>2,682,048</u>	<u>-</u>
CHANGE IN NET POSITION					(35,730,965)	(524,538)	(36,255,503)	945,283	-
NET POSITION, JULY 1, AS RESTATED					<u>53,803,071</u>	<u>2,557,354</u>	<u>56,360,425</u>	<u>2,933,983</u>	<u>(4,050)</u>
NET POSITION, JUNE 30					<u>\$ 18,072,106</u>	<u>2,032,816</u>	<u>20,104,922</u>	<u>3,879,266</u>	<u>(4,050)</u>

CITY OF UNIVERSITY CITY, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2021

	General	Public Safety Sales Tax	Olive I-170 TIF	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 11,591,493	4,805,199	3,556,951	6,511,585	26,465,228
Receivables, net:					
Taxes	2,133,685	337,200	-	833,664	3,304,549
Grants	66,934	-	-	95,367	162,301
Court	181,275	-	-	-	181,275
Other	1,236,015	-	-	333,276	1,569,291
Due from other funds	1,786,222	275,155	844,458	452,037	3,357,872
Due from component units	22,964	-	-	-	22,964
Prepaid items	12,600	-	-	-	12,600
Advance to other funds	4,774,843	-	-	-	4,774,843
Assets held for resale	570,000	-	-	-	570,000
	<u>22,376,031</u>	<u>5,417,554</u>	<u>4,401,409</u>	<u>8,225,929</u>	<u>40,420,923</u>
Total Assets					
	<u>22,376,031</u>	<u>5,417,554</u>	<u>4,401,409</u>	<u>8,225,929</u>	<u>40,420,923</u>
LIABILITIES					
Accounts payable	496,292	8,000	-	198,626	702,918
Accrued liabilities	386,060	-	-	-	386,060
Due to other funds	1,122,793	52,661	522,269	306,205	2,003,928
Due to others	-	-	-	71,491	71,491
Due to component units	181,196	-	-	-	181,196
Advance from other funds	-	4,058,476	-	109,707	4,168,183
Deposits	592,901	-	-	-	592,901
Unearned revenue	34,737	-	-	209,579	244,316
Total Liabilities	<u>2,813,979</u>	<u>4,119,137</u>	<u>522,269</u>	<u>895,608</u>	<u>8,350,993</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues:					
Property tax	215,499	-	-	-	215,499
Court	114,203	-	-	-	114,203
Other	809,422	-	-	-	809,422
Total Deferred Inflows Of Resources	<u>1,139,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,139,124</u>
FUND BALANCES					
Nonspendable:					
Prepaid items	12,600	-	-	-	12,600
Advance to other funds	4,774,843	-	-	-	4,774,843
Assets held for resale	570,000	-	-	-	570,000
Restricted for:					
Public safety	-	1,298,417	-	-	1,298,417
Special business districts	-	-	-	297,424	297,424
Sewer lateral	-	-	-	210,246	210,246
Economic development	-	-	-	2,695,015	2,695,015
Capital projects	-	-	-	1,981,503	1,981,503
Park and storm water	-	-	-	1,900,868	1,900,868
TIF Districts	-	-	3,879,140	-	3,879,140
Assigned for:					
Purchases on order	324,990	-	-	-	324,990
Subsequent year's budget	111,000	-	-	-	111,000
CALOP	-	-	-	245,265	245,265
Unassigned	12,629,495	-	-	-	12,629,495
Total Fund Balances	<u>18,422,928</u>	<u>1,298,417</u>	<u>3,879,140</u>	<u>7,330,321</u>	<u>30,930,806</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 22,376,031</u>	<u>5,417,554</u>	<u>4,401,409</u>	<u>8,225,929</u>	<u>40,420,923</u>

CITY OF UNIVERSITY CITY, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balances - Governmental Funds \$ 30,930,806

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$90,174,274 and the accumulated depreciation is \$45,913,988. 44,260,286

Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds. 1,139,124

The Internal Service Fund is used by the City to charge for services provided by the Central Garage Department to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position. 339,966

Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:

Net pension liability	(8,053,571)
Deferred outflows related to pensions	2,980,093
Deferred inflows related to pensions	(8,910,684)
Total OPEB liability	(987,463)
Deferred outflows related to OPEB	141,503
Deferred inflows related to OPEB	(37,085)

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	(845,612)
Accrued compensated absences	(1,529,241)
Bonds, notes payable, and capital lease outstanding	<u>(41,356,016)</u>

Total Net Position Of Governmental Activities \$ 18,072,106

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General	Public Safety Sales Tax	Olive I-170 TIF	Other Governmental Funds	Total Governmental Funds
REVENUES					
General taxes	\$ 15,929,589	1,917,301	901,140	5,510,030	24,258,060
Charges for services	1,169,480	-	3,000,000	577,799	4,747,279
Intergovernmental	5,294,194	-	-	109,213	5,403,407
Licenses, permits, fines, and fees	2,176,574	-	-	32,022	2,208,596
Investment income	53,190	1,142	-	2,607	56,939
Special assessment	42,731	-	-	-	42,731
Other	365,898	-	-	3,021	368,919
Total Revenues	<u>25,031,656</u>	<u>1,918,443</u>	<u>3,901,140</u>	<u>6,234,692</u>	<u>37,085,931</u>
EXPENDITURES					
Current:					
General government	2,822,935	-	-	188,283	3,011,218
Public safety	15,039,500	1,008,597	-	1,010,953	17,059,050
Public works	2,663,014	-	-	1,134,452	3,797,466
Planning and development	1,396,905	-	41,051,334	369,620	42,817,859
Parks, recreation and forestry	2,397,053	-	-	-	2,397,053
Capital outlay	299,933	70,318	-	1,002,664	1,372,915
Debt service:					
Principal	-	103,601	-	-	103,601
Interest and fiscal charges	-	70,847	-	3,752	74,599
Total Expenditures	<u>24,619,340</u>	<u>1,253,363</u>	<u>41,051,334</u>	<u>3,709,724</u>	<u>70,633,761</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>412,316</u>	<u>665,080</u>	<u>(37,150,194)</u>	<u>2,524,968</u>	<u>(33,547,830)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of notes	-	-	41,029,334	-	41,029,334
Insurance recoveries	55,573	42,771	-	-	98,344
Transfer in	1,170,003	-	-	-	1,170,003
Transfers out	-	(800,003)	-	(300,000)	(1,100,003)
Total Financing Sources (Uses)	<u>1,225,576</u>	<u>(757,232)</u>	<u>41,029,334</u>	<u>(300,000)</u>	<u>41,197,678</u>
NET CHANGE IN FUND BALANCES	1,637,892	(92,152)	3,879,140	2,224,968	7,649,848
FUND BALANCES, JULY 1,	<u>16,785,036</u>	<u>1,390,569</u>	<u>-</u>	<u>5,105,353</u>	<u>23,280,958</u>
FUND BALANCES, JUNE 30	<u>\$ 18,422,928</u>	<u>1,298,417</u>	<u>3,879,140</u>	<u>7,330,321</u>	<u>30,930,806</u>

See notes to financial statements

CITY OF UNIVERSITY CITY, 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 JUNE 30, 2021

Net Change In Fund Balances - Governmental Funds \$ 7,649,848

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 is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation \$3,482,562 exceeded the capitalization threshold of \$1,160,609 in the current period (2,321,953)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (70,920)

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 position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of notes payable (41,029,334)
 Repayment of capital lease 103,601

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 (836,663)
 Accrued compensated absences (281,492)
 Pension expense 1,251,611
 OPEB expense (31,721)

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. (163,942)

Change In Net Position Of Governmental Activities \$ (35,730,965)

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

	Business-type Activities				Governmental Activities
	Parking Garage	Golf Course	Solid Waste	Total Enterprise Funds	Internal Service Fund
ASSETS					
Current Assets					
Cash and investments	\$ 483,388	777,133	1,118,999	2,379,520	165,020
Receivables, net:					
Grant	-	-	24,000	24,000	-
Other	14,231	433	135,799	150,463	166
Due from other funds	-	-	39,225	39,225	52,661
Prepays	-	17,768	-	17,768	-
Inventory	-	37,792	-	37,792	77,465
Total Current Assets	<u>497,619</u>	<u>833,126</u>	<u>1,318,023</u>	<u>2,648,768</u>	<u>295,312</u>
Noncurrent Assets					
Land and construction in progress	-	76,001	35,491	111,492	-
Capital assets, net of accumulated depreciation	<u>1,815,717</u>	<u>916,369</u>	<u>620,181</u>	<u>3,352,267</u>	<u>567,928</u>
Total Noncurrent Assets	<u>1,815,717</u>	<u>992,370</u>	<u>655,672</u>	<u>3,463,759</u>	<u>567,928</u>
Total Assets	<u>2,313,336</u>	<u>1,825,496</u>	<u>1,973,695</u>	<u>6,112,527</u>	<u>863,240</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to OPEB	-	1,533	9,002	10,535	3,433
Deferred amounts related to pensions	-	31,794	165,889	197,683	53,434
Total Deferred Outflows Of Resources	<u>-</u>	<u>33,327</u>	<u>174,891</u>	<u>208,218</u>	<u>56,867</u>
LIABILITIES					
Current Liabilities					
Accounts payable	6,291	22,380	179,652	208,323	45,904
Accrued expenses	-	-	213,952	213,952	-
Due to other funds	181,192	60,961	1,036,273	1,278,426	167,404
Deposits	8,940	-	-	8,940	-
Unearned revenue	-	-	686,665	686,665	-
Accrued compensated absences	-	14,843	58,986	73,829	29,224
Total Current Liabilities	<u>196,423</u>	<u>98,184</u>	<u>2,175,528</u>	<u>2,470,135</u>	<u>242,532</u>
Noncurrent Liabilities					
Advance from other funds	303,330	303,330	-	606,660	-
Total OPEB liability	-	16,164	79,060	95,224	36,182
Net pension liability	-	35,257	183,960	219,217	59,253
Total Noncurrent Liabilities	<u>303,330</u>	<u>354,751</u>	<u>263,020</u>	<u>921,101</u>	<u>95,435</u>
Total Liabilities	<u>499,753</u>	<u>452,935</u>	<u>2,438,548</u>	<u>3,391,236</u>	<u>337,967</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to OPEB	-	318	3,057	3,375	713
Deferred amounts related to pensions	-	143,676	749,642	893,318	241,461
Total Deferred Inflows Of Resources	<u>-</u>	<u>143,994</u>	<u>752,699</u>	<u>896,693</u>	<u>242,174</u>
NET POSITION					
Net investment in capital assets	1,815,717	992,370	655,672	3,463,759	567,928
Unrestricted	<u>(2,134)</u>	<u>269,524</u>	<u>(1,698,333)</u>	<u>(1,430,943)</u>	<u>(227,962)</u>
Total Net Position	<u>\$ 1,813,583</u>	<u>1,261,894</u>	<u>(1,042,661)</u>	<u>2,032,816</u>	<u>339,966</u>

See notes to financial statements

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities				Governmental Activities
	Parking Garage	Golf Course	Solid Waste	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUES					
Charges for services	\$ 111,885	1,119,022	3,026,502	4,257,409	1,456,863
Other	-	500	2,417	2,917	-
Total Operating Revenues	111,885	1,119,522	3,028,919	4,260,326	1,456,863
OPERATING EXPENSES					
Personnel services	-	319,933	1,542,680	1,862,613	435,670
Contractual services	63,132	123,966	1,927,970	2,115,068	388,339
Supplies	320	175,039	115,528	290,887	20,991
Materials	-	-	-	-	424,476
Utilities	7,045	51,859	6,464	65,368	34,129
Depreciation	60,084	89,115	251,898	401,097	295,569
Total Operating Expenses	130,581	759,912	3,844,540	4,735,033	1,599,174
OPERATING INCOME (LOSS)	(18,696)	359,610	(815,621)	(474,707)	(142,311)
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental	-	-	34,139	34,139	-
Gain on disposal of capital assets	-	(4,508)	-	(4,508)	(21,631)
Interest expense	(4,731)	(4,731)	-	(9,462)	-
Total Nonoperating Revenues (Expenses)	(4,731)	(9,239)	34,139	20,169	(21,631)
INCOME (LOSS) BEFORE TRANSFERS	(23,427)	350,371	(781,482)	(454,538)	(163,942)
TRANSFER OUT	-	-	(70,000)	(70,000)	-
CHANGE IN NET POSITION	(23,427)	350,371	(851,482)	(524,538)	(163,942)
NET POSITION, JULY 1	1,837,010	911,523	(191,179)	2,557,354	503,908
NET POSITION, JUNE 30	<u>\$ 1,813,583</u>	<u>1,261,894</u>	<u>(1,042,661)</u>	<u>2,032,816</u>	<u>339,966</u>

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities				Governmental Activities
	Parking Garage	Golf Course	Solid Waste	Total Enterprise Funds	Internal Service Fund
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
Cash flows from operating activities:					
Receipts from customers and users	\$ 106,149	1,118,589	3,044,353	4,269,091	1,489,422
Payments to suppliers	(73,883)	(358,404)	(2,072,287)	(2,504,574)	(873,917)
Payments to employees	(7,017)	(362,490)	(1,626,564)	(1,996,071)	(493,131)
Other receipts	-	500	2,417	2,917	-
Net Cash Provided By (Used In) Operating Activities	25,249	398,195	(652,081)	(228,637)	122,374
Cash flows from noncapital financing activities:					
Due to/from other funds	51,469	3,621	314,810	369,900	(89,976)
Intergovernmental grants	-	-	10,139	10,139	-
Transfers	-	-	(70,000)	(70,000)	-
Advance to/from other funds	(48,489)	(48,489)	-	(96,978)	-
Interest paid on advance from other funds	(4,731)	(4,731)	-	(9,462)	-
Net Cash Provided By (Used In) Noncapital Financing Activities	(1,751)	(49,599)	254,949	203,599	(89,976)
Cash flows from capital and related financing activities:					
Purchase of capital assets	(10,577)	(121,372)	(35,491)	(167,440)	-
Proceeds from sale of capital assets	-	-	-	-	52,661
Net Cash Provided By (Used In) Capital And Related Financing Activities	(10,577)	(121,372)	(35,491)	(167,440)	52,661
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	12,921	227,224	(432,623)	(192,478)	85,059
CASH AND CASH EQUIVALENTS, JULY 1	470,467	549,909	1,551,622	2,571,998	79,961
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 483,388	777,133	1,118,999	2,379,520	165,020

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities				Governmental Activities
	Parking Garage	Golf Course	Solid Waste	Total Enterprise Funds	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (18,696)	359,610	(815,621)	(474,707)	(142,311)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	60,084	89,115	251,898	401,097	295,569
(Increase) decrease in:					
Other receivables	(5,736)	(433)	10,701	4,532	32,559
Inventory	-	30,487	-	30,487	6,650
Prepaid items	-	(17,768)	-	(17,768)	-
Deferred outflows related to OPEB	47	163	255	465	635
Deferred outflows related to pensions	2,834	34,240	206,493	243,567	78,068
Increase (decrease) in:					
Accounts payable	(5,912)	(20,259)	(62,804)	(88,975)	(12,632)
Accrued expenses	-	-	40,479	40,479	-
Deposits	2,526	-	-	2,526	-
Unearned revenue	-	-	7,150	7,150	-
Accrued compensated absences	-	(36,110)	10,329	(25,781)	3,299
Total OPEB liability	(440)	411	7,002	6,973	(1,606)
Deferred inflows related to OPEB	(10)	(57)	(159)	(226)	(187)
Net pension liability	(8,046)	(152,218)	(873,258)	(1,033,522)	(314,088)
Deferred inflows related to pensions	(1,402)	111,014	565,454	675,066	176,418
Total Adjustments	43,945	38,585	163,540	246,070	264,685
Net Cash Provided By (Used In) Operating Activities	\$ 25,249	398,195	(652,081)	(228,637)	122,374

CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
JUNE 30, 2021

ASSETS

Cash and investments:	
Common stock	\$ 26,082,670
Exchange traded funds	18,493,753
Government securities	6,890,108
Money market funds	647,108
Corporate bonds	4,316,209
Cash	2,640,681
Total Cash And Investments	<u>59,070,529</u>
Interest receivable	80,922
Due from primary government	71,491
Total Assets	<u>59,222,942</u>

LIABILITIES

Accounts payable	<u>17,601</u>
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NET POSITION

Restricted for pensions	<u><u>\$ 59,205,341</u></u>
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CITY OF UNIVERSITY CITY, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

ADDITIONS

Contributions:	
Employee	\$ 214,199
Employer	2,559,820
Total Contributions	<u>2,774,019</u>
Investment income:	
Interest and dividends	888,216
Net appreciation in fair value of investments	12,262,639
Less - Investment management fees	(128,175)
Net Investment Income	<u>13,022,680</u>
Miscellaneous income	<u>583</u>
Total Additions	<u>15,797,282</u>

DEDUCTIONS

Benefits	3,960,347
Refund of contributions	79,005
Administrative and other	201,806
Total Deductions	<u>4,241,158</u>

CHANGE IN NET POSITION

11,556,124

NET POSITION - RESTRICTED FOR PENSIONS, JULY 1

47,649,217

NET POSITION - RESTRICTED FOR PENSIONS, JUNE 30

\$ 59,205,341

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF UNIVERSITY CITY, MISSOURI** (the City) was incorporated on September 6, 1906 and established a Council-Manager form of government. The City's major operations include police and fire protection, street maintenance and improvements, parks and recreation, certain social services, and general administrative services.

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

1. The Financial Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable or closely related to the City. The component units discussed below are included in the City's reporting entity. There are no separate financial statements prepared for the City's component units.

Blended Component Units

The following component units are legally separate from the City; however, their governing bodies are substantively the same as the City's and, consequently, they are, in substance, the same as the primary government. As such, the balances and transactions of these component units are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the City itself.

University City Loop Special Business District (LSBD) and Parkview Gardens Special Business District (PGSBD) -- The LSBD and PGSBD were created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The LSBD was established to promote retail trade activities and enhance the environment of an area within the City referred to as the Loop. The PGSBD was established to provide a mechanism for property owners to enhance their environment.

The City Council is responsible for imposing business license fees for the LSBD and for levying dedicated taxes to provide funding for both entities. Additionally, the City Council has the sole discretion as to how the revenues of these entities are to be utilized. The LSBD and PGSBD are presented as governmental fund types.

Discretely Presented Component Units

The discretely presented component unit columns in the basic financial statements include the financial data of the City's other component units. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City. The following entities are discretely presented in the basic financial statements as governmental fund types:

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. The Financial Reporting Entity (Continued)

University City Municipal Library District (the Library) -- The Library was incorporated in 1939, under the provisions of the State of Missouri RSMo 182.840 and is operated under a Board of Trustees and a librarian form of management. The University City Library District, based on Article X, Section 15 of the Missouri Constitution, levies a property tax as a primary revenue source. The City Council is responsible for appointing the governing members of the Library's Board of Trustees and acknowledges the Library's budget, but the City's accountability does not extend beyond this. The City provides specific operational support such as personnel, accounting, accounts payable, and payroll.

Industrial Development Authority (IDA) -- The IDA is a not-for-profit corporation established by resolution of the City Council and formed under RSMo Chapter 349, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage, and promote commercial industrial and manufacturing facilities in the City. The Mayor, with consent of the City Council, appoints the IDA Board of Directors. The City provides the IDA financial and administrative support.

Land Clearance for Redevelopment Authority (LCRA) -- The LCRA was created by Ordinance of the City Council, as provided under the laws of the State of Missouri, and is administered by a Board of Commissioners appointed by the Mayor and City Manager with the advice and consent of the City Council. It was established to redevelop and improve deteriorated areas of the City. As required by State Statute, certain activities of the LCRA are required to be approved or presented to the City's governing body.

Pension Plans

The City's qualified employees participate in two single-employer defined plans, Non-Uniformed Employees' retirement Fund and the Police and Firemen's Retirement Fund (the Plans). The Plans are fiduciary component units of the City. The Plans function for the benefit of these employees and are each governed by a seven member pension board appointed by the Mayor and City Council. The Non-Uniformed Employees' Retirement Fund is funded based on an actuarially determined amount, in addition to employees contributing 3% of their annual salary. The Police and Firemen's Retirement Fund is funded by a pension tax levy. In addition, the City contributes to the Plan which is based on an actuarially determined amount. The contributions made by the City to the Plans, create a financial burden on the City. The City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the Plans being fiscally dependent upon the City. The Non-Uniformed Employees' Retirement Fund and Police and Firemen's Retirement Fund are reported as a pension trust fund. The Plans do not issue separate stand-alone financial reports.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. 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 primary government is reported separately from certain legally separate component units for which the primary government 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, unrestricted interest earnings, and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 claims and judgments, are recorded only when payment is due.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The City reports the following major governmental funds:

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

Public Safety Sales Tax Fund -- This fund is used to account for a revenue resource from the one-half cents Public Safety sales tax passed by voters in April 2017.

Olive I-170 TIF Fund -- This fund is used to account for the tax increment financing activities of the Market at Olive development.

The City reports the following major proprietary enterprise funds:

Parking Garage Fund -- The City established this fund to account for revenues and expenses related to the parking garage facilities.

Golf Course Fund -- The City established this fund to account for revenues and expenses related to the golf course.

Solid Waste Fund -- The City established this fund to account for revenues and expenses related to solid waste management, including refuse collection and recycling.

Additionally, the City reports the following fund types:

Internal Service Fund -- The Internal Service Fund is used to account for services provided to other departments of the City by the Fleet Maintenance Department. Charges for services are allocated to various City departments on a cost recovery basis.

Pension Trust Funds -- The Pension Trust Funds account for the activities of the Police and Firemen's Retirement Fund and the Non-Uniformed Employees' Retirement Fund which accumulates resources for pension benefit payments to qualified personnel.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 Parking Garage Enterprise Fund, the Golf Course Enterprise Fund, the Solid Waste Enterprise Fund, and the City's Internal Service Fund are charges for sales and services. Operating expenses for enterprise funds and Internal Service Fund 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

4. Cash, Cash Equivalents, and Investments

The City maintains a cash and investment pool that is available for use by all funds. For purposes of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments are stated at fair value. Fair value for certain U.S. government securities which mature within less than one year from purchase is determined by calculating amortized cost, which approximates fair value. Fair value for all other investments is based on quoted market prices.

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, and repurchase agreements. The Pension Trust Funds are authorized to invest in obligations of the U.S. government or its agencies, other marketable equity and nonequity securities (not to exceed 5% of the trust fund in any one security), and other investments as approved by the Pension Trust Funds' Board of Trustees.

5. Allowance for Doubtful Accounts

Receivables are shown net of an allowance for uncollectibles. The governmental activities allowance totals \$1,338,573 consisting of court fines of \$543,826, ambulance billings of \$659,582, and miscellaneous billings \$135,165 in the General Fund. The business-type activities allowance consists of the Solid Waste Fund revenues of \$864,311.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Interfund Transactions

The City has the following types of transactions among funds:

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

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

Advance To/From Other Funds -- Long-term portions of interfund loans receivable/payable are reported as assets and liabilities of the appropriate fund.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported on the government-wide statement of net position as “internal balances”.

7. Inventory

Inventories are valued at lower of cost or market (first-in, first-out) and the expense is recognized when inventories are consumed in operations. Inventories held for resale consist of golf pro shop merchandise, fleet maintenance parts, and fuel.

8. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

9. Capital Assets

Capital assets which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items) are reported in the financial statements where applicable. 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 acquisition value at the date of donation. Infrastructure acquired prior to the implementation of GASB Statement No. 34 has not been reported.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Capital Assets (Continued)

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.

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

Assets	Years
Buildings	25 - 50
Improvements other than buildings	5 - 20
Equipment	3 - 25
Infrastructure	5 - 35

10. Compensated Absences

City employees generally earn vacation at the rate of 1¼ working days per month or 15 days per year. Regular full-time employees having completed 5 years of service are allowed vacation leave at the rate of 1⅓ working days per month or 16 days per year. Regular full-time employees having completed 10 years of service are allowed vacation leave at the rate of 1½ working days per month or 18 days per year. Regular full-time employees having completed 20 years of service are allowed vacation leave at the rate of 2 working days per month or 24 days per year. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. The entire compensated absences are accrued when incurred in the government-wide financial statements. For governmental funds, the expenditure for compensated absences is recorded in the fund when the employees who have accumulated unpaid leave are paid. A liability for these amounts is reported in the General Fund only if they have matured, for example, as a result of employee resignations and retirements.

11. Unearned Revenue

Unearned revenue for the governmental funds is composed primarily of grant revenue and contributions received in advance of project expenditures having been incurred. Unearned revenue for the Solid Waste Fund is composed of billings in advance of services.

12. Long-term Obligations

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Long-term Obligations (Continued)

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.

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

14. Property Taxes

The City's property taxes are levied each October based on the assessed valuation for all real and personal property located in the City as of the previous January 1. Taxes are billed in November and due and payable on or before December 31. Liens are placed on property for delinquent taxes on January 1 following the due date. The St. Louis County Assessment Board establishes assessed values.

For 2020, the City's tax rate levied per \$100 of assessed valuation was as follows:

	Real Estate		Personal	Total
	Residential	Commercial	Property	
General Fund	\$ 0.4710	0.4870	0.6800	1.6380
Police and Fire Pension	0.1390	0.1330	0.1950	0.4670
Total City Tax Rate	<u>\$ 0.6100</u>	<u>0.6200</u>	<u>0.8750</u>	<u>2.1050</u>

For 2020, the University Library District levied a tax rate per \$100 of assessed valuation of \$0.365 for residential, \$0.345 for commercial, and \$0.408 for personal property.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. 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.

16. Assets Held for Resale

The City records assets held for resale at the lower of cost or market value. The market value was determined based on an appraisal of the property.

17. Use of Estimates

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

18. Fund Balance Policies

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

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

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

Committed -- The portion of fund balance established by formal action (ordinance) of the City Council, the highest level of decision-making authority.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the City Manager to which the City Council has designated authority through passage of ordinances.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

18. Fund Balance Policies (Continued)

When an expenditure is incurred in governmental funds which may be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from the restricted fund balance first, followed by committed, assigned, and then unassigned fund balances.

The City's policy is to maintain unassigned fund balance in the General Fund of at least 17% of the budgeted expenditures.

19. Pensions

For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit plans (the Plans) and additions to/deductions from the Plans fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 June 30, 2021, the City's bank balances were entirely insured or collateralized with securities held by the City or by its agent in the City's name.

As of June 30, 2021, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' names.

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments

As of June 30, 2021, the City had the following investments:

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years	
Primary Government							
Government securities:							
Federal Farm Credit Bank	\$ 1,503,401	-	503,048	1,000,353	-	-	AAA
FNMA	480,038	-	480,038	-	-	-	AAA
Federal Home Loan Bank	2,071,623	-	543,006	1,528,617	-	-	AAA
Total Primary Government	\$ 4,055,062	-	1,526,092	2,528,970	-	-	

Investment Policies

The City's investment policies are as follows:

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and 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. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the City's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the City's name.

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City minimizes concentration of credit risk by not investing more than 50% of the City's total investments in any single issuer.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represent 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Defined benefit plans are required to disclose investments in any one issue that represent 5% or more of total plan net position with the same exemptions as above. At June 30, 2021, the City had the following investment concentrations:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Investments</u>
Primary Government		
Federal Farm Credit Bank	\$ 1,503,401	37.1 %
FNMA	480,038	11.8
Federal Home Loan Bank	2,071,623	51.1

3. Fair Value Measurements

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

The City has the following recurring fair value level measurements as of June 30, 2021:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Primary Government				
Investments by fair value level:				
Federal Farm Credit Bank	\$ 1,503,401	-	1,503,401	-
Federal Home Loan Bank	2,071,623	-	2,071,623	-
FNMA	480,038	-	480,038	-
Total Investments By Fair Value Level	<u>\$ 4,055,062</u>	<u>-</u>	<u>4,055,062</u>	<u>-</u>

NOTE C - CAPITAL ASSETS

Capital asset activity for the governmental activities was as follows:

	For The Year Ended June 30, 2021			Balance June 30 2021
	Balance June 30 2020 - Restated	Increases	Decreases	
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 8,990,256	-	-	8,990,256
Construction in progress	1,075,901	549,289	810,491	814,699
Total Capital Assets Not Being Depreciated	10,066,157	549,289	810,491	9,804,955
Capital assets being depreciated:				
Buildings	20,840,853	-	-	20,840,853
Improvements other than buildings	13,516,760	376,242	-	13,893,002
Equipment	13,686,070	424,699	175,506	13,935,263
Infrastructure	36,671,789	620,871	-	37,292,660
Total Capital Assets Being Depreciated	84,715,472	1,421,812	175,506	85,961,778
Less - Accumulated depreciation for:				
Buildings	11,015,609	771,411	-	11,787,020
Improvements other than buildings	4,711,078	749,616	-	5,460,694
Equipment	10,746,161	889,030	101,214	11,533,977
Infrastructure	20,788,754	1,368,074	-	22,156,828
Total Accumulated Depreciation	47,261,602	3,778,131	101,214	50,938,519
Total Capital Assets Being Depreciated, Net	37,453,870	(2,356,319)	74,292	35,023,259
 Governmental Activities Capital Assets, Net	 \$ 47,520,027	 (1,807,030)	 884,783	 44,828,214

The beginning balances for governmental activities construction in progress was increased by \$257,752 to reflect a prior period adjustment.

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

NOTE C - CAPITAL ASSETS (Continued)

	For The Year Ended June 30 2021
Governmental Activities	
General government	\$ 7,616
Public safety	764,611
Public works, including infrastructure	1,840,858
Parks and recreation	590,303
Community development	279,174
Capital assets held by the City's Internal Service Fund are charged to the various functions based on their usage of assets	<u>295,569</u>
Total Governmental Activities	<u><u>\$ 3,778,131</u></u>

Capital asset activity for the business-type activities was as follows:

	For The Year Ended June 30, 2021		
	Balance June 30 2020	Increases	Decreases
Business-type Activities			Balance June 30 2021
Capital assets not being depreciated:			
Land	\$ 76,001	-	-
Construction in progress	-	35,491	-
Total Capital Assets Not Being Depreciated	<u>76,001</u>	<u>35,491</u>	<u>111,492</u>
Capital assets being depreciated:			
Buildings	3,195,739	-	-
Improvements other than buildings	1,660,741	124,017	-
Equipment	5,282,051	7,931	5,355
Total Capital Assets Being Depreciated	<u>10,138,531</u>	<u>131,948</u>	<u>5,355</u>
Less - Accumulated depreciation for:			
Buildings	1,354,231	61,858	-
Improvements other than buildings	589,542	75,831	-
Equipment	4,568,835	263,408	848
Total Accumulated Depreciation	<u>6,512,608</u>	<u>401,097</u>	<u>848</u>
Total Capital Assets Being Depreciated, Net	<u>3,625,923</u>	<u>(269,149)</u>	<u>4,507</u>
Total Business-type Activities Capital Assets, Net	<u><u>\$ 3,701,924</u></u>	<u><u>(233,658)</u></u>	<u><u>4,507</u></u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

NOTE C - CAPITAL ASSETS (Continued)

	For The Year Ended June 30 2021
Business-type Activities	
Parking facility	\$ 60,084
Golf course	89,115
Sanitation	<u>251,898</u>
Total Business-type Activities	<u><u>\$ 401,097</u></u>

Capital asset activity for the component unit was as follows:

	For The Year Ended June 30, 2021		
	Balance June 30 2020 - Restated	Increases	Decreases
Component Unit - Library			Balance June 30 2021
Capital assets not being depreciated:			
Land	\$ 65,000	-	-
Construction in progress	159,951	130,198	-
Historical treasurers	440,140	-	-
Total Capital Assets Not Being Depreciated	<u>665,091</u>	<u>130,198</u>	<u>-</u>
Capital assets being depreciated:			
Buildings	1,065,748	-	-
Improvements other than buildings	606,788	-	-
Equipment	1,939,325	252,060	-
Total Capital Assets Being Depreciated	<u>3,611,861</u>	<u>252,060</u>	<u>-</u>
Less - Accumulated depreciation for:			
Buildings	1,001,803	21,315	-
Improvements other than buildings	316,715	27,410	-
Equipment	1,062,539	115,541	-
Total Accumulated Depreciation	<u>2,381,057</u>	<u>164,266</u>	<u>-</u>
Total Capital Assets Being Depreciated, Net	<u>1,230,804</u>	<u>87,794</u>	<u>-</u>
Component Unit - Library Capital Assets, Net	<u><u>\$ 1,895,895</u></u>	<u><u>217,992</u></u>	<u><u>-</u></u>
			<u><u>2,113,887</u></u>

Depreciation expense of \$164,266 was charged to the Library component unit.

The beginning balances for the component unit was increased by \$174,940 to reflect a prior period adjustment.

NOTE D - LONG-TERM DEBT

A summary of changes in long-term debt is as follows:

	For The Year Ended June 30, 2021			Amounts Due Within One Year
	Balance June 30 2020	Additions	Reductions	Balance June 30 2021
Governmental Activities				
Tax increment note - private placement	\$ -	41,029,334	-	41,029,334
Capital leases	430,283	-	103,601	326,682
Compensated absences	1,273,677	1,395,165	1,110,377	1,558,465
Net pension liability	18,000,527	6,641,929	16,529,633	8,112,823
Net OPEB liability	922,447	123,363	72,704	973,106
Total Governmental Activities	<u>\$ 20,626,934</u>	<u>49,189,791</u>	<u>17,816,315</u>	<u>52,000,410</u>
Business-type Activities				
Compensated absences	\$ 99,610	79,394	105,175	73,829
Net pension liability	1,252,739	179,472	1,212,994	219,217
Net OPEB liability	88,252	12,092	5,100	95,244
Total Business-type Activities	<u>\$ 1,440,601</u>	<u>270,958</u>	<u>1,323,269</u>	<u>388,290</u>
Component Unit - Library				
Compensated absences	\$ 75,500	57,238	47,357	85,381
Net pension liability	973,465	137,829	942,943	168,351
Net OPEB liability	44,572	6,407	442	50,537
Total Component Unit - Library	<u>\$ 1,093,537</u>	<u>201,474</u>	<u>990,742</u>	<u>304,269</u>

Compensated absences are generally liquidated by the General Fund, Internal Service Fund, Solid Waste Fund, Golf Fund, and the Library Component Unit. Capital leases are liquidated by the Public Safety Sales Tax Fund and the tax increment note will be liquidated by the Olive I-170 TIF Fund.

Tax Increment Revenue Note

During 2021, a taxable tax increment revenue note, series B, private placement debt, was issued for a maximum amount of \$70,901,661 for a redevelopment project. The note bears variable rate interest per the terms of the agreement, the rate at 6/30/21 was 8% and matures June 9, 2042. The terms on the debt have certain optional prepayment provisions which allow the City to prepay the debt. The repayment of the debt is based on the collection of the amount of the associated TIF revenue. The notes are special limited obligations generally payable solely from payments in lieu of taxes and economic activity taxes per the note agreement.

NOTE D - LONG-TERM DEBT (Continued)

Capital Leases

During 2017, a capital lease agreement in the amount of \$726,101 was issued to finance the purchase of a fire ladder truck. The capital lease bears interest of 2.51% and matures on September 1, 2023.

Rental payments equal to the principal and interest amounts are made annually throughout the life of the lease. Total assets acquired through the capital lease and accumulated depreciation are \$726,101 and \$568,779, respectively.

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

For The Years Ending June 30	Principal	Interest	Total
2022	\$ 106,204	8,207	114,411
2023	108,872	5,539	114,411
2024	111,606	2,804	114,410
Total	<u>\$ 326,682</u>	<u>16,550</u>	<u>343,232</u>

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

Assessed Valuation - 2020 tax year	<u>\$ 749,549,739</u>
Debt limit - 10% of assessed valuation	\$ 74,954,974
Amount of debt applicable to debt limit	<u>-</u>
Legal Debt Margin	<u>\$ 74,954,974</u>

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS

The City maintains two single-employer defined benefit pension plans. The Plans and plan provisions are established by ordinances of the City in accordance with Missouri State Statutes. Contribution requirements are established by City Ordinance. The Plans do not issue separate stand-alone financial reports. The financial information is included as a trust fund in the City's basic financial statements. The funded status of the City's defined benefit pension plans as of June 30, 2021 is as follows:

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

	Non-Uniformed Employee's Retirement Fund	Police And Firemen's Retirement Fund	Total
Total pension liability	\$ 30,784,962	36,920,770	67,705,732
Plan fiduciary net position	29,431,987	29,773,354	59,205,341
Net Pension Liability	<u>\$ 1,352,975</u>	<u>7,147,416</u>	<u>8,500,391</u>
Plan fiduciary net position as a percent- age of total pension liability	95.61 %	80.64	87.45

The Non-Uniformed Employee's net pension liability will be liquidated by the General Fund, Sewer Lateral Fund, Economic Development Fund, Park and Storm Water Sales Tax Fund, Capital Improvement Sales Tax Fund, Public Safety Sales Tax Fund, Internal Service Fund, and the Library Component Unit. The Police and Firemen's net pension liability will be liquidated by the General Fund and the Public Safety Sales Tax Fund.

1. Non-Uniformed Employees' Retirement Fund**General Information about the Plan*****Plan Description***

The City sponsors and administers a single-employer defined benefit pension plan (the Plan) which covers substantially all eligible full-time employees not covered under the Police and Firemen's Retirement Fund. Information about the Plan is provided in a summary plan description.

Benefits Provided

Employees become eligible to participate in the Plan upon full-time employment. All benefits vest after 10 years of credited service in the form of a life annuity payable monthly. Employees attaining the age of 65 or the age of 62 with 30 years of credited service are entitled to the normal retirement benefit. The Plan permits early retirement at the completion of 20 years of credited service and attainment of age 55.

Employees Covered by Benefit Terms

At January 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	39
Active employees	<u>122</u>
Total	<u>229</u>

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Non-Uniformed Employees’ Retirement Fund (Continued)

Contributions

Employees are required to contribute 3% of their annual salary to the Plan. The City contributes to the Plan based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability.

Net Pension Liability

The City’s net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. The pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing procedures incorporating the actuarial assumptions.

Actuarial Assumptions

The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	N/A
Salary increases	3% compounded annually
Investment rate of return	6.5%, net of investment expense

Changes in assumptions and methods as of June 30, 2021 are as follows:

- The municipal bond rate of 2.18% was updated from 2.66%
- The blended discount rate changed to 6.50% from 6.49%
- The mortality improvement scale assumption was updated from projecting generationally using scale MP-2019 to projecting generationally using the MP-2020 mortality improvement scale
- The amortization of unfunded accrued liability changed to a closed 15-year amortization on a level dollar basis from an open 15-year amortization on a level dollar basis

The actuarial assumptions used in the January 1, 2021 valuation were based upon an annual review of actual experience compared to previous assumptions used, and a perspective on future expectations.

Rate of Return

For the year ended June 30, 2021, the rate of return on pension plan investments, net of pension plan investment expense was (6.5%).

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Non-Uniformed Employees' Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was changed to 6.50% from 6.49%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will continue to follow the current funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. A municipal bond rate of 2.18% would have been used in the development of the blended GASB discount rate after the Plan's fiduciary net position became insufficient. The 2.18% rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index. Based on the long-term rate of return of 6.50% and the municipal bond rate of 2.18%, the blended GASB discount rate would be 6.49%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at June 30, 2020	<u>\$ 31,353,110</u>	<u>23,371,435</u>	<u>7,981,675</u>
Changes for the year			
Service cost	638,347	-	638,347
Interest on the total pension liability	2,026,241	-	2,026,241
Difference between expected and actual experience	(1,484,031)	-	(1,484,031)
Changes of assumptions	(183,137)	-	(183,137)
Contributions - employer	-	1,044,767	(1,044,767)
Contributions - employee	-	214,199	(214,199)
Net investment income	-	6,462,311	(6,462,311)
Benefit payments, including refunds	(1,565,568)	(1,565,568)	-
Administrative expense	-	(95,157)	95,157
Net Changes	<u>(568,148)</u>	<u>6,060,552</u>	<u>(6,628,700)</u>
Balances at June 30, 2021	<u><u>\$ 30,784,962</u></u>	<u><u>29,431,987</u></u>	<u><u>1,352,975</u></u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.50%, as well as what the City's net position liability would be if it were calculated using a discount rate that is 1% point lower (5.50%) or 1% point higher (7.50%) than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability	<u>\$ 5,234,933</u>	<u>1,352,975</u>	<u>(1,906,742)</u>

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Non-Uniformed Employees' Retirement Fund (Continued)

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

For the year ended June 30, 2021, the City recognized an actuarial net pension expense of \$130,216. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Differences between expected and actual experience	\$ 967,335	(1,682,892)	(715,557)
Assumption changes	252,732	(693,520)	(440,788)
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>(3,136,985)</u>	<u>(3,136,985)</u>
Total	<u>\$ 1,220,067</u>	<u>(5,513,397)</u>	<u>(4,293,330)</u>

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

<u>For The Plan Years Ending June 30</u>	
2022	\$ (797,070)
2023	(995,260)
2024	(1,035,178)
2025	(1,177,401)
2026	(199,764)
Thereafter	<u>(88,657)</u>
Total	<u>\$ (4,293,330)</u>

Payable to the Pension Plan

At June 30, 2021, the City did not have a payable for outstanding contributions to this pension plan.

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Non-Uniformed Employees’ Retirement Fund (Continued)

Component Unit - Library

The amounts for the Library component unit are included in the above totals as the separate amounts are not available for the fiscal year. The contribution for the Library for the year ended June 30, 2021 was \$130,000 which is 12.4% of the total employer contribution for the year. There was no significant change in this rate from the previous year.

2. City of University City Police and Firemen’s Retirement Fund

General Information about the Plan

Plan Description

Under City Ordinance, the City established a single-employer defined benefit pension plan, City of University City Police and Firemen’s Retirement Fund (the Plan), that provides pension, disability, and death benefits. Each eligible employee who is employed by the City as a police officer or firefighter must participate in the Plan on the date the employee becomes a police officer or firefighter.

Benefits Provided

Employees who retire after the attainment of age 50 and 20 years of service are entitled to retirement benefits in the form of a life annuity payable monthly.

Employees Covered by Benefit Terms

At January 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	89
Inactive employees entitled to but not yet receiving benefits	18
Active employees	<u>119</u>
Total	<u>226</u>

Contributions

The Plan is funded by a pension tax levy. Employees do not contribute to the Plan. For the year ended June 30, 2021, the City’s contribution to the Plan from the tax levy was 17.46% of annual covered payroll. In addition, the City contributed \$504,100 from the Public Safety Sales Tax Fund.

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

2. City of University City Police and Firemen’s Retirement Fund (Continued)

Net Pension Liability

The City’s net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. The pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing procedures incorporating the actuarial assumptions.

Actuarial Assumptions

The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	N/A
Projected salary increases	3% compounded annually
Investment rate of return	6.5%, net of investment expense

Changes in assumptions and methods as of June 30, 2021 are as follows:

- The municipal bond rate of 2.18% was updated from 2.66%
- The blended discount rate changed to 6.50% from 6.22%
- The mortality improvement scale assumption was updated from projecting generationally using scale MP-2019 to projecting generationally using the MP-2020 mortality improvement scale
- The amortization of unfunded accrued liability changed to a closed 15-year amortization on a level dollar basis from an open 15-year amortization on a level dollar basis

The actuarial assumptions used in the January 1, 2021 valuation were based upon an annual review of actual experience compared to previous assumptions used, and a perspective on future expectations.

Rate of Return

For the year ended June 30, 2021, the rate of return on pension plan investments, net of pension plan investment expense, was (6.5%).

Discount Rate

The projection of cash flows used to determine the discount rate assumed that Plan contributions will continue to follow the current funding policy. Based on those assumptions, the Plan’s fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. A municipal bond rate of 2.18% was updated from 2.66% and would have been used in the development of the blended GASB discount rate after the Plan’s fiduciary

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

2. City of University City Police and Firemen's Retirement Fund (Continued)

net position became insufficient. The 2.18% rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index. Based on the long-term rate of return of 6.50% and the municipal bond rate of 2.18%, the blended GASB discount rate would be 6.50%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at June 30, 2020	<u>\$ 36,522,839</u>	<u>24,277,782</u>	<u>12,245,057</u>
Changes for the year			
Service cost	923,773	-	923,773
Interest on the total pension liability	2,253,405	-	2,253,405
Difference between expected and actual experience	915,656	-	915,656
Changes of assumptions	(1,221,119)	-	(1,221,119)
Contributions - employer	-	1,515,053	(1,515,053)
Net investment income	-	6,560,952	(6,560,952)
Benefit payments, including refunds	(2,473,784)	(2,473,784)	-
Administrative expense and other	-	(106,649)	106,649
Net Changes	<u>397,931</u>	<u>5,495,572</u>	<u>(5,097,641)</u>
Balances at June 30, 2021	<u><u>\$ 36,920,770</u></u>	<u><u>29,773,354</u></u>	<u><u>7,147,416</u></u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.50%, as well as what the City's net position liability would be if it were calculated using a discount rate that is 1% point lower (5.50%) or 1% point higher (7.50%) than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability	<u>\$ 11,403,817</u>	<u>7,147,416</u>	<u>3,570,627</u>

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

For the year ended June 30, 2021, the City recognized an actuarial net pension expense of \$905,895. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**2. City of University City Police and Firemen's Retirement Fund (Continued)**

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Differences between expected and actual experience	\$ 1,436,492	(792,920)	643,572
Assumption changes	726,464	(1,357,409)	(630,945)
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>(3,067,768)</u>	<u>(3,067,768)</u>
Total	<u>\$ 2,162,956</u>	<u>(5,218,097)</u>	<u>(3,055,141)</u>

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

**For The Plan
Years Ending
June 30**

2022	\$ (630,493)
2023	(611,942)
2024	(823,641)
2025	(1,037,156)
2026	85,464
Thereafter	<u>(37,373)</u>
Total	<u>\$ (3,055,141)</u>

Payable to the Pension Plan

At June 30, 2021, the City did not have a payable for outstanding contributions to this pension plan.

3. Investments

The Plans' policy in regard to the allocation of invested assets is established and may be amended by the Plans' Board of Trustees. It is the policy of the Plans to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

3. Investments (Continued)

As of June 30, 2021, the Plans had the following investments:

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years	
Fiduciary Funds							
Common stock	\$ 26,082,669	26,082,669	-	-	-	-	N/A
Exchange traded funds	18,493,753	18,493,753	-	-	-	-	N/A
Government securities:							
U.S. Treasury bonds	293,387	-	-	-	-	293,387	N/A
U.S. Treasury notes	4,006,270	-	-	1,207,571	2,798,699	-	N/A
Federal Home Loan Mortgage Association	1,299,642	-	-	-	-	1,299,642	AAA
Federal Home Loan Mortgage Corporation	1,290,807	-	-	-	-	1,290,807	AAA
Money market funds	647,108	-	647,108	-	-	-	Not rated
Corporate bonds	2,015,712	-	311,926	769,486	418,549	515,751	A
Corporate bonds	310,306	-	-	-	105,514	204,792	AA
Corporate bonds	21,964	-	-	-	-	21,964	AAA
Corporate bonds	1,968,230	-	227,601	303,197	1,086,459	350,973	BBB
Total Fiduciary Funds	<u>\$ 56,429,848</u>	<u>44,576,422</u>	<u>1,186,635</u>	<u>2,280,254</u>	<u>4,409,221</u>	<u>3,977,316</u>	

The Plans' investment policies are as follows:

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Plans minimize credit risk by diversifying the portfolio to reduce potential losses on individual securities and allowing certain equity, fixed income, cash investments and fund surrogates of these assets classes per the Plans' policy.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Plans minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty to a transaction, the Plans will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Plans' custodian(s) will hold all cash and securities. A bank or trust depository arrangement will be utilized to accept and hold cash prior to allocating it to the investment manager. Such cash will be invested in liquid, interest-bearing, low-risk cash-alternative instruments. Investments are held by the pension funds agent in the pension funds name.

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

3. Investments (Continued)

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Plans' investment in a single issuer. The Plans minimize concentration of credit risk by using the following allocation policy:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equities	25 - 80 %	8.55 %
Covered call	0 - 30	2.15
Fixed income	20 - 50	1.63

At June 30, 2021 the Plans had the following investment concentration:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Plan Net Position</u>
Fiduciary Funds		
Vanguard Mid Cap ETF	\$ 6,464,680	10.1 %
Vanguard S&P Small Cap	4,192,769	7.1
Vanguard S&P 500 ETF	4,834,303	13.2

Fair Value Measurements

The Plans classify fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

3. Investments (Continued)

The Plans have the following recurring fair value level measurements as of June 30, 2021:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fiduciary Funds				
Investments by fair value level:				
Common stock	\$ 26,082,669	26,082,669	-	-
Exchange traded funds	18,493,753	18,493,753	-	-
Government securities:				
U.S. Treasury bonds	293,387	293,387	-	-
U.S. Treasury notes	4,006,270	4,006,270	-	-
Federal Home Loan Mortgage Association	1,299,642	-	1,299,642	-
Federal Home Loan Mortgage Corporation	1,290,807	-	1,290,807	-
Corporate bonds	4,316,212	-	4,316,212	-
Total Investments By Fair Value Level	55,782,740	<u>48,876,079</u>	<u>6,906,661</u>	<u>-</u>
Investments not subject to fair value level classification:				
Money market funds	<u>647,108</u>			
Total Fiduciary Funds Investments	<u>\$ 56,429,848</u>			

4. Condensed Statements of Pension Trust Funds

For the year ended June 30, 2021, the City recognized a combined actuarial net pension expense of \$1,039,111.

The condensed statement of fiduciary net position is as follows:

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**4. Condensed Statements of Pension Trust Funds (Continued)**

	June 30, 2021		
	Non-Uniformed Employees' Retirement Fund	Police And Firemen's Retirement Fund	Total
ASSETS			
Cash and investments:			
Common stock	\$ 15,928,543	10,154,127	26,082,670
Exchange traded funds	6,945,437	11,548,316	18,493,753
Government securities	3,520,187	3,369,921	6,890,108
Money market funds	369,053	278,055	647,108
Corporate bonds	2,211,586	2,104,623	4,316,209
Cash	422,997	2,217,684	2,640,681
Total Cash And Invest- ments	29,397,803	29,672,726	59,070,529
Interest receivable	43,018	37,904	80,922
Due from primary government	-	71,491	71,491
Total Assets	29,440,821	29,782,121	59,222,942
LIABILITIES			
Accounts payable	8,834	8,767	17,601
NET POSITION			
Restricted for pensions	\$ 29,431,987	29,773,354	59,205,341

The condensed statement of changes in fiduciary net position is as follows:

NOTE E - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)**4. Condensed Statements of Pension Trust Funds (Continued)**

	For The Year Ended June 30, 2020		
	Non-Uniformed Employees' Retirement Fund	Police And Firemen's Retirement Fund	Total
ADDITIONS			
Contributions:			
Employee	\$ 214,199	-	214,199
Employer - property taxes	-	1,010,953	1,010,953
Employer	1,044,767	504,100	1,548,867
Total Contributions	1,258,966	1,515,053	2,774,019
Investment income:			
Interest and dividends	472,688	415,528	888,216
Net appreciation in fair value of investments	6,059,734	6,202,905	12,262,639
Less - Management fees	(70,307)	(57,868)	(128,175)
Net Investment Income	6,462,115	6,560,565	13,022,680
Miscellaneous income	196	387	583
Total Additions	7,721,277	8,076,005	15,797,282
DEDUCTIONS			
Benefits	1,486,563	2,473,784	3,960,347
Refund of contributions	79,005	-	79,005
Administrative and other	95,157	106,649	201,806
Total Deductions	1,660,725	2,580,433	4,241,158
CHANGE IN NET POSITION	6,060,552	5,495,572	11,556,124
NET POSITION, JULY 1	23,371,435	24,277,782	47,649,217
NET POSITION, JUNE 30	\$ 29,431,987	29,773,354	59,205,341

NOTE F - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS***Plan Description***

The City's OPEB plan (the Plan) provides OPEB for all eligible full-time employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City. The Plan, as established by City Ordinance, assigned the authority to establish and amend the benefit terms and financing requirements to the City. No assets are accumulated in a trust for the Plan. The Plan does not issue a stand-alone report. The OPEB liability is generally liquidated by the General Fund, Sewer Lateral Fund, Economic Development Fund, Capital Improvement Sales Tax Fund, Park and Storm Water Sales Tax Fund, Internal Service Fund, and the Library Component Unit.

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

Benefits Provided

The Plan provides healthcare benefits to all current and future retirees with medical coverage to age 65. Civilians are eligible to retire once they have attained age 55 plus 20 years of service. Police are eligible to retire once they have attained age 50 plus 20 years of service. Spousal coverage is included until the spouse reaches age 65. Employees and spouses must be on the Plan at time of retirement to be eligible to participate in the Plan after retirement. Medical and prescription drug benefits are available to retirees in the City’s insurance plan. Retirees must contribute \$610.82/\$1,282.72 per month for single/family coverage. Retirees who retire after age 62 with 30 years of service contribute \$91.62 per month for self-coverage and \$610.82 per month for spouse coverage. Coverage stops at age 65. No life insurance coverage is provided.

Employees Covered by Benefit Terms

At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	10
Inactive employees entitled to but not yet receiving benefits	-
Beneficiaries receiving benefits	2
Active employees	<u>237</u>
Total	<u>249</u>

Total OPEB Liability

The City’s total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation date as of December 31, 2020. The OPEB liability was then rolled forward to the measurement date utilizing procedures incorporating the actuarial assumptions.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	3%
Salary increase	3% including inflation
Discount rate	1.93%
Healthcare cost trend rates	7.5% for 2020, decreasing to an ultimate rate of 4.5% for 2031 and later years

The discount rate was based on the S&P municipal bond 20 year high grade rate index as of December 31, 2020.

Changes in assumptions and methods as of June 30, 2021 are as follows:

- The per capita claims cost assumptions were updated to reflect premium rates as of July 1, 2021.

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

- The mortality improvement scale was updated to reflect the MP-2020 mortality improvement table released by the Society of Actuaries.
- The discount rate was updated from 3.26% as of December 31, 2019 to 1.93% as of December 31, 2020. The 1.93% rate was selected based on the S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2020.

The Plan has not had a formal actuarial experience study performed.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020	<u>\$ 1,055,271</u>
Changes for the year	
Service cost	47,039
Interest on the total OPEB liability	35,009
Difference between expected and actual experience	(20,972)
Changes of assumptions or other inputs	59,794
Benefit payments	(57,272)
Net Changes	<u>63,598</u>
Balance at June 30, 2021	<u><u>\$ 1,118,869</u></u>

Changes of assumptions and other inputs reflect a change in the health care trend rates to reflect recent trend surveys.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.93%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (0.93%) or 1% point higher (2.93%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 1,204,315</u>	<u>1,118,869</u>	<u>1,038,836</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using the healthcare cost trend rates of 7.5% decreasing to 4.5%, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (6.5% decreasing to 3.5%) or 1% point higher (8.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 1,007,858</u>	<u>1,118,869</u>	<u>1,250,586</u>

NOTE F - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021, the City recognized OPEB expense of \$95,047. Deferred outflows and inflows of resources related to OPEB are from the following sources:

	Outflows	Inflows	Net Outflows
Difference between expected and actual experience	\$ 27,263	(19,139)	8,124
Changes of assumptions or other inputs	128,208	(22,034)	106,174
Total	<u>\$ 155,471</u>	<u>(41,173)</u>	<u>114,298</u>

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

For The Years Ending June 30	
2022	\$ 12,999
2023	12,999
2024	12,999
2025	12,999
2026	12,999
Thereafter	49,303
Total	<u>\$ 114,298</u>

NOTE G - INTERFUND ASSETS/LIABILITIES

Interfund transfers are as follows:

Transfers In	Transfers Out	For The Year Ended June 30 2021
General Fund	Public Safety Sales Tax Fund	\$ 800,003
General Fund	Capital Improvement Sales Tax Fund	300,000
General Fund	Solid Waste Fund	70,000
Total		<u>\$ 1,170,003</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.

NOTE G - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities balances are as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>June 30 2021</u>
General Fund	Olive I-170 TIF	\$ 139,567
General Fund	Nonmajor Funds	240,049
General Fund	Parking Garage Fund	181,192
General Fund	Golf Course Fund	60,961
General Fund	Solid Waste Fund	1,036,276
General Fund	Fleet Maintenance Fund	128,179
Public Safety Fund	General Fund	275,155
Olive I-170 TIF	General Fund	844,458
Nonmajor Funds	General Fund	3,180
Nonmajor Funds	Olive I-170 TIF	382,702
Nonmajor Funds	Nonmajor Funds	66,153
Solid Waste Fund	Fleet Maintenance Fund	39,225
Fleet Maintenance Fund	Public Safety	52,661
Total		<u>\$ 3,449,758</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund 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 next fiscal year.

Advances To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>June 30 2021</u>
General Fund	Public Safety Sales Tax Fund	\$ 4,058,476
General Fund	Parks and Storm Water Sales Tax Fund	37,622
General Fund	Nonmajor Fund	72,085
General Fund	Parking Garage Fund	303,330
General Fund	Golf Course Fund	303,330
Total		<u>\$ 4,774,843</u>

To improve cash flow and minimize financing fees, the City loans money between funds for capital projects. The City charges a 1.25% interest rate on the loan and loans are to be paid in monthly installments. The amount due within one year is included in the due to/from balances and the long-term portion is included in the advances from/to other funds. At June 30, 2021, the interfund loans are as follows:

NOTE G - INTERFUND ASSETS/LIABILITIES (Continued)

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>2021</u>	<u>Project</u>	<u>Maturity</u>
General Fund	Public Safety Sales Tax Fund	\$ 4,543,148	Public safety building	05/01/30
General Fund	Parks and Storm Water Sales Tax Fund	78,158	Capital projects	05/01/23
General Fund	Nonmajor Fund	127,686	Operations	10/01/23
General Fund	Parking Garage Fund	352,425	Operations	05/01/28
General Fund	Golf Course Fund	352,425	Operations	05/01/28
	Total	<u>\$ 5,453,842</u>		

NOTE H - RISK MANAGEMENT

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

The City, along with various other local governments, participates in an insurance trust for workers' compensation, employee health insurance, and for general liability matters (St. Louis Area Insurance Trust - SLAIT). The purpose of this trust is to distribute the cost of self-insurance over similar entities.

The trust requires an annual premium payment by each entity to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust; however, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed.

The City also purchases commercial insurance to cover risks related to travel, public official liability, earthquakes, flooding, and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

NOTE I - OPERATING LEASES

The City leases a parking lot and temporary facility for the police station. The lease calls for 24 monthly payments of \$98,380 through September 2018 and monthly payments of \$11,500 per month after September 2018, and \$210,086 for tear down of the facility at the end of the lease. Payments related to this lease for the year ended June 30, 2021 totaled \$138,000.

NOTE J - CONTINGENCIES AND COMMITMENTS

The City is subject to 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.

NOTE J - CONTINGENCIES AND COMMITMENTS (Continued)

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

On March 28, 2016, the City Council approved the construction of a new police facility. During fiscal year 2018, a loan of \$6 million was made to the Public Safety Sales tax Fund from the General Fund to cover the initial costs of the evaluation of the Annex as well as to help cover an increase in salaries and benefits from the compensation rate study.

NOTE K - NEGATIVE NET POSITION

At June 30, 2021, the Solid Waste's accumulated deficit of \$1,043,781 is the result of expenses exceeding revenues plus prior year net position. It is expected that the deficit will be offset by future revenues received in the fund.

NOTE L - TAX ABATEMENTS

The City provides for tax abatements established pursuant to the Land Clearance for Redevelopment Authority Law (LCRA), RSMo Chapter 99 to assist with the redevelopment of blighted or insanitary areas in the City. This program allows the City to actively redevelop blighted areas, as well as to encourage the private sector redevelopment of such areas within designated redevelopment areas. The LCRA may designate redevelopment areas and redevelopment plans, and it has the authority to grant partial real property tax abatement to redevelopment projects that conform to approved redevelopment plans. The amount of real estate tax abated for the year ended June 30, 2021 was \$35,086.

NOTE M - ECONOMIC DEVELOPMENT LOANS

In April 2020, the City established a Small Business Forgivable Loan Program funded by the Economic Development Fund for the purpose of assisting small businesses impacted by the COVID-19 pandemic. The City agrees to provide eligible businesses a forgivable loan equaling an individual business 2019 economic development retail sales tax contributions. The City has authorized up to \$1,000,000 in small business loans. As of June 30, 2021, the City has awarded \$160,044 in forgivable loans. The City believes 100% of these loans will be forgiven, therefore an offsetting allowance for these amounts has been established.

NOTE N - SUBSEQUENT EVENTS

After June 30, 2021, the City approved a various construction services and capital asset purchases totaling \$4,197,377.

NOTE O - RESTATEMENT OF FUND BALANCE/NET POSITION

The previously stated fund balances/net position have been restated as follows:

	Governmental Activities	Component Units
Fund balance/net position, June 30, 2020 as previously reported	\$ 53,586,154	2,714,158
Restatement for:		
Capital assets	257,752	174,940
OPEB	(40,835)	40,835
Fund Balance/Net Position, June 30, As Restated	<u>\$ 53,803,071</u>	<u>2,929,933</u>

NOTE P - FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after July 15, 2021.
- GASB Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). This Statement: 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset--an intangible asset--and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
General taxes				
Current real estate tax	\$ 3,000,000	3,000,000	3,025,968	25,968
Delinquent real estate tax	80,000	80,000	89,365	9,365
Current personal property tax	383,000	383,000	412,776	29,776
Delinquent personal property tax	40,500	40,500	59,526	19,026
Railroad and utility tax	70,000	81,000	81,197	197
Intangible property	600	600	-	(600)
Sales tax	5,130,000	5,510,000	5,695,062	185,062
Gross receipts tax:				
Electric	2,875,000	2,390,000	2,389,598	(402)
Gas	1,550,000	1,400,000	1,398,711	(1,289)
Water	630,000	683,000	683,918	918
Telephone	792,000	792,000	795,049	3,049
Cable television	266,000	266,000	249,399	(16,601)
Local option use tax	853,000	1,049,000	1,049,020	20
Total General Taxes	15,670,100	15,675,100	15,929,589	254,489
Charges for services	1,625,000	1,231,000	1,169,480	(61,520)
Intergovernmental				
Gasoline and vehicle sales taxes	1,149,000	1,509,000	1,510,063	1,063
Road and bridge tax	623,000	651,000	651,871	871
Cigarette tax	110,000	110,000	109,480	(520)
Grants	1,281,300	2,993,950	3,022,780	28,830
Total Intergovernmental	3,163,300	5,263,950	5,294,194	30,244
Licenses, permits, fines, and fees				
Business licenses	400,000	528,000	528,329	329
Motor vehicle licenses	145,000	147,200	147,472	272
Animal licenses	7,000	7,000	9,346	2,346
Liquor licenses	34,000	34,000	31,042	(2,958)
General and building inspections	900,000	713,000	967,305	254,305
Excavation inspection fees	25,300	25,300	67,954	42,654
Rental property registrations	2,000	3,000	3,955	955
Parking meter collections	300,000	263,000	263,617	617
Court fines	370,000	123,000	123,979	979
Court costs	83,600	28,600	27,985	(615)
Bond forfeiture	13,000	-	-	-
Police training	8,600	8,600	5,590	(3,010)
Police seizure	100	100	-	(100)
Total Licenses, Permits, Fines, And Fees	2,288,600	1,880,800	2,176,574	295,774

(Continued)

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES (Continued)				
Investment income	135,600	165,600	53,190	(112,410)
Other	189,400	305,400	365,898	60,498
Total Revenues	23,072,000	24,521,850	24,988,925	467,075
EXPENDITURES				
General government				
Legislative services:				
Personnel services	110,204	114,679	114,972	293
Contractual services	106,660	105,004	58,602	(46,402)
Commodities	4,440	4,440	308	(4,132)
Total Legislative Services	221,304	224,123	173,882	(50,241)
Human resources:				
Personnel services	119,902	142,648	133,310	(9,338)
Contractual services	88,695	85,271	72,957	(12,314)
Commodities	18,540	18,540	7,577	(10,963)
Total Human Resources	227,137	246,459	213,844	(32,615)
Communications:				
Personnel services	138,210	73,160	48,158	(25,002)
Contractual services	53,655	118,705	112,511	(6,194)
Commodities	240	240	-	(240)
Total Communications	192,105	192,105	160,669	(31,436)
City manager's office:				
Personnel services	297,822	334,122	335,379	1,257
Contractual services	150,575	387,375	388,109	734
Commodities	5,000	5,500	4,759	(741)
Total City Manager's Office	453,397	726,997	728,247	1,250
Information technology:				
Personnel services	183,542	173,042	160,035	(13,007)
Contractual services	347,320	360,742	287,551	(73,191)
Commodities	26,000	26,000	17,156	(8,844)
Capital outlay	64,000	64,000	24,685	(39,315)
Total Information Technology	620,862	623,784	489,427	(134,357)

(Continued)

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
General government (Continued)				
Municipal court:				
Personnel services	314,400	311,940	289,223	(22,717)
Contractual services	45,079	58,936	46,288	(12,648)
Commodities	4,000	4,000	2,533	(1,467)
Total Municipal Court	363,479	374,876	338,044	(36,832)
Finance:				
Personnel services	386,652	337,822	385,658	47,836
Contractual services	225,615	397,537	330,379	(67,158)
Commodities	7,350	7,350	8,038	688
Capital outlay	3,600	3,600	1,918	(1,682)
Total Finance	623,217	746,309	725,993	(20,316)
Total General Government	2,701,501	3,134,653	2,830,106	(304,547)
Public safety				
Police department:				
Personnel services	8,565,770	8,198,620	8,160,820	(37,800)
Contractual services	627,607	692,092	641,253	(50,839)
Commodities	116,800	116,800	98,930	(17,870)
Capital outlay	-	-	5,270	5,270
Total Police Department	9,310,177	9,007,512	8,906,273	(101,239)
Fire department:				
Personnel services	4,744,278	4,919,328	5,112,234	192,906
Contractual services	315,265	359,865	353,471	(6,394)
Commodities	135,524	135,524	175,430	39,906
Capital outlay	-	24,000	24,000	-
Total Fire Department	5,195,067	5,438,717	5,665,135	226,418
Total Public Safety	14,505,244	14,446,229	14,571,408	125,179
Public works				
Administration and engineering:				
Personnel services	214,731	261,241	270,124	8,883
Contractual services	54,939	68,739	43,744	(24,995)
Commodities	5,585	5,585	4,369	(1,216)
Total Administration And Engineering	275,255	335,565	318,237	(17,328)

(Continued)

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Public works (Continued)				
Street maintenance:				
Personnel services	511,793	515,793	543,760	27,967
Contractual services	692,091	672,091	661,938	(10,153)
Commodities	112,095	81,585	76,619	(4,966)
Capital outlay	343,600	343,600	62,044	(281,556)
Total Street Maintenance	<u>1,659,579</u>	<u>1,613,069</u>	<u>1,344,361</u>	<u>(268,708)</u>
Facilities maintenance:				
Personnel services	392,869	392,869	408,360	15,491
Contractual services	312,000	302,000	340,901	38,901
Commodities	101,500	101,500	19,459	(82,041)
Capital outlay	3,000	3,000	50,755	47,755
Total Facilities Maintenance	<u>809,369</u>	<u>799,369</u>	<u>819,475</u>	<u>20,106</u>
Total Public Works	<u>2,744,203</u>	<u>2,748,003</u>	<u>2,482,073</u>	<u>(265,930)</u>
Planning and development				
Planning administration:				
Personnel services	1,105,590	1,125,190	1,119,879	(5,311)
Contractual services	192,125	375,682	264,309	(111,373)
Commodities	8,250	8,250	2,598	(5,652)
Total Planning And Development	<u>1,305,965</u>	<u>1,509,122</u>	<u>1,386,786</u>	<u>(122,336)</u>
Parks, recreation, and forestry				
Parks maintenance:				
Personnel services	930,327	895,327	900,607	5,280
Contractual services	639,239	690,243	636,473	(53,770)
Commodities	136,245	136,245	107,417	(28,828)
Capital outlay	183,280	162,280	155,688	(6,592)
Total Parks Maintenance	<u>1,889,091</u>	<u>1,884,095</u>	<u>1,800,185</u>	<u>(83,910)</u>
Community center:				
Personnel services	113,453	113,453	40,824	(72,629)
Contractual services	64,359	64,359	33,067	(31,292)
Commodities	12,000	9,853	467	(9,386)
Capital outlay	37,000	39,147	28,710	(10,437)
Total Community Center	<u>226,812</u>	<u>226,812</u>	<u>103,068</u>	<u>(123,744)</u>

(Continued)

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Parks, recreation, and forestry (Continued)				
Aquatics:				
Personnel services	132,441	35,366	39,223	3,857
Contractual services	81,467	328,053	295,299	(32,754)
Commodities	46,150	33,350	10,627	(22,723)
Capital outlay	8,100	9,450	9,449	(1)
Total Aquatics	<u>268,158</u>	<u>406,219</u>	<u>354,598</u>	<u>(51,621)</u>
Centennial Commons:				
Personnel services	360,584	270,584	223,980	(46,604)
Contractual services	271,579	206,093	133,080	(73,013)
Commodities	41,200	41,960	20,792	(21,168)
Capital outlay	6,152	27,939	27,787	(152)
Total Centennial Commons	<u>679,515</u>	<u>546,576</u>	<u>405,639</u>	<u>(140,937)</u>
Total Parks, Recreation, And Forestry	<u>3,063,576</u>	<u>3,063,702</u>	<u>2,663,490</u>	<u>(400,212)</u>
Total Expenditures	<u>24,320,489</u>	<u>24,901,709</u>	<u>23,933,863</u>	<u>(967,846)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,248,489)</u>	<u>(379,859)</u>	<u>1,055,062</u>	<u>1,434,921</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	67,000	77,000	55,573	(21,427)
Transfer in	1,843,655	1,843,655	1,100,027	(743,628)
Transfer out	(1,136,331)	(1,386,331)	(858,886)	527,445
Total Other Financing Sources (Uses)	<u>774,324</u>	<u>534,324</u>	<u>296,714</u>	<u>(237,610)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (474,165)</u>	<u>154,465</u>	<u>1,351,776</u>	<u>1,197,311</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			345,544	
Prior year encumbrances			(102,051)	
Nonbudgeted activity			42,623	
Total Adjustments To Reconcile To GAAP Basis			<u>286,116</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			1,637,892	
FUND BALANCE, JULY 1			<u>16,785,036</u>	
FUND BALANCE, JUNE 30			<u>\$ 18,422,928</u>	

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PUBLIC SAFETY SALES TAX SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
General taxes:				
Sales tax	\$ 1,446,000	1,917,300	1,917,301	1
Investment income	2,500	2,500	1,142	(1,358)
Other	-	300,000	-	(300,000)
Total Revenues	<u>1,448,500</u>	<u>2,219,800</u>	<u>1,918,443</u>	<u>(301,357)</u>
EXPENDITURES				
Public safety:				
Personnel services	-	26,238	545,735	519,497
Capital outlay	695,715	939,215	1,409,407	470,192
Debt service:				
Principal	106,750	106,750	103,601	(3,149)
Interest and fiscal charges	8,250	8,250	70,847	62,597
Total Expenditures	<u>810,715</u>	<u>1,080,453</u>	<u>2,129,590</u>	<u>1,049,137</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>637,785</u>	<u>1,139,347</u>	<u>(211,147)</u>	<u>(1,350,494)</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	95,400	42,771	(52,629)
Transfer out	<u>(1,842,795)</u>	<u>(1,842,795)</u>	<u>(800,003)</u>	<u>1,042,792</u>
Total Other Financing Sources (Uses)	<u>(1,842,795)</u>	<u>(1,747,395)</u>	<u>(757,232)</u>	<u>990,163</u>
NET CHANGE IN FUND BALANCE - GAAP BASIS	<u>\$ (1,205,010)</u>	<u>(608,048)</u>	<u>(968,379)</u>	<u>(360,331)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			947,986	
Prior year encumbrances			<u>(71,759)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>876,227</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			<u>(92,152)</u>	
FUND BALANCE, JULY 1			<u>1,390,569</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,298,417</u>	

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
OLIVE I-170 TIF SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
General taxes	\$ -	-	901,140	901,140
Charges for services	-	3,000,000	3,000,000	-
Total Revenues	-	3,000,000	3,901,140	901,140
EXPENDITURES				
Community development	-	22,000	41,051,334	41,029,334
REVENUES OVER (UNDER)				
EXPENSES	-	2,978,000	(37,150,194)	(40,128,194)
OTHER FINANCING SOURCES				
Issuance of notes	-	-	41,029,334	41,029,334
NET CHANGE IN FUND BALANCE - GAAP BASIS	<u>\$ -</u>	<u>2,978,000</u>	3,879,140	<u>901,140</u>
FUND BALANCE, JULY 1			-	
FUND BALANCE, JUNE 30			<u>\$ 3,879,140</u>	

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Explanation of Budgetary Process

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

- a. City department directors prepare departmental operating budgets and the Director of Finance makes revenue projections on or before January 31.
- b. Departmental meetings are conducted during the month of February with the City Manager and the Director of Finance to allow the departments to support their budgets.
- c. Preliminary budget summaries of revenues and expenditures/expenses are prepared for review by the City Manager.
- d. Final budget decisions are made by the City Manager by March 25.
- e. A proposed budget is submitted to the City Council by May 1.
- f. A public hearing to obtain taxpayer comments on the budget is held by the City Council during the month of May.
- g. Prior to July 1, the budget is legally enacted. Projected expenditures cannot exceed estimated revenues plus fund balances at the beginning of the year.
- h. Budgetary control is exercised by the City Council at the department and fund levels. This is the legal level of control. All unexpended appropriations lapse at year-end.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except that encumbered amounts are treated as expenditures for budgetary purposes and certain assessment revenue amounts are not budgeted. Therefore liquidating prior year encumbrances may create negative expenditure amounts. In addition, the governmental funds costs for fleet services are reported as transfer out rather than expenditures for budget purposes.

The budgeted amounts included in the basic financial statements are as originally adopted or amended by the City Council, pursuant to State Statutes. The City Manager may approve the transfer of any unencumbered appropriation balance or portion thereof from one classification of expenditures to another within a department and fund under \$25,000. At the request of the City Manager, the City Council may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another. No transfer shall be made of specified fixed appropriations. The City Council adopts annual budgets for the General Fund, Public Safety Sales Tax Fund, Loop SBD Fund, Parkview Gardens SBD Fund, Grants Fund, Sewer Lateral Fund, Economic Development Fund, Park and Storm Water Sales Tax Fund, the Capital Improvement Sales Tax Fund, and the Olive I-170 TIF Fund.

For the year ended June 30, 2021, expenditures exceeded appropriations as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
General Fund:			
City manager's office	\$ 726,997	728,247	1,250
Fire department	5,438,717	5,665,135	226,418
Facilities maintenance	799,369	819,475	20,106
Public Safety Sales Tax Fund	1,080,453	2,129,590	1,049,137
Olive I-170 TIF Fund	22,000	41,051,334	41,029,334
Loop SBD Fund	88,800	100,628	11,828
Sewer Lateral Fund	490,036	506,381	16,345

These over expenditures were covered by additional current year revenues, available fund balance, or will be recovered by future years revenues.

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION LIABILITY AND RELATED RATIOS -
NON-UNIFORMED EMPLOYEES' RETIREMENT FUND
FOR THE YEARS ENDED JUNE 30

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service cost	\$ 638,347	735,225	557,463	582,017	587,360	610,727	567,606
Interest on the total pension liability	2,026,241	1,895,227	1,809,156	1,805,784	1,741,484	1,648,993	1,498,653
Difference between expected and actual experience	(1,484,031)	769,622	230,696	(867,070)	665,498	651,162	(980,078)
Changes of assumptions	(183,137)	(259,841)	(207,315)	(580,977)	(31,311)	175,205	2,498,171
Benefit payments, including refunds	(1,565,568)	(1,492,224)	(1,483,907)	(1,441,017)	(1,501,024)	(1,273,323)	(1,239,574)
Net Change In Total Pension Liability	(568,148)	1,648,009	906,093	(501,263)	1,462,007	1,812,764	2,344,778
Total Pension Liability Beginning	31,353,110	29,705,101	28,799,008	29,300,271	27,838,264	26,025,500	23,680,722
Total Pension Liability Ending (a)	<u>\$ 30,784,962</u>	<u>31,353,110</u>	<u>29,705,101</u>	<u>28,799,008</u>	<u>29,300,271</u>	<u>27,838,264</u>	<u>26,025,500</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 1,044,767	991,985	880,000	1,044,500	1,026,700	870,000	1,956,620
Contributions - employee	214,199	240,933	225,193	199,416	212,220	212,077	208,981
Net investment income	6,462,311	86,285	1,486,291	1,505,190	2,159,473	308,576	945,595
Benefit payments, including refunds	(1,565,568)	(1,492,224)	(1,483,907)	(1,441,017)	(1,501,024)	(1,273,323)	(1,239,574)
Administrative expense	(95,157)	(102,925)	(102,981)	(184,930)	(149,749)	(168,968)	(132,469)
Net Change In Plan Fiduciary Net Position	6,060,552	(275,946)	1,004,596	1,123,159	1,747,620	(51,638)	1,739,153
Plan Fiduciary Net Position Beginning	23,371,435	23,647,381	22,642,785	21,519,626	19,772,006	19,823,644	18,084,491
Plan Fiduciary Net Position Ending (b)	<u>\$ 29,431,987</u>	<u>23,371,435</u>	<u>23,642,785</u>	<u>22,642,785</u>	<u>21,519,626</u>	<u>19,772,006</u>	<u>19,823,644</u>
Net Pension Liability Ending (a)-(b)	<u>\$ 1,352,975</u>	<u>7,981,675</u>	<u>6,057,720</u>	<u>6,156,223</u>	<u>7,780,645</u>	<u>8,066,258</u>	<u>6,201,856</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.61 %	74.54	79.61	78.62	73.45	71.02	76.17
Covered Payroll	\$ 7,090,886	8,415,560	6,820,663	6,457,867	6,913,048	7,100,910	6,622,423
Net Pension Liability as a Percentage of Covered Payroll	19.08 %	94.84	88.81	95.33	112.55	113.59	93.65

Notes:

Information is not available for fiscal years prior to 2015.

Changes in assumptions and methods from the disclosure as of June 30, 2021 are as follows:

- The municipal bond rate of 2.18% was updated from 2.66%
- The blended discount rate changed to 6.50% from 6.49%
- The mortality improvement scale assumption was updated from projecting generationally using scale MP-2019 to projecting generationally using the MP-2020 mortality improvement scale
- The amortization of unfunded accrued liability changed to a closed 15-year amortization on a level dollar basis from an open 15-year amortization on a level dollar basis

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION LIABILITY AND RELATED RATIOS -
POLICE AND FIREMEN'S RETIREMENT FUND
FOR THE YEARS ENDED JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability							
Service cost	\$ 923,773	682,539	604,737	597,064	591,055	610,116	608,084
Interest on the total pension liability	2,253,405	2,246,600	2,202,287	2,274,929	2,271,069	2,188,136	2,097,324
Difference between expected and actual experience	915,656	133,149	498,707	(1,275,081)	(85,791)	929,548	(877,893)
Changes of assumptions	(1,221,119)	478,385	(76,768)	(25,051)	(663,112)	450,417	1,622,584
Benefit payments, including refunds	(2,473,784)	(2,832,901)	(2,615,089)	(2,489,160)	(2,412,822)	(2,116,120)	(1,974,487)
Net Change In Total Pension Liability	397,931	707,772	613,874	(917,299)	(299,601)	2,062,097	1,475,612
Total Pension Liability Beginning	36,522,839	35,815,067	35,201,193	36,118,492	36,418,093	34,355,996	32,880,384
Total Pension Liability Ending (a)	<u>\$ 36,920,770</u>	<u>36,522,839</u>	<u>35,815,067</u>	<u>35,201,193</u>	<u>36,118,492</u>	<u>36,418,093</u>	<u>34,355,996</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 1,515,053	1,444,983	992,162	1,003,259	953,082	948,230	1,629,726
Net investment income	6,560,952	54,945	1,435,150	1,994,394	2,571,984	260,042	1,225,487
Benefit payments, including refunds	(2,473,784)	(2,832,901)	(2,615,089)	(2,489,160)	(2,412,822)	(2,116,120)	(1,974,487)
Administrative expense	(75,236)	(86,724)	(66,522)	(157,647)	(120,970)	(264,001)	(481,979)
Other changes	(31,413)	(26,889)	(25,241)	(22,763)	(22,650)	-	-
Net Change In Plan Fiduciary Net Position	5,495,572	(1,446,586)	(279,540)	328,083	968,624	(1,171,849)	398,747
Plan Fiduciary Net Position Beginning	24,277,782	25,724,368	26,003,908	25,675,825	24,707,201	25,879,050	25,480,303
Plan Fiduciary Net Position Ending (b)	<u>\$ 29,773,354</u>	<u>24,277,782</u>	<u>25,724,368</u>	<u>26,003,908</u>	<u>25,675,825</u>	<u>24,707,201</u>	<u>25,879,050</u>
Net Pension Liability Ending (a)-(b)	<u>\$ 7,147,416</u>	<u>12,245,057</u>	<u>10,090,699</u>	<u>9,197,285</u>	<u>10,442,667</u>	<u>11,710,892</u>	<u>8,476,946</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.64 %	66.47	71.83	73.87	71.09	67.84	75.33
Covered Payroll	\$ 9,005,053	7,991,234	7,574,611	7,422,334	7,583,112	7,567,499	7,800,144
Net Pension Liability as a Percentage of Covered Payroll	79.37 %	153.23	133.22	123.91	137.71	154.75	108.68

Notes:

Information is not available for fiscal years prior to 2015.

Changes in assumptions and methods as of June 30, 2021 are as follows:

- The municipal bond rate of 2.18% was updated from 2.66%
- The blended discount rate changed to 6.50% from 6.22%
- The mortality improvement scale assumption was updated from projecting generationally using scale MP-2019 to projecting generationally using the MP-2020 mortality improvement scale
- The amortization of unfunded accrued liability changed to a closed 15-year amortization on a level dollar basis from an open 15-year amortization on a level dollar basis

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS -
FOR THE YEARS ENDED JUNE 30

	2021	2020	2019	2018	2017	2016	2015
Non-Uniformed Employees' Retirement Fund							
Actuarially determined pension contributions	\$ 832,667	1,213,698	945,390	876,694	921,929	867,427	759,255
Contributions in relation to the actuarially determined contributions	2,036,752	991,985	880,000	1,044,500	1,026,700	870,000	1,956,620
Contribution Deficiency (Excess)	<u>\$ (1,204,085)</u>	<u>221,713</u>	<u>65,390</u>	<u>(167,806)</u>	<u>(104,771)</u>	<u>(2,573)</u>	<u>(1,197,365)</u>
Covered Payroll	\$ 7,090,886	8,415,560	6,820,663	6,457,867	6,913,048	7,100,910	6,622,423
Contributions as a Percentage of Covered Payroll	28.72 %	11.79	12.90	16.17	14.85	12.25	29.55
Police and Firemen's Retirement Fund							
Actuarially determined pension contributions	\$ 1,776,636	1,560,137	1,452,047	1,275,970	1,406,650	1,396,746	1,294,175
Contributions in relation to the actuarially determined contributions	1,571,900	1,444,983	992,162	1,003,259	953,082	948,230	1,629,726
Contribution Deficiency (Excess)	<u>\$ 204,736</u>	<u>115,154</u>	<u>459,885</u>	<u>272,711</u>	<u>453,568</u>	<u>448,516</u>	<u>(335,551)</u>
Covered Payroll	\$ 9,005,053	7,991,234	7,574,611	7,422,334	7,583,112	7,567,499	7,800,144
Contributions as a Percentage of Covered Payroll	17.46 %	18.08	13.10	13.52	12.57	12.53	20.89

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	15-year amortization as a level dollar of the unfunded accrued liability
Asset valuation method	Market value of assets, 20% corridor
Inflation rate	3.0%
Salary increases	3%, including inflation
Investment rate of return	6.5%, net of investment expenses
Retirement age	Age based table of rates that are specific to the type of eligibility condition
Mortality	For non-uniform employees, Pub-2010 General Amount-Weighted Mortality Tables, with separate rates for employees and retirees, and projected generationally using scale MP-2020. For police and fire employees, Pub-2010 Amount Weighted Below Median Public Safety Mortality Table, with separate rates for employees and retirees, and projected generationally using scale MP-2020.

Other information:

There were no benefit changes during the year.

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF ANNUAL
MONEY-WEIGHTED RATE OF RETURN ON INVESTMENTS -
FOR THE YEARS ENDED JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expenses:							
Non-Uniformed Employees' Retirement Fund	27.9 %	0.4	6.6	7.1	11.0	1.6	5.1
Police and Firemen's Retirement Fund	27.6	0.2	5.7	8.0	10.8	1.0	4.9

CITY OF UNIVERSITY CITY, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 47,039	43,410	39,745	41,870
Interest on the total OPEB liability	35,009	36,693	33,062	28,993
Difference between expected and actual experience	(20,972)	-	37,913	-
Changes of assumptions or other inputs	59,794	36,277	61,414	(34,414)
Benefit payments	(57,272)	(51,020)	(44,470)	(42,678)
Other	-	-	(28,337)	-
Net Change In Total OPEB Liability	<u>63,598</u>	<u>65,360</u>	<u>99,327</u>	<u>(6,229)</u>
Total OPEB Liability Beginning	<u>1,055,271</u>	<u>989,911</u>	<u>890,584</u>	<u>896,813</u>
Total OPEB Liability Ending	<u><u>\$ 1,118,869</u></u>	<u><u>1,055,271</u></u>	<u><u>989,911</u></u>	<u><u>890,584</u></u>
Covered - Employee Payroll	\$ 12,961,517	12,961,517	12,961,517	13,383,755
Total OPEB Liability as a Percentage of Covered Payroll	8.63 %	8.14	7.64	6.65

Notes:

There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

Information is not available for fiscal years prior to 2018.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2021	1.93 %
2020	3.26
2019	3.64
2018	3.16

Changes in assumptions and methods as of June 30, 2021 are as follows:

- The per capita claims cost assumptions were updated to reflect premium rates as of July 1, 2021.
- The mortality improvement scale was updated to reflect the MP-2020 mortality improvement table released by the Society of Actuaries.
- The discount rate was updated from 3.26% as of December 31, 2019 to 1.93% as of December 31, 2020. The 1.93% rate was selected based on the S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2020.

OTHER SUPPLEMENTAL INFORMATION SECTION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures of particular purposes.

Committee for Access and Local Origination Programming (CALOP) -- This fund was established to account for revenues and expenditures for studies of the educational and cultural programming needs of the City and encouraging the development of programs to meet those needs.

University City Loop Special Business District -- The City has established this fund to account for property tax revenues and expenditures related to promoting retail trade activities and enhancing the environment of a Special Business District (SBD) of the City, referred to as the Loop.

Parkview Gardens Special Business District -- The City established this fund in fiscal 1997 to account for the property tax revenues and expenditures related to enhancing the environment of an SBD of the City.

Grant Fund -- The City established this fund to accounts for the revenues and expenditures related to grants awarded by the Federal government, State of Missouri, St. Louis County, and other local grantors.

Sewer Lateral -- The City established this fund to account for sewer lateral fee revenues and expenditures related to sewer lateral repairs.

Economic Development -- The City established this fund to promote economic development through economic sales tax.

Park and Storm Water Sales Tax Fund -- The City established this fund to account for a revenue resource from the one-half cents Park and Storm Water sales tax passed by voters in November 2001. This revenue is used to pay for approximately 35% of the principal and interest payment on the Certificates of Participation Series 2012 as well as the City's parks and recreation capital projects for annual infrastructure maintenance.

Capital Improvement Sales Tax Fund -- This fund is used to account for a revenue resource from the one-half cents Capital Improvement sales tax (pooled) passed by voters in April 1996. This revenue is used to pay for approximately 65% of principal and interest payments on the Certificates of Participation Series 2012 as well as the City's capital projects for annual infrastructure maintenance.

Pension Tax -- The City established this fund to account for the property tax revenues and expenditures related to taxes for the pension plan.

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds								Total	
	CALOP	Loop SBD	Parkview Gardens SBD	Grants	Sewer Lateral	Economic Development	Park And Storm Water Sales Tax	Capital Improvement Sales Tax	Pension Tax	Nonmajor Governmental Funds
ASSETS										
Cash and investments	\$ 245,265	191,404	111,923	-	354,258	2,480,298	1,329,250	1,799,187	-	6,511,585
Receivables:										
Taxes	-	166	2,536	-	-	115,787	231,577	412,107	71,491	833,664
Grants	-	-	-	95,367	-	-	-	-	-	95,367
Other	-	-	-	-	8,276	-	325,000	-	-	333,276
Due from other funds	-	-	3,179	-	-	127,567	255,135	66,156	-	452,037
Total Assets	<u>\$ 245,265</u>	<u>191,570</u>	<u>117,638</u>	<u>95,367</u>	<u>362,534</u>	<u>2,723,652</u>	<u>2,140,962</u>	<u>2,277,450</u>	<u>71,491</u>	<u>8,225,929</u>
LIABILITIES										
Accounts payable	\$ -	7,976	-	29,211	24,099	28,637	29,681	79,022	-	198,626
Due to other funds	-	-	3,808	66,156	56,104	-	92,156	87,981	-	306,205
Due to others	-	-	-	-	-	-	-	-	71,491	71,491
Advance from other funds	-	-	-	-	72,085	-	37,622	-	-	109,707
Unearned revenue	-	-	-	-	-	-	-	209,579	-	209,579
Total Liabilities	<u>-</u>	<u>7,976</u>	<u>3,808</u>	<u>95,367</u>	<u>152,288</u>	<u>28,637</u>	<u>159,459</u>	<u>376,582</u>	<u>71,491</u>	<u>895,608</u>
FUND BALANCES										
Restricted for:										
Special business districts	-	183,594	113,830	-	-	-	-	-	-	297,424
Sewer lateral	-	-	-	-	210,246	-	-	-	-	210,246
Economic development	-	-	-	-	-	2,695,015	-	-	-	2,695,015
Park and stormwater	-	-	-	-	-	-	1,981,503	-	-	1,981,503
Capital projects	-	-	-	-	-	-	-	1,900,868	-	1,900,868
Assigned for:										
CALOP	245,265	-	-	-	-	-	-	-	-	245,265
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>245,265</u>	<u>183,594</u>	<u>113,830</u>	<u>-</u>	<u>210,246</u>	<u>2,695,015</u>	<u>1,981,503</u>	<u>1,900,868</u>	<u>-</u>	<u>7,330,321</u>
Total Liabilities And Fund Balances	<u>\$ 245,265</u>	<u>191,570</u>	<u>117,638</u>	<u>95,367</u>	<u>362,534</u>	<u>2,723,652</u>	<u>2,140,962</u>	<u>2,277,450</u>	<u>71,491</u>	<u>8,225,929</u>

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds								Total Nonmajor Governmental Funds
	CALOP	Loop SBD	Parkview Gardens SBD	Grants	Sewer Lateral	Economic Development	Park And Storm Water Sales Tax	Capital Improvement Sales Tax	Pension Tax
REVENUES									
General taxes:									
Current real estate tax	\$ -	45,562	93,693	-	-	-	-	-	860,745
Delinquent real estate tax	-	-	-	-	-	-	-	-	13,625
Current personal property tax	-	-	-	-	-	-	-	-	116,765
Delinquent personal property tax	-	-	-	-	-	-	-	-	19,818
Sales tax	-	-	-	-	-	652,634	1,305,273	2,401,915	-
Total General Taxes	-	45,562	93,693	-	-	652,634	1,305,273	2,401,915	1,010,953
Charges for services	-	-	-	-	577,799	-	-	-	-
Intergovernmental	-	-	-	109,213	-	-	-	-	-
Licenses, permits, fines, and fees	-	32,022	-	-	-	-	-	-	-
Investment income	-	10	1	-	-	388	775	1,433	-
Other	-	2,321	-	-	-	700	-	-	-
Total Revenues	-	79,915	93,694	109,213	577,799	653,722	1,306,048	2,403,348	1,010,953
EXPENDITURES									
Current:									
General government	25,000	100,628	62,655	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	1,010,953
Public works	-	-	-	-	516,377	-	268,432	349,643	-
Community development	-	-	-	-	-	369,620	-	-	-
Capital outlay	-	-	-	109,213	-	74,149	194,590	624,712	-
Debt service:									
Interest	-	-	-	-	2,504	-	1,248	-	-
Total Expenditures	25,000	100,628	62,655	109,213	518,881	443,769	464,270	974,355	1,010,953
REVENUES OVER (UNDER) EXPENDITURES	(25,000)	(20,713)	31,039	-	58,918	209,953	841,778	1,428,993	-
OTHER FINANCING USES									
Transfers out	-	-	-	-	-	-	-	(300,000)	-
NET CHANGE IN FUND BALANCES	(25,000)	(20,713)	31,039	-	58,918	209,953	841,778	1,128,993	-
FUND BALANCES, JULY 1	270,265	204,307	82,791	-	151,328	2,485,062	1,139,725	771,875	-
FUND BALANCES, JUNE 30	<u>\$ 245,265</u>	<u>183,594</u>	<u>113,830</u>	<u>-</u>	<u>210,246</u>	<u>2,695,015</u>	<u>1,981,503</u>	<u>1,900,868</u>	<u>-</u>

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
LOOP SBD SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Budget
REVENUES				
General taxes:				
Current real estate tax	\$ 48,000	48,000	45,562	(2,438)
Intergovernmental	-	-	-	-
Licenses, permits, fines, and fees	29,500	29,500	32,022	2,522
Investment income	-	-	10	10
Other	-	-	2,321	2,321
Total Revenues	<u>77,500</u>	<u>77,500</u>	<u>79,915</u>	<u>2,415</u>
EXPENDITURES				
General government:				
Contractual services	57,100	77,100	98,683	21,583
Commodities	11,700	11,700	1,945	(9,755)
Total Expenditures	<u>68,800</u>	<u>88,800</u>	<u>100,628</u>	<u>11,828</u>
NET CHANGE IN FUND BALANCE	<u>\$ 8,700</u>	<u>(11,300)</u>	(20,713)	<u>(9,413)</u>
FUND BALANCE, JULY 1			<u>204,307</u>	
FUND BALANCE, JUNE 30			<u>\$ 183,594</u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARKVIEW GARDENS SBD SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
General taxes:			
Current real estate tax	\$ 92,000	93,693	1,693
Investment income	<u>300</u>	<u>1</u>	<u>(299)</u>
Total Revenues	<u>92,300</u>	<u>93,694</u>	<u>1,394</u>
 EXPENDITURES			
General government:			
Contractual services	<u>92,300</u>	<u>62,655</u>	<u>(29,645)</u>
 NET CHANGE IN FUND BALANCE	 <u><u>\$ -</u></u>	 <u>31,039</u>	 <u><u>31,039</u></u>
 FUND BALANCE, JULY 1		 <u>82,791</u>	
 FUND BALANCE, JUNE 30		 <u><u>\$ 113,830</u></u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GRANTS SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Intergovernmental	\$ 767,000	109,213	(657,787)
EXPENDITURES			
Capital outlay	767,000	29,004	(737,996)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ -</u>	<u>80,209</u>	<u>80,209</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
Current year encumbrances		154,414	
Prior year encumbrances		(234,623)	
Total Adjustments To Reconcile To GAAP Basis		<u>(80,209)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		-	
FUND BALANCE, JULY 1		<u>-</u>	
FUND BALANCE, JUNE 30		<u><u>\$ -</u></u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SEWER LATERAL SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 575,000	575,000	577,799	2,799
Total Revenues	575,000	575,000	577,799	2,799
EXPENDITURES				
Public works:				
Personnel services	57,912	27,912	19,830	(8,082)
Contractual services	430,675	462,124	484,047	21,923
Debt service:				
Interest and fiscal charges	-	-	2,504	2,504
Total Expenditures	488,587	490,036	506,381	16,345
REVENUES OVER EXPENDITURES	86,413	84,964	71,418	(13,546)
OTHER FINANCING USES				
Transfer out	(57,240)	(57,240)	-	(57,240)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 29,173</u>	<u>27,724</u>	<u>71,418</u>	<u>(70,786)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			160,095	
Prior year encumbrances			(172,595)	
Total Adjustments To Reconcile To GAAP Basis			<u>(12,500)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			58,918	
FUND BALANCE, JULY 1			<u>151,328</u>	
FUND BALANCE, JUNE 30			<u>\$ 210,246</u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
General taxes:				
Sales tax	\$ 456,100	470,100	652,634	182,534
Investment income	900	900	388	(512)
Other	-	700	700	-
Total Revenues	<u>457,000</u>	<u>471,700</u>	<u>653,722</u>	<u>182,022</u>
EXPENDITURES				
Community development:				
Personnel services	90,965	90,965	76,756	(14,209)
Contractual services	-	1,147,736	292,864	(854,872)
Capital outlay	-	148,712	126,563	(22,149)
Total Expenditures	<u>90,965</u>	<u>1,387,413</u>	<u>496,183</u>	<u>(891,230)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 366,035</u>	<u>(915,713)</u>	<u>157,539</u>	<u>1,073,252</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			52,414	
Prior year encumbrances			-	
Total Adjustments To Reconcile To GAAP Basis			<u>52,414</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			209,953	
FUND BALANCE, JULY 1			<u>2,485,062</u>	
FUND BALANCE, JUNE 30			<u>\$ 2,695,015</u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARK AND STORM WATER SALES TAX CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
General taxes:				
Sales tax	\$ 843,000	941,000	1,305,273	364,273
Investment income	2,000	2,000	775	(1,225)
Total Revenues	<u>845,000</u>	<u>943,000</u>	<u>1,306,048</u>	<u>363,048</u>
EXPENDITURES				
Public works:				
Personnel services	238,229	238,229	216,558	(21,671)
Contractual services	524	524	254	(270)
Capital outlay	433,509	451,563	192,569	(258,994)
Debt service:				
Interest and fiscal charges	-	-	1,248	1,248
Total Expenditures	<u>672,262</u>	<u>690,316</u>	<u>410,629</u>	<u>(279,687)</u>
REVENUES OVER EXPENDITURES	172,738	252,684	895,419	642,735
OTHER FINANCING USES				
Transfer out	<u>(41,280)</u>	<u>(41,280)</u>	<u>(51,620)</u>	<u>10,340</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 131,458</u>	<u>211,404</u>	<u>843,799</u>	<u>653,075</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			46,335	
Prior year encumbrances			<u>(48,356)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>(2,021)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			841,778	
FUND BALANCE, JULY 1			<u>1,139,725</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,981,503</u>	

CITY OF UNIVERSITY CITY, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL IMPROVEMENT SALES TAX CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Over (Under)
	Original	Final	Actual	Budget
REVENUES				
General taxes:				
Sales tax	\$ 2,047,000	2,401,000	2,401,915	915
Investment income	3,000	3,000	1,433	(1,567)
Total Revenues	<u>2,050,000</u>	<u>2,404,000</u>	<u>2,403,348</u>	<u>(652)</u>
EXPENDITURES				
Public works:				
Personnel services	263,204	263,204	265,239	2,035
Commodities	156	156	-	(156)
Contractual services	2,072	2,072	(3,577)	(5,649)
Capital outlay	<u>1,370,035</u>	<u>1,435,035</u>	<u>945,024</u>	<u>(490,011)</u>
Total Expenditures	<u>1,635,467</u>	<u>1,700,467</u>	<u>1,206,686</u>	<u>(493,781)</u>
REVENUES UNDER EXPENDITURES	414,533	703,533	1,196,662	493,129
OTHER FINANCING USES				
Transfer out	<u>(300,000)</u>	<u>(300,000)</u>	<u>(387,981)</u>	<u>87,981</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 114,533</u>	<u>403,533</u>	<u>808,681</u>	<u>581,110</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Current year encumbrances			528,461	
Prior year encumbrances			<u>(208,149)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>320,312</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			1,128,993	
FUND BALANCE, JULY 1			<u>771,875</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,900,868</u>	

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STATISTICAL SECTION

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

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.	90 - 95
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue sources.	96 - 100
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.	101 - 104
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.	105 - 106
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.	107 - 109

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

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CITY OF UNIVERSITY CITY, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(dollars in thousands)

	June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 35,729	38,489	39,201	43,580	45,006	45,617	43,617	45,485	46,832	44,501
Restricted	5,196	5,167	4,127	3,012	3,299	4,319	6,095	5,905	6,226	12,263
Unrestricted	27,588	26,591	25,989	13,742	9,798	6,694	3,070	2,817	528	(38,692)
Total Governmental Activities										
Net Position	<u>\$ 68,513</u>	<u>70,247</u>	<u>69,317</u>	<u>60,334</u>	<u>58,103</u>	<u>56,630</u>	<u>52,782</u>	<u>54,207</u>	<u>53,586</u>	<u>18,072</u>
Business-type Activities										
Net investment in capital assets	\$ 2,355	2,401	2,704	2,935	3,569	3,426	3,075	4,166	3,702	3,464
Restricted	50	50	50	50	50	50	50	-	-	-
Unrestricted	873	1,035	1,915	1,319	109	206	265	(859)	(1,145)	(1,431)
Total Business-type Activities										
Net Position	<u>\$ 3,278</u>	<u>3,486</u>	<u>4,669</u>	<u>4,304</u>	<u>3,728</u>	<u>3,682</u>	<u>3,390</u>	<u>3,307</u>	<u>2,557</u>	<u>2,033</u>
Primary Government										
Net investment in capital assets	\$ 38,084	40,890	41,905	46,515	48,575	49,043	46,692	49,651	50,534	47,965
Restricted	5,246	5,217	4,177	3,062	3,349	4,369	6,145	5,905	6,226	12,263
Unrestricted	28,461	27,626	27,904	15,061	9,907	6,900	3,335	1,958	(617)	(40,123)
Total Primary Government										
Net Position	<u>\$ 71,791</u>	<u>73,733</u>	<u>73,986</u>	<u>64,638</u>	<u>61,831</u>	<u>60,312</u>	<u>56,172</u>	<u>57,514</u>	<u>56,143</u>	<u>20,105</u>

Notes:

In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Governmental Fund to an Enterprise Fund.
In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.
In 2019, the City changed accounting for the Golf from a General Fund department to an Enterprise Fund.
In 2021, the City issued tax increment financing debt which reduced governmental activities unrestricted net position.

CITY OF UNIVERSITY CITY, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(dollars in thousands)

	For The Years Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General government	\$ 7,946	9,108	7,891	8,385	10,592	8,924	3,244	3,525	3,542	3,221
Public safety	11,753	12,202	12,600	12,807	13,565	13,039	15,076	15,848	17,704	17,298
Public works and parks	4,468	6,093	7,034	5,634	5,512	6,292	9,226	-	-	-
Public works	-	-	-	-	-	-	-	6,037	6,743	5,817
Community development and recreation	5,462	3,893	2,055	2,135	2,990	3,067	4,328	-	-	-
Parks, recreation and forestry	-	-	-	-	-	-	-	4,143	3,725	2,797
Planning and development	-	-	-	-	-	-	-	1,466	2,232	43,178
Interest and fiscal charges	319	178	139	125	112	116	107	90	76	851
Total Governmental Activities Expenses	29,948	31,474	29,719	29,086	32,771	31,438	31,981	31,109	34,022	73,162
Business-type Activities:										
Parking facility	198	154	173	167	166	178	183	183	228	135
Golf course	-	-	-	-	-	-	-	751	766	769
Sanitation	2,172	2,430	2,519	3,033	3,359	3,137	2,682	4,114	3,822	3,845
Total Business-type Activities Expenses	2,370	2,584	2,692	3,200	3,525	3,315	2,865	5,048	4,816	4,749
Total Primary Government Expenses	<u>\$ 32,318</u>	<u>34,058</u>	<u>32,411</u>	<u>32,286</u>	<u>36,296</u>	<u>34,753</u>	<u>34,846</u>	<u>36,157</u>	<u>38,838</u>	<u>77,911</u>
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 1,166	1,180	1,145	1,167	938	1,110	576	576	514	611
Public safety	1,743	1,745	1,611	1,473	1,140	739	654	1,003	1,673	1,599
Public works and parks	717	1,004	1,012	956	1,141	958	1,571	-	-	-
Public works	-	-	-	-	-	-	-	1,848	1,379	1,616
Community development and recreation	1,707	1,688	1,536	1,576	1,537	1,559	1,589	-	-	3,000
Parks, recreation and forestry	-	-	-	-	-	-	-	718	428	34
Operating grants and contributions	3,429	2,565	2,281	2,465	2,486	2,553	2,561	2,462	2,446	5,116
Capital grants and contributions	4,009	2,065	2,182	582	1,593	956	89	1,761	2,349	526
Total Governmental Activities Program Revenues	12,771	10,247	9,767	8,219	8,835	7,875	7,040	8,368	8,789	12,502
Business-type Activities:										
Parking facility	210	229	254	175	137	215	127	197	189	112
Golf course	-	-	-	-	-	-	-	839	756	1,119
Sanitation	2,249	2,563	3,104	2,964	2,796	3,054	3,135	3,163	3,117	3,029
Operating grants and contributions	-	-	-	-	-	-	-	-	-	34
Total Business-type Activities Program Revenues	2,459	2,792	3,358	3,139	2,933	3,269	3,262	4,199	4,062	4,294
Total Primary Government Program Revenues	15,230	13,039	13,125	11,358	11,768	11,144	10,302	12,567	12,851	16,796
Net Revenue (Expenses):										
Governmental activities	(17,177)	(21,227)	(19,952)	(20,867)	(23,936)	(23,563)	(24,941)	(22,741)	(25,233)	(60,660)
Business-type activities	89	208	666	(61)	(592)	(46)	397	(849)	(754)	(455)
Total Primary Government Net Expense	<u>\$ (17,088)</u>	<u>(21,019)</u>	<u>(19,286)</u>	<u>(20,928)</u>	<u>(24,528)</u>	<u>(23,609)</u>	<u>(24,544)</u>	<u>(23,590)</u>	<u>(25,987)</u>	<u>(61,115)</u>

(Continued)

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CITY OF UNIVERSITY CITY, MISSOURI
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS

(dollars in thousands)

	For The Years Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	\$ 22,531	22,787	21,030	21,822	21,533	21,538	23,491	23,610	23,222	24,337
Investment income	133	50	47	42	42	21	28	253	233	57
Gain on sale of assets	-	-	-	-	103	58	-	30	19	-
Other	329	124	55	44	27	473	1,117	1,031	579	465
Transfers	(56)	-	-	-	-	-	-	225	-	70
Total Governmental Activities	<u>22,937</u>	<u>22,961</u>	<u>21,132</u>	<u>21,908</u>	<u>21,705</u>	<u>22,090</u>	<u>24,636</u>	<u>25,149</u>	<u>24,053</u>	<u>24,929</u>
Business-type Activities:										
Investment income (expense)	-	-	4	-	1	-	1	8	(6)	-
Gain on sale of assets	-	-	-	-	15	-	-	-	10	1
Transfers	56	-	-	-	-	-	-	(225)	-	(70)
Total Business-type Activities	<u>56</u>	<u>-</u>	<u>4.00</u>	<u>-</u>	<u>16.00</u>	<u>-</u>	<u>1.00</u>	<u>(217)</u>	<u>4</u>	<u>(69)</u>
Total Primary Government	<u>\$ 22,993</u>	<u>22,961</u>	<u>21,136</u>	<u>21,908</u>	<u>21,721</u>	<u>22,090</u>	<u>24,637</u>	<u>24,932</u>	<u>24,057</u>	<u>24,860</u>
Change in Net Position										
Governmental activities	\$ 5,760	1,734	1,180	1,041	(2,231)	(1,473)	(305)	2,408	(1,180)	(35,731)
Business-type activities	33	208	662	(61)	(608)	(46)	396	(1,065)	(750)	(524)
Total Primary Government	<u>\$ 5,793</u>	<u>1,942</u>	<u>1,842</u>	<u>980</u>	<u>(2,839)</u>	<u>(1,519)</u>	<u>91</u>	<u>1,343</u>	<u>(1,930)</u>	<u>(36,255)</u>

Notes:

- In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Governmental Fund to an Enterprise Fund.
- In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.
- In 2019, the City changed departmental accounting for the public works, parks and recreation, and community development.
- In 2019, the City changed accounting for the Golf from a General Fund department to an Enterprise Fund.
- In 2021, the City issued tax increment financing debt which increased the planning and development expense function.

CITY OF UNIVERSITY CITY, MISSOURI
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

(dollars in thousands)

For The Years Ended June 30	Property Tax	Sales And Local Use Tax	Gross Receipts Tax	Miscellaneous Tax	Total
2012	\$ 5,852	\$ 9,518	\$ 6,533	\$ 247	\$ 22,150
2013	6,192	9,236	6,737	180	22,345
2014	4,468	9,779	6,755	28	21,030
2015	4,419	10,453	6,741	45	21,658
2016	4,520	10,757	6,063	251	21,591
2017	4,522	10,716	6,117	245	21,600
2018	4,600	12,308	6,409	174	23,491
2019	4,625	12,707	6,099	179	23,610
2020	4,797	12,600	5,640	185	23,222
2021	4,707	13,922	5,517	191	24,337

Note: 2014 - 2020 excludes property taxes collected for University City Library.

CITY OF UNIVERSITY CITY, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(dollars in thousands)

	For The Years Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 1,104	2,048	2,489	2,200	1,685	780	2,237	6,713	6,029	5,358
Restricted	650	647	655	655	-	-	70	70	-	-
Committed	2,323	1,053	958	840	7,840	6,955	6,840	148	-	-
Assigned	1,259	1,691	2,389	946	884	-	-	-	584	436
Unassigned	17,829	17,335	16,008	15,833	8,549	8,968	8,060	10,945	10,172	12,629
Total General Fund	<u>\$ 23,165</u>	<u>22,774</u>	<u>22,499</u>	<u>20,474</u>	<u>18,958</u>	<u>16,703</u>	<u>17,207</u>	<u>17,876</u>	<u>16,785</u>	<u>18,423</u>
All Other Governmental Funds										
Nonspendable	\$ 64	72	-	-	-	-	-	-	-	-
Restricted	4,367	4,424	3,456	2,352	3,299	3,807	6,024	5,834	6,226	12,263
Assigned	461	445	438	425	394	390	378	280	270	245
Unassigned	(417)	(708)	(552)	(560)	(1,503)	(317)	(77)	(42)	-	-
Total All Other Governmental Funds	<u>\$ 4,475</u>	<u>4,233</u>	<u>3,342</u>	<u>2,217</u>	<u>2,190</u>	<u>3,880</u>	<u>6,325</u>	<u>6,072</u>	<u>6,496</u>	<u>12,508</u>

Notes:

In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Governmental Fund to an Enterprise Fund.
In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.
2017 was restated for various items.
2019 was restated for various items.
2020 was restated for various items.

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

(dollars in thousands)

	For The Years Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
General taxes	\$ 22,314	22,595	21,443	21,624	21,341	21,365	23,375	23,511	23,128	24,258
Charges for services	3,429	3,140	3,018	3,092	2,675	2,385	2,440	1,539	1,911	4,747
Intergovernmental	6,762	4,317	4,198	2,747	2,877	3,772	2,256	3,988	4,544	5,403
Licenses, permits, fines, and fees	2,729	2,818	2,625	2,441	2,661	2,403	2,395	2,948	2,198	2,209
Investment income	124	47	47	42	34	21	28	253	233	57
Special assessments	203	92	87	114	85	72	32	27	36	42
Distributions from component unit-Library	-	-	4	4	4	4	-	-	-	-
Other	280	204	70	103	96	179	1,276	876	433	369
Total Revenues	35,841	33,213	31,492	30,167	29,773	30,201	31,802	33,142	32,483	37,085
Expenditures										
General government	7,055	8,421	6,960	7,975	9,878	8,177	3,064	3,394	3,271	3,011
Public safety	11,388	11,758	11,803	12,775	11,530	12,289	13,674	14,417	16,582	17,059
Public works and parks	2,769	4,415	4,453	4,635	3,954	3,988	5,904	-	-	-
Public works	-	-	-	-	-	-	-	4,239	4,064	3,797
Community development and recreation	4,801	3,357	1,779	1,810	1,364	1,254	3,785	-	-	-
Community development	-	-	-	-	-	-	-	1,749	1,973	42,818
Parks and recreation	-	-	-	-	-	-	-	2,708	2,633	2,397
Capital outlay	6,530	4,767	5,343	4,949	3,693	4,763	1,469	5,528	3,875	1,373
Debt service:										
Principal	1,132	1,010	1,073	1,084	859	878	885	872	1,301	104
Interest and fiscal charges	687	117	103	90	75	66	71	140	113	75
Bond issuance costs	125	-	-	-	-	-	-	-	-	-
Total Expenditures	34,487	33,845	31,514	33,318	31,353	31,415	28,852	33,047	33,812	70,634
Excess of Revenues Over (Under) Expenditures	1,354	(632)	(22)	(3,151)	(1,580)	(1,214)	2,950	95	(1,329)	(33,549)
Other Financing Sources (Uses)										
Transfers in	4,312	4	-	588	-	-	-	1,058	726	1,170
Transfers out	(4,314)	(4)	-	(588)	-	-	-	(833)	(726)	(1,100)
Issuance of notes	-	-	-	-	-	-	-	-	-	41,029
Refunding on bond issuance	6,561	-	-	-	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	141	431	98
Payment to refunded bond escrow agent	(6,436)	-	-	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-	726	-	-	-	-
Total Other Financing Sources (Uses)	123	-	-	-	-	726	-	366	431	41,197
Net Change In Fund Balances	\$ 1,477	(632)	(22)	(3,151)	(1,580)	(488)	2,950	461	(898)	7,648
Debt service as a percentage of noncapital expenditures	4.7 %	6.3	3.9	4.5	4.1	3.4	3.3	3.5	4.7	0.3

Notes:

In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Governmental Fund to an Enterprise Fund.
In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.
2017 was restated for various items. This schedule has not been restated.
In 2019, the City changed departmental accounting for the public works, parks and recreation, and community development.

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

(dollars in thousands)

Fiscal Year Ended June 30	Real Property	Personal Property	Railroad And Utilities	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value As A Percentage Of Estimated Actual Taxable Value
2012	\$ 532,495	\$ 53,577	\$ 9,129	\$ 595,201	\$ 2,886,720	20.62 %
2013	530,263	57,676	8,993	596,932	2,887,085	20.68
2014	497,822	57,629	9,332	564,783	2,718,366	20.78
2015	500,437	59,837	9,608	569,882	2,734,643	20.84
2016	519,947	60,764	10,616	591,327	3,087,680	19.15
2017	523,841	62,139	9,770	595,750	3,189,787	18.68
2018	575,383	61,830	9,658	646,871	3,112,448	20.78
2019	580,505	63,547	7,549	651,601	3,145,473	20.72
2020	672,337	67,084	8,994	748,415	3,629,832	20.62
2021	673,476	65,700	10,927	750,103	4,027,992	18.62

Fiscal Year Ended June 30	Total Direct Tax Rate			
	Residential	Commercial	Personal Property	Agricultural
2012	0.753	0.892	0.909	0.000
2013	0.753	0.776	0.909	0.000
2014	0.753	0.776	0.909	0.000
2015	0.753	0.731	0.879	0.000
2016	0.734	0.694	0.875	0.000
2017	0.690	0.647	0.875	0.000
2018	0.690	0.647	0.875	0.000
2019	0.689	0.662	0.875	0.000
2020	0.610	0.620	0.875	0.000
2021	0.610	0.620	0.875	0.000

Notes:

Assessments are based on January 1st valuations. Assessed valuations are determined and certified by the Assessor of St. Louis County.

Railroad and Utilities are State Assessed. Locally assessed are included in Real and Personal. Laclede Gas Company and St. Louis County Water Company are included with personal assessments as they are local concerns.

Source: St. Louis County Assessor

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City of University City	0.7530	0.7530	0.7530	0.7530	0.7340	0.7340	0.6900	0.6890	0.6100	0.6100
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.5150	0.5150	0.4890	0.4890	0.4430	0.4430
University City School District	4.7110	4.8154	5.1107	5.1775	5.0929	5.1095	4.9002	4.8726	4.4009	4.4003
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0818	0.0635	0.0874	0.0879	0.0876	0.1196	0.1159	0.1170	0.1077	0.1078
Metropolitan Zoological Park and Museum District	0.2671	0.2684	0.2797	0.2797	0.2777	0.2795	0.2694	0.2724	0.2549	0.2532
St. Louis Community College	0.2200	0.2200	0.2200	0.2200	0.2176	0.2185	0.2112	0.2129	0.1986	0.1987
Sheltered Workshop	0.0840	0.0840	0.0890	0.0900	0.0880	0.0880	0.0840	0.0840	0.0750	0.0750
Special School District	1.0125	1.0123	1.2400	1.2609	1.2348	1.2409	1.1912	1.1980	1.1077	1.1077
MSD/University City Storm Sewer	-	0.0850	0.0930	0.0930	0.0930	-	-	-	-	-
MSD/Deer Creek Subdistrict	0.0840	0.0840	0.0860	0.0860	0.0830	-	-	-	-	0.0690
Roads and Bridges	0.1050	0.1050	0.1050	0.1050	0.1030	0.1030	0.0980	0.0980	0.0880	0.0880
University City Library	0.2410	0.2480	0.2660	0.2660	0.2590	0.2590	0.2460	0.1920	0.3650	0.3650

Note: Rates listed above are for residential property.

Source: St. Louis County Assessor (rates stated per \$100 of assessed valuation)

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

(dollars in thousands)

2021			
Rank	Taxpayer	Taxable Assessed Value	Percentage Of Total Taxable Assessed Value
1	MOP LLC	\$ 9,048	1.21 %
2	Gatesworth LLC	8,972	1.20
3	District St. Louis LLC	5,694	0.76
4	Missouri American Water Company	5,212	0.70
5	MPAL Real Estate LLC	4,710	0.63
6	Wyncrest St. Louis LP	4,475	0.60
7	Brentmoor Holdings LLC	2,537	0.34
8	MCW Rd University City Square LLC	2,301	0.31
9	Louis London Building on Delmar LLC	2,249	0.30
10	Laclede Gas Company	1,908	0.25
Total		<u>\$ 47,106</u>	<u>6.30 %</u>

2012			
Rank	Taxpayer	Taxable Assessed Value	Percentage Of Total Taxable Assessed Value
1	McKnight Place Partnership I LLC	\$ 6,263	1.05 %
2	Wyncrest Holdings Inc.	4,706	0.79
3	McKnight Place Partnership II LLP	1,938	0.33
4	MCW RD University City Square LLC	1,890	0.32
5	U City Lions LLC	1,657	0.28
6	Six Fortune LLC	1,447	0.24
7	McKnight Place Extended Care LLC	1,278	0.21
8	Mansions on the Plaza LP	1,235	0.21
9	Deutsch Family Investmetns LLC	1,175	0.20
10	POE Delmar F Jr Trustee	1,128	0.19
Total		<u>\$ 22,717</u>	<u>3.82 %</u>

Sources:

St. Louis County Assessor.

City of University City Annual Comprehensive Financial Report, June 30, 2011.

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

(dollars in thousands)

For The Fiscal Years Ended June 30	Total Tax Levy For Fiscal Year	Collected Within The Fiscal Year Of The Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
2012	\$ 6,351	\$ 6,062	95.4 %	\$ 285	\$ 6,347	99.9 %
2013	6,368	6,083	95.5	284	6,367	100.0
2014	4,493	4,228	94.1	270	4,498	100.0
2015	4,491	4,284	95.4	185	4,469	99.5
2016	4,547	4,377	96.3	151	4,528	99.6
2017	4,577	4,384	95.8	140	4,524	98.8
2018	4,551	4,383	96.3	75	4,458	98.0
2019	4,607	4,387	95.2	47	4,434	96.2
2020	4,753	4,539	95.5	61	4,600	96.8
2021	4,761	4,608	96.8	-	4,794	100.7

Note:

In 2014, the City changed accounting for the Library Fund from a Special Revenue Fund to a Discretely Presented Component Unit.

Sources:

St. Louis County Assessor
City of University City Finance Department

CITY OF UNIVERSITY CITY, MISSOURI
SALES TAX RATES, DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS

Fiscal Years Ended June 30	City Direct Rate	St. Louis County	State Of Missouri
2012	1.500	2.700	4.225 %
2013	1.500	2.700	4.225
2014	1.500	2.888	4.225
2015	1.500	2.888	4.225
2016	1.500	2.888	4.225
2017	1.500	2.888	4.225
2018	1.500	3.388	4.225
2019	1.500	3.513	4.225
2020	1.500	3.513	4.225
2021	1.500	3.513	4.225

Sales And Local Use Tax

Fiscal Years Ended June 30	Total Sales Tax Rate	Sales Tax Collections (expressed in thousands)
2012	8.425	9,518
2013	8.613	9,236
2014	8.613	9,779
2015	8.613	10,006
2016	8.613	10,303
2017	9.113	10,716
2018	9.238	12,308
2019	9.238	12,707
2020	9.238	13,922
2021	9.238	13,021

Notes:

The City levies a sales tax of one-half percent (0.50%) for the purpose of parks and storm water, one-half percent (0.50%) for the purpose of capital improvements, one-quarter (0.25%) for the purpose of fire services, and one-quarter (0.25%) for the purpose of economic development.

Additionally, the City receives a portion of 1% sales tax (included in the rates shown above) levied by St. Louis County.

The City participates in the county-wide sales tax sharing pool, which is generally distributed based on population.

CITY OF UNIVERSITY CITY, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(dollars in thousands, except per capita amount)

Fiscal Years Ended June 30	Governmental-type Activities					Business-type Activities	Total Primary Government	Percentage Of Personal Income	Per Capita
	General Obligation Bonds	Tax Increment Note	Special Obligation Bonds	Certificates Of Participation	Capital Lease	Certificates Of Participation			
2012	\$ 673	\$ -	\$ 438	\$ 6,561	\$ -	\$ 459	\$ 8,131	0.66 %	\$ 232
2013	457	-	398	5,806	-	389	7,050	0.58	201
2014	231	-	352	5,003	-	327	5,913	0.48	169
2015	-	-	307	4,194	-	261	4,762	0.90	136
2016	-	-	262	3,380	-	195	3,837	0.31	110
2017	-	-	211	2,552	726	128	3,617	0.22	103
2018	-	-	160	1,813	630	77	2,680	0.22	76
2019	-	-	105	1,095	531	-	1,731	0.14	49
2020	-	-	-	-	430	-	430	0.04	12
2021	-	41,029	-	-	327	-	41,356	2.25	1,179

Note: The debt amounts are net of related premiums, discounts and adjustments.

Sources:

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

Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF UNIVERSITY CITY, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(dollars in thousands, except per capita amount)

Fiscal Years Ended June 30	General Obligation Bonds	Less - Amounts Available In Debt Service Fund	Total	Percentage Of Estimated Actual Taxable Value Of Property	Per Capita
2012	\$ 670	\$ 261	\$ 409	14.08	11
2013	457	227	230	7.97	7
2014	231	172	59	2.17	2
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-

Note: The debt amounts are net of related premiums, discounts and adjustments.

Sources:

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

Assessed value can be found in the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF UNIVERSITY CITY, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

(dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable To The City</u>	<u>Estimated Share Of Overlapping Debt</u>
St. Louis County	\$ 68,775	2.70 %	\$ 1,857
School District of University City	<u>55,808</u>	98.69	<u>55,077</u>
Total Overlapping Debt	124,583		56,934
University City direct debt	<u>326,682 ***</u>	100.00 %	<u>326,682</u>
Total Direct And Overlapping Debt	<u>\$ 451,265</u>		<u>\$ 383,616</u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the St. Louis County Collector's office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

**The debt amounts are net of related premiums, discounts and adjustments.

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

(dollars in thousands)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 59,520	59,735	56,478	56,810	59,166	59,604	64,687	65,160	74,842	75,010
Total net debt applicable to limit	<u>409</u>	<u>58</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 59,111</u>	<u>59,677</u>	<u>56,420</u>	<u>56,810</u>	<u>59,166</u>	<u>59,604</u>	<u>64,687</u>	<u>65,160</u>	<u>74,842</u>	<u>75,010</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	0.70 %	0.10	0.10	-	-	-	-	-	-	-

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$ 750,103
Add back: Exempt real property	<u>-</u>
Total Assessed Value	<u>\$ 750,103</u>
Debt limit (10% of total assessed value)	<u>\$ 75,010</u>
Debt applicable to limit:	
General obligation bonds	\$ -
Less: Amount set aside for repayment of general obligation debt	-
Total Net Debt Applicable To Limit	<u>-</u>
Legal Debt Margin	<u>\$ 75,010</u>

Note: Per Sections 95.111 and 95.120 of the Missouri Revised Statutes, the City's bonded indebtedness is limited to 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

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

Fiscal Years Ended June 30	Population	Personal Income	Personal	Median Age	Education Level Percent High School Graduate Age 25+	Education Level Percent Bachelor's Degree Or Higher Age 25+	Public School Enrollment	Unemployment Rate
2012	35,371	\$ 1,223,624,374	\$ 34,594	37.4	91.0 %	49.3 %	3,160	5.5 %
2013	35,371	1,223,624,374	34,594	37.4	91.0	49.3	3,155	6.2
2014	35,371	1,223,624,374	34,594	37.4	91.0	49.3	3,160	6.2
2015	35,371	1,223,624,374	34,594	37.4	91.0	49.3	3,067	5.7
2016	35,371	1,223,624,374	34,594	37.4	91.0	49.3	4,943	5.2
2017	35,371	1,223,624,374	34,594	37.4	91.0	49.3	2,709	5.3
2018	35,371	1,223,624,374	34,594	37.4	91.0	49.3	2,647	3.6
2019	35,371	1,223,624,374	34,594	37.4	91.0	49.3	2,537	3.3
2020	35,371	1,223,624,374	34,594	37.4	91.0	49.3	2,815	4.6
2021	35,065	1,836,108,595	52,363	35.2	94.2	57.7	2,561	5.2

Sources:

U.S. Census Bureau, 2020

City of University City School District

Missouri Economic Research and Information Center (MERIC)

CITY OF UNIVERSITY CITY, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2021

Employer	Employees	Rank	Type Of Business	Percentage Of Total City Employment
University City School District	436	1	School District	6.63 %
City of University City	327	2	Local Government	4.97
Wiese USA Inc	215	3	Industrial Truck Sales and Leasing	3.27
Aging Well Healthcare LLC	180	4	Medical/Non-Medical Services	2.74
Winco Window Company LLC	175	5	Manufacturer - Windows	2.66
Gatesworth Community	175	6	Retirement/Independent Living/Nursing Community	2.66
Cintas	152	7	Uniform Supply	2.31
Private Home Care	150	8	Retirement/Independent Living/Nursing Community	2.28
MPAL Real Estate	141	9	Residential Care/Assisted Living Facility	2.14
McKnight Place Extended Care	134	10	Retirement/Independent Living/Nursing Community	2.04

2012

Employer	Employees	Rank	Type Of Business	Percentage Of Total City Employment
City of University City3	473	1	Local Government	8.45 %
University City School District	420	2	School District	7.50
Gatesworth Community	230	3	Retirement/Independent Living/Nursing Community	4.11
Winco Window Company LLC	150	4	Manufacturer - Windows	2.68
McKnight Place Assisted Living	125	5	Retirement/Independent Living/Nursing Community	2.23
Schnucks Supermarket	109	6	Supermarket/Grocer	1.95
Wiese Planning & Engineering	100	7	Industrial Truck Sales & Leasing	1.79
U City Forest Manor LLC	92	8	Nursing Facility	N/A
Fitz's Bottling Company	80	9	Restaurant	N/A
Blueberry Hill	79	10	Restaurant	1.41

Sources:

Results of survey conducted by University City staff, June 2012 and June 2021.

Total City Employment: 6,578; U.S. Bureau of the Census, 2012 Survey of Business Owners.

City of University City total represents full-time, part-time and seasonal staff employed at fiscal year-end June 30, 2021.

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

FUNCTIONS/PROGRAMS	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Legislative Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
General Administration	3.0	3.0	3.0	3.0	3.0	3.0	1.0	4.0	4.0	3.0
Information Technology	-	-	-	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Municipal Court	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance	10.0	10.0	10.0	9.0	9.0	9.0	6.0	7.0	8.0	8.0
Facilities Maintenance	7.0	7.0	7.0	8.0	8.0	8.0	8.0	9.0	8.0	6.0
Planning and Development	20.0	20.0	21.0	20.0	21.0	21.0	16.0	20.0	18.0	16.0
Public Safety:										
Police:										
Officers	76.0	76.0	80.0	79.0	79.0	79.0	69.0	78.0	79.0	79.0
Civilians	18.0	18.0	18.0	19.0	19.0	19.0	18.0	21.0	20.0	20.0
Fire:										
Firefighters and Officers	43.0	43.0	45.0	40.0	39.0	40.0	33.0	35.0	48.0	48.0
Civilians	1.0	1.0	1.0	-	-	-	-	-	-	-
Public Works:										
Engineering	8.0	8.0	8.0	8.0	8.0	8.0	7.0	8.0	7.0	7.0
Street Maintenance	-	-	-	12.0	12.0	12.0	10.0	12.0	12.0	9.0
Sanitation	11.0	11.0	11.0	13.0	14.0	13.0	12.0	14.0	14.0	14.0
Parks, Recreation and Forestry:										
Parks and Forestry Maintenance	30.0	30.0	30.0	18.0	18.0	18.0	16.0	18.0	17.0	16.0
Golf Course	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Golf Course Maintenance	1.0	1.0	1.0	1.0	2.0	1.0	2.0	2.0	2.0	3.0
Recreation	-	-	-	-	4.0	5.0	4.0	5.0	5.0	5.0
Community Center	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Centennial Commons	4.0	4.0	4.0	4.0	-	-	-	-	-	-
Library	16.0	16.0	16.0	16.0	16.0	16.0	14.0	16.0	16.0	16.0
Internal Service:										
Fleet Maintenance	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0
Total	261.0	261.0	268.0	264.0	265.0	265.0	229.0	263.0	273.0	264.0

Sources:
City of University City Annual Budget Reports
City of University City Department of Human Resources

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

FUNCTIONS/PROGRAMS	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Finance:										
Business licenses issued	652	825	750	674	748	701	707	763	784	626
Planning and Development:										
Zoning applications processed	29	46	41	39	19	28	53	13	21	8
Construction permits issued	4,299	5,097	5,118	9,998	4,266	N/A	3,716	3,941	4,023	4,073
Occupancy permits issued	3,847	3,806	3,812	8,389	3,236	N/A	2,864	3,371	2,488	2,780
Property inspections (existing structures)	6,698	10,764	7,066	14,856	6,483	13,000	5,684	5,754	4,925	5,812
Construction inspections	8,141	7,100	10,498	24,756	9,000	9,000	8,943	10,197	10,116	8,933
Environmental inspections	3,806	2,847	2,658	538	4,524	N/A	4,917	4,671	5,239	3,302
Vacant buildings registered	134	142	1,747	118	189	150	55	54	63	53
Public Safety:										
Police:										
Arrest for violations other than traffic	3,155	3,105	2,840	2,322	2,123	1,806	1,749	1,028	1,833	2,338
Number of juveniles taken into custody	252	261	222	241	316	208	206	125	101	64
Traffic violations:										
Non-moving violations	22,797	9,241	12,099	9,759	9,364	8,058	8,487	11,350	10,944	7,328
Hazardous moving violations	3,562	1,635	1,781	2,119	2,420	3,919	2,220	3,680	2,066	5,730
Non-hazardous moving violations	2,408	804	1,013	1,044	1,210	838	2,336	2,973	2,911	2,504
Fire:										
Total fire calls	2,026	1,961	1,838	1,236	1,722	2,296	2,184	2,473	2,415	2,196
Total ambulance calls	4,214	3,845	3,691	2,510	-	-	-	-	3,991	4,084
Total fires	231	197	193	116	160	198	109	116	70	110
Highway and Streets:										
Sewer lateral repairs	173	188	162	235	201	265	241	252	191	184
Right-of-way permits	275	372	253	279	401	379	365	442	387	528
Sidewalk repaired (square feet) ¹	1,200	-	-	89.00	39,450	40,000	33,000	36,130	37,000	32,300
Asphalt base repairs (square yards) ²	-	900	1,000	262	40,012	23,500	27,000	46,700	26,320	40,000
Street sweeping (miles)	5,460	5,000	550	798	3,357	4,500	4,500	4,850	4,850	4,850
Number of street lights maintained by city	611	636	621	655	510	750	750	750	750	750
Sanitation:										
Solid waste collected (tons)	11,000	12,052	12,698	14,138	13,596	13,458	11,697	11,038	11,317	12,290
Bulky items collected (tons)	195	335	352	520	525	485	592	N/A	163	1,467
Recyclables collected (tons)	3,642	2,660	2,668	2,456	2,854	2,987	3,010	2,905	2,750	2,164
Yard waste and leaves collected (tons)	5,328	7,882	7,612	7,651	9,597	N/A	N/A	N/A	215	3,730
Culture and Recreation:										
Municipal golf course (rounds played)	31,482	29,249	29,983	30,749	31,946	33,949	29,559	29,744	30,964	39,765
Municipal swimming pool attendance	53,917	31,582	31,080	27,179	28,246	28,817	27,533	41,405	27,603	19,552
Community center attendance	32,005	25,426	29,933	29,753	30,044	32,148	22,827	26,624	20,182	350
Recreation facility attendance	137,363	154,503	147,726	150,333	130,837	125,668	125,180	195,462	94,843	2,068
Library patrons registered	39,550	41,170	37,187	40,857	39,426	39,282	42,168	41,070	37,744	38,675
Circulation of library materials, all media	475,901	451,751	447,023	452,318	389,053	392,767	402,499	445,477	341,645	301,489
Attendance at library programs for adults and children	11,422	12,569	14,870	24,070	18,498	18,958	25,198	28,063	6,024	4,458

¹Total sidewalk repairs performed by staff.

²Reported total asphalt base repairs performed by staff because sidewalk repairs are contracted out.

Sources:

City of University City Annual Administrative Reports and Budget Reports

City of University City Departments

N/A = Not Available

CITY OF UNIVERSITY CITY, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
City hall building	1	1	1	1	1	1	1	1	1	1
Municipal parking garage	1	1	1	1	1	1	1	1	1	1
Central garage building	1	1	1	1	1	1	1	1	1	1
Trinity building	1	1	1	1	1	1	1	1	1	1
Data network telephone system	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Motor vehicles	31	30	33	33	30	33	33	33	33	34
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Hydrants	714	714	714	714	714	714	714	714	714	714
Motor vehicles	10	10	11	9	11	11	11	11	11	11
Highways and Streets:										
Paved public streets (miles)	96.6	96.6	97.0	97	97	97	97	97	97	97
Streetlights (city-owned)	407	407	407	655	735	750	750	750	750	750
Traffic signals (city-owned)	3	3	8	8	8	8	8	8	8	8
Miles of sewer (MSD maintained)	-	-	173.0	173	173	172	172	172	172	172
Vehicles, trucks, and various equipment	43	43	46	46	49	49	49	52	51	51
Sanitation:										
Vehicles, trucks, and various equipment	20	20	28	29	30	30	30	30	28	28
Transfer station	1	1	1	1	1	1	1	1	1	1
Compactor	2	2	2	2	2	2	2	2	2	2
Culture and Recreation:										
Number of parks	18	18	18	18	18	19	19	19	21	21
Parks acreage	257	257	260	260	259.5	257.0	257	257	260	260
Tennis courts	19	19	17	17	17	17	17	17	17	17
Soccer fields	6	6	5	5	5	5	5	5	5	5
Football fields	1	1	2	2	2	2	2	2	2	2
Soccer/Football fields (combo)	1	1	1	1	1	1	1	1	1	1
Basketball courts (outdoor)	5	5	5	5	5	5	5	5	5	5
Ball diamonds	14	14	14	14	14	14	14	14	14	14
Ponds	2	2	2	2	2	2	2	2	3	3
Golf course (9-hole)	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community center	1	1	1	1	1	1	1	1	1	1
Recreation facility	1	1	1	1	1	1	1	1	1	1
Vehicles, trucks, and various equipment	25	27	27	28	28	28	28	28	43	47
Library building	1	1	1	1	1	1	1	1	1	1
Sutter Meyer historical building	1	1	1	1	1	1	1	1	1	1

Sources:

City of University City Comprehensive Annual Financial Reports
City of University City Departments

CITY OF UNIVERSITY CITY, MISSOURI

**REPORT ON FEDERAL AWARDS
(Audited)**

For the Year Ended June 30, 2021



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of the City Council
CITY OF UNIVERSITY CITY, MISSOURI

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **CITY OF UNIVERSITY CITY, MISSOURI** (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 24, 2022.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

CITY'S RESPONSE TO FINDINGS

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

St. Louis, Missouri
February 24, 2022

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Members of the City Council
CITY OF UNIVERSITY CITY, MISSOURI

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the **CITY OF UNIVERSITY CITY, MISSOURI'S** (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements, and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 24, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

St. Louis, Missouri
February 24, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
St. Louis County, Missouri:			
CDBG - Entitlement Grants Cluster:			
Community Development Block Grant/ Entitlement Grants	14.218	-	\$ <u>25,000</u>
Total U.S. Department Of Housing And Urban Development			<u>25,000</u>
U.S. Department of Justice			
COVID-19 Coronavirus Supplemental Funding Program	16.034	-	18,968
Bulletproof Vest Partnership Edward Byrne Memorial Justice Assistance Grant Program	16.607	-	4,400
Total U.S. Department Of Justice	16.738	DJ-BX-0503	<u>10,182</u> <u>33,550</u>
U.S. Department of Transportation			
Missouri Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	STP-5526(642)	76,331
Highway Planning and Construction	20.205	STP-5402(616)	43,513
Highway Planning and Construction	20.205	STP-5402(618)	<u>78,107</u>
Total Highway Planning And Construction Cluster			<u>197,951</u>
Missouri Division of Highway Safety:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	21-PT-02-133	<u>3,091</u>
National Priority Safety Program	20.616	20-M2HVE-05-034	500
National Priority Safety Program	20.616	20-2HVE-05-030	350
National Priority Safety Program	20.616	20-2HVE-05-034	<u>682</u>
Total National Priority Safety Program			<u>1,532</u>
Total Highway Safety Cluster			<u>4,623</u>
Alcohol Open Container Requirements	20.607	20-154-AL-017	730
Alcohol Open Container Requirements	20.607	20-154-AL-133	298
Alcohol Open Container Requirements	20.607	21-M5HVE-03-027	1,180
Alcohol Open Container Requirements	20.607	20-154-AL-037	700
Alcohol Open Container Requirements	20.607	21-154-AL-037	<u>1,106</u>
Total Alcohol Open Container Requirements			<u>4,014</u>
Total U.S. Department Of Transportation			<u>206,588</u>

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Federal Expenditures
U.S. Department of Treasury			
St. Louis County, Missouri:			
COVID-19 Coronavirus Relief Fund	21.019*	-	<u>2,432,499</u>
Total U.S. Department Of Treasury			<u>2,432,499</u>
National Endowment for the Humanities			
Missouri Department of Economic Development:			
Grants to States	45.310	-	<u>27,959</u>
American Library Association:			
Grants to States	45.310	-	<u>1,150</u>
Missouri State Library:			
Grants to States	45.310	-	1,500
Grants to States	45.310	2021-LFLO	4,475
Grants to States	45.310	2021-LDIS	996
Grants to States	45.310	2021-LBEO	13,682
Grants to States	45.310	2020-LFLO	6,996
Grants to States	45.310	2020-LBED	15,156
Grants to States	45.310	2020-COVD	<u>16,706</u>
Total Missouri State Library			<u>59,511</u>
Total National Endowment For The Humanities			<u>88,620</u>
U.S. Department of Homeland Security			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	-	416,892
Missouri State Emergency Management Agency:			
Disasters Grants (Presidentially Declared Disasters)	97.036	4490-DR-MO	<u>99,800</u>
Total U.S. Department Of Homeland Security			<u>516,692</u>
Total Awards Expended			<u>\$3,302,949</u>

**Denotes major federal program.

Note 1 - Basis of Presentation -- The schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City under programs of the federal government. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies -- Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years, if any. The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - The City did not have any federal loans or loan guarantees with continuing compliance requirements. The City did not receive any federal insurance and the City did not provide funds to any subrecipients.

Note 4 - Fair market value of personal protective equipment (PPE) at the time of receipt during they year ended June 30, 2021 was \$36,266.

SECTION I - SUMMARY OF THE AUDITOR'S RESULTS

A. Financial statements:

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
 - a) Material weakness(es) identified? ☐ Yes ☒ No
 - b) Significant deficiency(ies) identified? ☒ Yes ☐ None reported
3. Noncompliance material to financial statements noted? ☐ Yes ☒ No

B. Federal awards:

1. Internal control over major programs:
 - a) Material weakness(es) identified? ☐ Yes ☒ No
 - b) Significant deficiency(ies) identified? ☐ Yes ☒ None reported
2. Type of auditor's report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 516(a)? ☐ Yes ☒ No

4. Major programs:

CFDA Number(s)

21.019

Name Of Federal Program Or Cluster

COVID-19 Coronavirus Relief Fund

5. Dollar threshold used to distinguish between type A and type B programs: \$750,000
6. Auditee qualified as low-risk auditee? ☒ Yes ☐ No

SECTION II - FINANCIAL STATEMENTS FINDINGS

Finding No. 2021-001 - Significant Deficiency

Internal Control Over Financial Reporting

Criteria -- The City presents its annual financial statements in accordance with GAAP for local governments as promulgated by the Governmental Accounting Standards Board.

Condition -- Significant adjusting journal entries were required to correct various amounts on the year-end financial statements of the City in accordance with accounting principles generally accepted in the United States of America (GAAP). This finding was repeated and is reported in Section IV - Summary Schedule of Prior Audit Finding as Finding 2020-01.

Effect -- Without the proposed audit adjustments, certain general ledger accounts would be incorrect and the financial statements would be materially misstated.

Cause -- The City did not adequately review the year-end financial records required for the GAAP basis of accounting. In addition, account reconciliations of significant financial statement amounts and supervisory review of those reconciliations did not detect errors described above.

Recommendation -- We recommend the City enhance its internal control procedures over financial reporting so that it is able to produce financial statements in accordance with GAAP without requiring significant audit adjustments. These internal control procedures should include reconciliation of significant financial statement amounts to subsidiary records and sufficient supervisory review of those reconciliations, prior to the audit, in order to determine proper adjustments to the City's financial statements.

View of Responsible Officials and Planned Corrective Action

The process for year-end financial reporting is very time consuming. In addition, the City had turnover in the Finance Department resulting in limited availability. The City is currently in the process of evaluating their staffing levels to provide increased availability to the Finance Department so that the year-end reporting process is completed timely.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None



6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8544, Fax: (314) 863-0921

Corrective Action Plan February 24, 2022

The City of University, Missouri (the "City") respectively submits the following corrective action plan for the year ended June 30, 2021. Sikich LLP, 12655 Olive Blvd., Suite 200, Creve Coeur, Missouri 63141, is the independent public accounting firm that performed the audit dated February 24, 2022.

The findings from the 2021 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the references assigned in the schedule.

FINANCIAL STATEMENT FINDINGS

Finding No. 2021-001 Finding Type: Significant Deficiency

Recommendations: The auditors recommend the City enhance its internal control procedures over financial reporting so that it is able to produce financial statements in accordance with GAAP without requiring significant audit adjustments. These internal control procedures should include reconciliation of significant financial statement amounts to subsidiary records and sufficient supervisory review of those reconciliations, prior to the audit, in order to determine proper adjustments to the City's financial statements.

Corrective Action Plan: The process for year-end financial reporting here at City of University City is very tedious and time consuming. The Finance Department strives to review and enhance its internal control procedures to include segregation of duties, accounting system access controls, standardized documentation, timely periodic reconciliations of accounts, and timely supervisory review of reconciliations and reporting.

The Finance Department continues to seek best practices in developing schedules to enhance the reconciliation of significant financial statement amounts process to be on an interim basis. This type of action would potentially, allow adequate time for supervisory review prior to commencing of the audit. It would also allow time to produce financial statements in accordance with GAAP.

Furthermore, the Finance Department will work with other key departments who have significant financial statement amounts to ensure they are requesting proper reports on an interim basis and incorporating this process in the internal control procedures. In addition, the Finance Department will review these reports timely to the best of their ability and reconcile the reports to the General Ledger and schedules on an interim basis.

COVID and key staff leaving the City has had some delay in the action plan. The City continues to evaluate the probability of adding one additional staff member to the Finance Department to provide availability so that periodic and year-end reporting is completed timely and prior to when the audit commences.

Contact: Keith Cole, Director of Finance

Anticipated Completion Date: This corrective action plan will be implemented by late fiscal year 2022.

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Findings relating to financial statements which are required to be reported in accordance with *Government Auditing Standards*:

Financial Statement Findings

Finding No. 2020-001 - Significant Deficiency

Finding -- Significant adjusting journal entries were required to correct the City's year-end financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Recommendation -- The City should enhance its internal control procedures over financial reporting so that it is able to produce financial statements in accordance with GAAP.

Status of Prior Year Finding -- This finding was repeated and it is reported in Section II - Financial Statements Finding as Finding 2021-001.

Federal Award Findings

There were no federal award findings in the prior year.



CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER: <i>For City Clerk Use</i>	CM20220328-02
--------------------------------------	---------------

SUBJECT/TITLE:

Interfund Borrowing from General Fund to Solid Waste Fund in the amount of \$1 million.

REQUESTED BY:

Keith Cole, Director of Finance

DEPARTMENT / WARD

Finance / All

AGENDA SECTION:

City Manager's Report

CAN ITEM BE RESCHEDULED?

Yes

CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION:

The City Manager recommends City Council to approve the interfund borrowing from General Fund to Solid Waste Fund.

FISCAL IMPACT:

Reduce General Fund cash by \$1,000,000 and add to Solid Waste Fund cash.

AMOUNT:

\$1,000,000

ACCOUNT No.:

FROM FUND:

General - 01

TO FUND:

Solid Waste - 08

EXPLANATION:

As a result of FY2021 year-end audit, and current year FY2022 operations, the Solid Waste fund needs to borrow from the General Fund. The amount requested to borrow is \$1,000,000. The term of the loan is as follows: Interest Rate - 1.25%; Years - 10; Payments Per Year - 12

STAFF COMMENTS AND BACKGROUND INFORMATION:

The General Accepted Accounting Principle (GAAP) describes financial interactions between funds of the primary government as "interfund activity." In addition, the interfund activity can be categorized as reciprocal which includes interfund loans and interfund services. Interfund Loans often described as advances and are reported as an asset of the lending fund (receivable) and as a liability of the borrowing fund (payable).

CIP No.

n/a

RELATED ITEMS / ATTACHMENTS:

1) Amortization Schedule - Solid Waste Fund

LIST CITY COUNCIL GOALS (S):

RESPECTFULLY SUBMITTED:

City Manager, Gregory Rose

MEETING DATE:

March 28, 2022

**City of University City
Solid Waste Fund**

Loan Principal	\$	1,000,000
Interest		1.25
Term		10 years
Monthly payment		8,869

	<u>Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
1	4/1/2022	\$ 1,042	\$ 7,827	\$ 992,173
2	5/1/2022	1,034	7,835	984,338
3	6/1/2022	1,025	7,844	976,494
4	7/1/2022	1,017	7,852	968,642
5	8/1/2022	1,009	7,860	960,782
6	9/1/2022	1,001	7,868	952,914
7	10/1/2022	993	7,876	945,038
8	11/1/2022	959	7,910	937,128
9	12/1/2022	956	7,913	929,215
		9,036	70,785	929,215
10	1/1/2023	968	7,901	921,314
11	2/1/2023	960	7,909	913,405
12	3/1/2023	952	7,917	905,488
13	4/1/2023	943	7,926	897,562
14	5/1/2023	935	7,934	889,628
15	6/1/2023	927	7,942	881,686
16	7/1/2023	918	7,951	873,735
17	8/1/2023	910	7,959	865,776
18	9/1/2023	902	7,967	857,809
19	10/1/2023	894	7,975	849,834
20	11/1/2023	885	7,984	841,850
21	12/1/2023	877	7,992	833,858
		11,071	95,357	833,858
22	1/1/2024	869	8,000	825,858
23	2/1/2024	860	8,009	817,849
24	3/1/2024	852	8,017	809,832
25	4/1/2024	844	8,025	801,807
26	5/1/2024	835	8,034	793,773
27	6/1/2024	827	8,042	785,731
28	7/1/2024	819	8,050	777,681
29	8/1/2024	810	8,059	769,622
30	9/1/2024	802	8,067	761,555
31	10/1/2024	793	8,076	753,479
32	11/1/2024	785	8,084	745,395
33	12/1/2024	776	8,093	737,302
		9,872	96,556	737,302
34	1/1/2025	768	8,101	729,201
35	2/1/2025	760	8,109	721,092
36	3/1/2025	751	8,118	712,974
37	4/1/2025	743	8,126	704,848
38	5/1/2025	734	8,135	696,713
39	6/1/2025	726	8,143	688,570
40	7/1/2025	717	8,152	680,418
41	8/1/2025	709	8,160	672,258
42	9/1/2025	700	8,169	664,089
43	10/1/2025	692	8,177	655,912
44	11/1/2025	683	8,186	647,726

**City of University City
Solid Waste Fund**

Loan Principal	\$	1,000,000
Interest		1.25
Term		10 years
Monthly payment		8,869

	<u>Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
45	12/1/2025	675	8,194	639,532
		8,658	97,770	639,532
46	1/1/2026	666	8,203	631,329
47	2/1/2026	658	8,211	623,118
48	3/1/2026	649	8,220	614,898
49	4/1/2026	641	8,228	606,670
50	5/1/2026	632	8,237	598,433
51	6/1/2026	623	8,246	590,187
52	7/1/2026	615	8,254	581,933
53	8/1/2026	606	8,263	573,670
54	9/1/2026	598	8,271	565,399
55	10/1/2026	589	8,280	557,119
56	11/1/2026	580	8,289	548,830
57	12/1/2026	572	8,297	540,533
		7,429	98,999	540,533
58	1/1/2027	563	8,306	532,227
59	2/1/2027	554	8,315	523,912
60	3/1/2027	546	8,323	515,589
61	4/1/2027	537	8,332	507,257
62	5/1/2027	528	8,341	498,916
63	6/1/2027	520	8,349	490,567
64	7/1/2027	511	8,358	482,209
65	8/1/2027	502	8,367	473,842
66	9/1/2027	494	8,375	465,467
67	10/1/2027	485	8,384	457,083
68	11/1/2027	476	8,393	448,690
69	12/1/2027	467	8,402	440,288
		6,183	100,245	440,288
70	1/1/2028	459	8,410	431,878
71	2/1/2028	450	8,419	423,459
72	3/1/2028	441	8,428	415,031
73	4/1/2028	432	8,437	406,594
74	5/1/2028	424	8,445	398,149
75	6/1/2028	415	8,454	389,695
76	7/1/2028	406	8,463	381,232
77	8/1/2028	397	8,472	372,760
78	9/1/2028	388	8,481	364,279
79	10/1/2028	379	8,490	355,789
80	11/1/2028	371	8,498	347,291
81	12/1/2028	362	8,507	338,784
		4,924	101,504	338,784
82	1/1/2029	353	8,516	330,268
83	2/1/2029	344	8,525	321,743
84	3/1/2029	335	8,534	313,209
85	4/1/2029	326	8,543	304,666
86	5/1/2029	317	8,552	296,114
87	6/1/2029	308	8,561	287,553

**City of University City
Solid Waste Fund**

Loan Principal	\$	1,000,000
Interest		1.25
Term		10 years
Monthly payment		8,869

	<u>Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
88	7/1/2029	300	8,569	278,984
89	8/1/2029	291	8,578	270,406
90	9/1/2029	282	8,587	261,819
91	10/1/2029	273	8,596	253,223
92	11/1/2029	264	8,605	244,618
93	12/1/2029	255	8,614	236,004
		3,648	102,780	236,004
94	1/1/2030	246	8,623	227,381
95	2/1/2030	237	8,632	218,749
96	3/1/2030	228	8,641	210,108
97	4/1/2030	219	8,650	201,458
98	5/1/2030	210	8,659	192,799
99	6/1/2030	201	8,668	184,131
100	7/1/2030	192	8,677	175,454
101	8/1/2030	183	8,686	166,768
102	9/1/2030	174	8,695	158,073
103	10/1/2030	165	8,704	149,369
104	11/1/2030	156	8,713	140,656
105	12/1/2030	147	8,722	131,934
		2,358	104,070	131,934
106	1/1/2031	137	8,732	123,202
107	2/1/2031	128	8,741	114,461
108	3/1/2031	119	8,750	105,711
109	4/1/2031	110	8,759	96,952
110	5/1/2031	101	8,768	88,184
111	6/1/2031	92	8,777	79,407
112	7/1/2031	83	8,786	70,621
113	8/1/2031	74	8,795	61,826
114	9/1/2031	64	8,805	53,021
115	10/1/2031	55	8,814	44,207
116	11/1/2031	46	8,823	35,384
117	12/1/2031	37	8,832	26,552
		1,046	105,382	26,552
118	1/1/2032	28	8,841	17,711
119	2/1/2032	18	8,851	8,860
120	3/1/2032	9	8,860	-
		55	26,552	-

Total Interest	64,280
Total Principal	1,000,000



CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER: <i>For City Clerk Use</i>	CM20220328-03
--------------------------------------	---------------

SUBJECT/TITLE: 2022 Loop Roadshow Special Use Permit (SUP)			
REQUESTED BY: Sinan Alpaslan		DEPARTMENT / WARD Public Works / Ward 2	
AGENDA SECTION:	City Manager's Report	CAN ITEM BE RESCHEDULED?	no
CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION: Approval for permitting 2022 Loop Roadshow April 30th and May 28th events as outlined in the permit application (please see Explanation below).			
FISCAL IMPACT: Streets division provides minimal support as budgeted to reinforce road closure tasks in a safe manner.			
AMOUNT:	0	ACCOUNT No.:	
FROM FUND:		TO FUND:	
EXPLANATION: The event is scheduled to be held on April 30, May 28, June 18, June 19, July 30, August 27, September 24, and October 29 in the Delmar Loop. The proposed dates beyond May 28 need to be examined together with the Trolley operations that are anticipated to begin later this year.			
STAFF COMMENTS AND BACKGROUND INFORMATION: A permit application for this event was submitted (please see the attachment) and approved by the internal departments. The event purpose is to close Delmar Blvd. for a family-friendly monthly festival on the last Saturdays of the month to create an opportunity to attract customers by hosting a safe, social distancing event and also requires amplified sound permitting and a mobile stage rental from University City (the relevant documents are included in the attachment).			
CIP No.	NA		
RELATED ITEMS / ATTACHMENTS: SUP Application for 2022 Loop Roadshow			
LIST CITY COUNCIL GOALS (S): Economic development with community events			
RESPECTFULLY SUBMITTED:		City Manager, Gregory Rose	MEETING DATE: March 28, 2022



Public Works Department

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8560, Fax: (314) 862-0694

APPLICATION FOR SPECIAL USE PERMIT

NOTICE TO PERMIT APPLICANT

- This application form is to be used for all events located in the City's public right-of-way or on public property (parking lot, etc.), except for block parties and events in a City park or facility.
- Completed application must be submitted to the Department of Public Works a minimum of 45 calendar days prior to the date of the event scheduled.
- Submit this application, required attachments and a \$50 application fee (check made to City of University City) to the Department of Public Works, 6801 Delmar Boulevard, University City, MO 63130

Location of Event: Intersection of Delmar & Leland through Intersection of Delmar & Limit (6300 Delmar - 6605 Delmar)

Application Date: 1/23/2022

Name of Event: 2022 Loop Roadshow **Date of Event:** 4/30, 5/28, 6/18, 6/19, 7/30, 8/27, 9/24, 10/29

Type of Event: Run Walk ☒ Festival Other: _____

Set-Up Time: 8 am A.M. or P.M. **Date:** 4/30, 5/28, 6/18, 6/19, 7/30, 8/27, 9/24, 10/29

Tear-down Time: 7 pm A.M. or P.M. **Date:** 4/30, 5/28, 6/18, 6/19, 7/30, 8/27, 9/24, 10/29

Actual Start Time of the Event: 11 am A.M. or P.M.

Actual End Time of the Event: 8 pm A.M. or P.M.

Note: Events longer than 12 hours may require City Council approval.

Starting Location of Event: 6605 Delmar Blvd at Leland Ave

Ending Location of Event: 6300 Delmar Blvd at Limit Ave

Estimated Number of Attendees: 1,000 **Estimated Number of Vendors:** 40-60 outdoor vendors

Estimated Number of Performers: 4 **Estimated Number of Vehicles:** 350+

Person/ Organization Making Application:

Residential or Business Address: 836 Forman Rd, St. Louis, MO 63123

E-Mail Address: jessica@exploreucity.com



Public Works Department

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8560, Fax: (314) 862-0694

Event Organizer (Must be an individual that is responsible for the event and who will be on-site during the event in case of an emergency):

Name: Jessica Bueler

Title: Event Organizer

Phone Number: (during event): 314-585-6331

Residential or Business Address: 836 Forman Rd, St. Louis, MO 63123

E-Mail Address: jessica@exploreucity.com



Public Works Department

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8560, Fax: (314) 862-0694

Describe the proposed event and state its purpose:

To close Delmar Blvd for a family-friendly monthly festival on the last Saturday of the month to create an opportunity to attract customers by hosting a safe, social distancing event. There will be face painting, sidewalk sales, and music to encourage people to shop in the University City Loop.

Will the event close any streets? If streets are going to be closed, please attach a drawing or map of area and a detailed traffic control/detour plan. NOTE: Proposed closing of any state or county routes require appropriate approval.

Yes, 6300 Delmar - 6605 Delmar will be closed. This is the stretch of Delmar that extends from Leland to Limit. Jessica Bueler will reach out to Metro for approval of rerouting buses for the day and also submit a permit to the Loop Trolley.

Proposed Route or Layout of event: (Please attach a drawing or map of area.)
6300 Delmar - 6605 Delmar will be closed.

Map attached.

Describe the Event Equipment included in Layout (tents, tables, chairs, stages, portable restrooms, banners, cooking equip, trash and recycling containers etc.):

Individual businesses will provide their own tables, chairs, and tents for sidewalk sales. Customers will be allowed in the restaurants and retail shops at the same capacity as allowed by St. Louis County Department of Health. The LSBD hopes to hang a banner at Big Bend and Delmar and on the Loop Banner poles adjacent to the Tivoli Parking Lot.

Do you plan to use amplified sound? X Yes No (If yes, applicant will need an Amplified Noise Permit)
Please detail sound system: Standalone speaker system and microphone.

Yes X No (If yes, applicant need to apply for a Picnic License)

Yes X No (If yes, applicant need to apply for a County Temporary Food Establishment permit)

Do you need to reserve parking metered spaces? Yes x No (If yes, applicant need to rent Parking Meters spaces through the University City Police Department office)

Terms and Conditions

As a condition of approval of this Application, the applicant agrees to indemnify, defend and hold harmless the City of University City and all of its officers and employees against any and all suits, causes of action or claims for injuries, damages, costs and expenses to persons or property, whether public or private, that may arise out of, or be constituting a part of the event. The applicant agrees to discharge any and all judgments that may be rendered against the City of University City or its officers and employees in connection with any suit, cause of action, or claim after the judgment becomes final and unappealable.

I have carefully read and will abide by the foregoing Application and Terms and Conditions and swear that statements I made therein are true and correct to the best of my knowledge and belief. **Signature is required before approval will be granted.**

Applicant Signature:

Jessica Bueler

Date:

Print Name:

Supplemental Material (as needed):

- ☐ Street Closure Plan
- ☐ Picnic License
- ☐ Neighbor/Business notification letter
- ☐ Detour Routing Plan

☒ Amplified Noise Permit

☐ Parking Meter Rental Form (if applicable)

2022 Loop Roadshow



Public Works Department

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8560, Fax: (314) 862-0694

FOR OFFICE USE ONLY

APPLICATION SUBMITTAL DATE: 1-24-22
Must be at least 45-days difference

EVENT DATE: 4/30, 5/28, 6/18, 6/19
7/30, 8/27, 9/24, 10/29

INTAKE NAME: D'Marc Williams

Complete Application: ☐ Yes ☐ No

Application fee (\$50) ☐ Yes ☐ No

Attachments (Site plan, route plan, notification process, etc.) ☐ Yes ☐ No

Note: All Signatures are required for approval

[Signature]
Larry Hampton, Police Chief

☒ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

Department Event Contact: _____

Approval Conditions: _____

[Signature]
Sinan Alpasian, Director, Public Works Director

☒ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

Department Event Contact: _____

Approval Conditions: _____

[Signature]
Clifford Cross, Planning and Zoning Director

☒ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

[Signature]
John Wagner, Acting

Department Event Contact: _____

Approval Conditions: _____

[Signature]
Darren Durdle, Parks Director

☒ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

Department Event Contact: _____

Approval Conditions: _____

[Signature]
William Hinson, Fire Chief

☒ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

Department Event Contact: _____

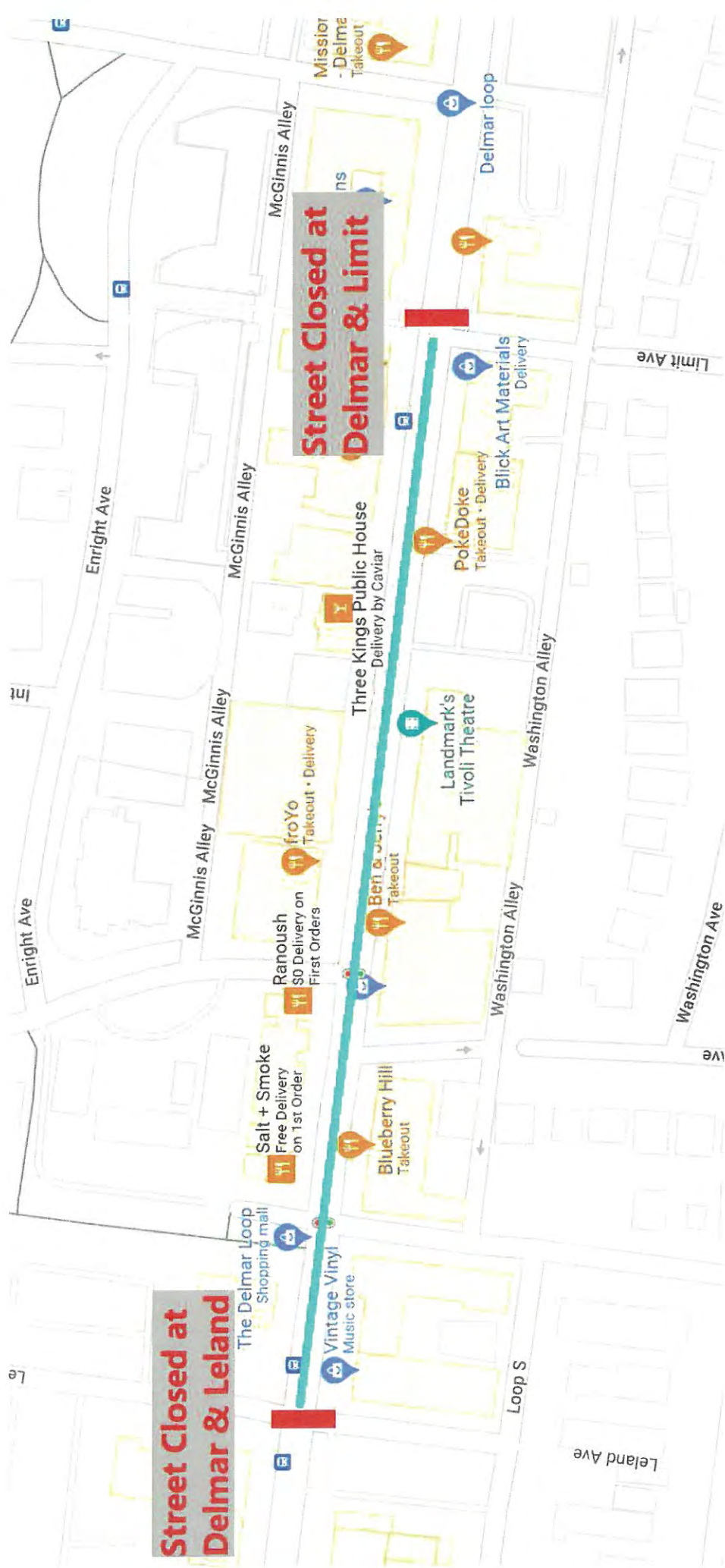
Approval Conditions: _____

[Signature]
Gregory Rose, City Manager

☐ Approved ☐ Denied ☐ Approved with conditions Date Rec'd. _____

Department Event Contact: _____

Approval Conditions: _____





CITY MANAGER'S OFFICE

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 505-8531, Fax: (314) 863-9146

AMPLIFIED SOUND & NOISE REQUEST FORM

Amplified Sound Systems are restricted, ALL exceptions require special approval

Complete and return to the City Manager's Secretary (City Hall 2nd Fl.) at least two (2) weeks before the event.

*If complaints are received, the responsible person agrees to cease the music at the direction of the Police Department.

Name: Jessica Bueler Phone: 314-585-6331

Address: 836 Forman Rd, St. Louis, MO Zip Code: 63123

Email Address: jessica@exploreucity.com

Description of Event / Sound Source: Loop Roadshow sponsored by the Loop Special Business District will utilized a standalone power speaker with microphone.

Day & Date of Event: April 30, May 28, June 18, June 19, July 30, August 27, September 24, October 29.

Location, Start and End Time: 6605 Delmar – 6300 Delmar. 11am -7 pm

Organization/Company Name: Loop Special Business District

Comments: _____

Applicant Signature: Jessica Bueler Date: 1/23/2022

Applicant Agrees to Restrictions Listed Above



**CITY OF UNIVERSITY CITY
DEPARTMENT OF PARKS, RECREATION & FORESTRY**

MOBILE STAGE RENTAL AGREEMENT

ORGANIZATION: Loop Special Business District

ADDRESS & ZIP: PO Box 300249, University City, MO 63130

PARK/FACILITY: Tivoli Parking Lot

DATE(S): April 30, May 28, June 18, June 19, July 30, August 27, September 24, October 29

TIME(S): 8am – 8pm

TOTAL NUMBER OF DAYS: _____

ATTENDANCE: 1,000 **ACTIVITY:** Loop Roadshow

501c3 ☐ YES ☒ **NO**

I. CONTACT INFORMATION

Organization Contact Person: Jessica Bueler

Address: 836 Forman Rd, St. Louis, MO 63123

Phone: (H) 314-585-6331 (W) 314-585-6331 (C) 314-585-6331

Fax: none **E-mail Address:** jessica@exploreucity.com

Additional Contact Name(s): Ryan Griffore **Phone:** 314-203-7378

1. **FEE:**
Renter agrees to pay the rental rate of **\$700 per day**:

Total payment due \$ _____

Amount Enclosed \$ _____

Balance Due \$ _____ balance due thirty (30) days prior to requested date

2. **INSURANCE REQUIRED:**
Renter agrees to obtain insurance coverage as follows:
Property Damage and Liability - \$1.5 million each occurrence/\$3 million aggregate.
Bodily Injury - \$1.5 million each occurrence/\$3million aggregate.

A CERTIFICATE OF INSURANCE AS PRESCRIBED AND HAVING THE CITY OF UNIVERSITY CITY NAMED AS AN ADDITIONAL INSURED MUST BE SUBMITTED WITH THIS FORM.

3. **LOCATION OF USE:**

The renter requests that the mobile stage be dispatched to:

Tivoli Parking lot in the rear so it is parallel with Washington Alley. The front of the stage should face Delmar.

arriving on or about 8 am on April 30, May 28, June 18, June 19, July 30, August 27, September 24, October 29 (date)

Renter agrees to have at least two (2) persons available at the requested time and date to assist driver with set up.

TERMS AND CONDITIONS

NOTE:

The portable stage owned by the City of University City may **ONLY** be rented by University City businesses, residents, churches, schools and non-profit organizations.

At no time shall the stage be left unattended/unsecured.

• **PRIORITY OF USAGE**

Registered Not-for-Profit organizations able to prove membership consisting of more than 75% University City residency will be given scheduling priority. The location at which the mobile stage is to be used must be within a ten (10) mile radius of Heman Park in University City.

• **CANCELLATION POLICY**

Customer will receive a full refund of deposit with cancellation at least 2 weeks prior to reservation date. If customer cancels less than 2 weeks before the event, forfeits the ENTIRE rental fee. **The cancellation request must be made in writing.**

• **DAILY RENTAL PERIOD**

The minimum charge shall be the one (1) day rate of \$700.00 **Any usage that requires pick up of the mobile stage more than twenty-four (24) hours after delivery requires payment for an additional day or days.**

The total rental fee must be paid thirty (30) days prior to requested rental date. One-half (1/2) of the total rental fee must be remitted in the form of a check upon execution of this contract, with the balance due thirty (30) days prior to requested rental date.

• **DAMAGE AND/OR LOSS OF EQUIPMENT**

Any damage to or loss of equipment furnished under this rental agreement shall be repaired and/or replaced at the expense of the renter according to the costs as determined by a representative of the Department of Parks, Recreation and Forestry.

• **CARE OF THE RENTAL EQUIPMENT:**

Customer shall be responsible for any and all damage to any of the Rental Equipment not caused by ordinary wear and tear. "Ordinary wear and tear" shall mean only the normal deterioration of the rental equipment caused by ordinary, reasonable and proper use of the rental equipment. Customer shall be liable to City of University City for any and all damage which is not "ordinary wear and tear" in an amount equal to the replacement value of the rental equipment on the invoice page of this Agreement.

Damage which is not "ordinary wear and tear" includes, but is not limited to, cutting or tearing, bending/breaking of poles or stakes, damage due to overturning, overloading, exceeding rated capacities, breakage, improper use, abuse, lack of cleaning, contamination of or dirtying of rental equipment with non-approved items such as chemicals, non-approved food, paint, silly string, mud, clay, or other materials.

NO ADHESIVES, NAILS, SCREWS, SIGNS, BANNERS, CURTAINS, FLAGS, ETC. ARE TO BE ATTACHED

TO THE INTERIOR OR EXTERIOR OF THE STAGE. NO ADHESIVES OF ANY KIND MAY BE APPLIED TO THE STAGE FLOOR. THIS INCLUDED DUCT, GAFFERS, OR MASKING TAPE. ANY GROUP, ORGANIZATION OR INDIVIDUAL DOING SO WILL ASSUME FINANCIAL RESPONSIBILITY FOR DAMAGE, INCLUDING REPLACEMENT COST OF THE UNIT.

- **EQUIPMENT PROBLEMS:**

Should any equipment develop a problem, or does not function correctly at any time, or Customer does not understand the operating Instructions. Customer agrees to immediately cease use of that equipment. In particular, if a stage is no level, is rocking, or in any other manner threatening collapse, customer will immediately have the occupants exit the stage.

- **WEATHER**

cannot guarantee weather conditions, we reserve the right to cancel or reschedule your rental prior to delivery if severe weather conditions are imminent or if we have any reason to believe that the stage and/or its users may be in danger. Some examples of severe weather are high winds, excessive rain, snow, and lightning.

DESCRIPTION OF EQUIPMENT

The mobile stage is 32 feet long by 13.5 feet deep and comes equipped with two (2) sets of 36-inch-wide steps. Renter must provide 110-volt electric service within 50 feet of site. No other furnishing or equipment is included.

- **CUSTOMER AGREEMENT**

This document becomes a contract when signed by the appropriate officers of both renter and owner. This agreement is subject to all terms and conditions indicated above. Customer acknowledges and certifies that they have had a sufficient opportunity to read this entire Agreement and agree to be bound by all the terms and conditions on all pages and that they understand its content and that they execute it freely, intelligently and without duress of any kind.

Owner: City of University City

Renter Loop Special Business District

By: _____
Facilities Supervisor
Department of Community Development-
Recreation Division

By: Jessica Bueler
Title Marketing Specialist

Date: _____

Date: 1/23/2022



**CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM**

NUMBER: <i>For City Clerk Use</i>	UB20220328-01
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SUBJECT/TITLE: SUB 22-02 Application for a Minor Subdivision/Lot Split for the tract of land at 6518 Etzel Avenue.			
REQUESTED BY: John L. Wagner		DEPARTMENT / WARD Community Development/Ward 3	
AGENDA SECTION:	Unfinished Business Bill 9455	CAN ITEM BE RESCHEDULED?	Yes
CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION: City Manager concurs with the Planning Commission's recommendation.			
FISCAL IMPACT: N/A			
AMOUNT:		ACCOUNT No.:	
FROM FUND:		TO FUND:	
EXPLANATION: N/A			

STAFF COMMENTS AND BACKGROUND INFORMATION: Staff has determined that the Final Plat meets all requirements of Section 405.380 of the Subdivision and Land Development Regulations, and City Ordinance Number 7095, enacted on January 14, 2019.

CIP No.	
RELATED ITEMS / ATTACHMENTS: Attached are the Plan Commission Transmittal Letter, Staff Report from the February 23, 2022 Plan Commission meeting - amended to include for the City Council the Plan Commission's recommendation, and a Draft Ordinance and Plat.	

LIST CITY COUNCIL GOALS (S):			
RESPECTFULLY SUBMITTED:	City Manager, Gregorory Rose	MEETING DATE:	March 28, 2022



Plan Commission

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 862-6767, Fax: (314) 862-3168

February 23, 2022

Ms. LaRette Reese
City Clerk
City of University City
6801 Delmar Boulevard
University City, MO 63130

RE: Minor Subdivision – Lot Split (SUB-02)

Dear Ms. Reese,

At a regularly scheduled meeting on February 23, 2022, at 6:30 p.m. via videoconference, the Plan Commission considered the application of JN Development for a proposed Minor Subdivision of property at 6518 Etzel Avenue, dividing the lot at that address from one (1) lot into two (2) lots.

By a vote of 7 to 0, the Plan Commission recommended approval of the Minor Subdivision.

Sincerely,

Margaret Holly, Chairperson
University City Plan Commission



Department of Community Development

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 862-6767, Fax: (314) 862-3168

STAFF REPORT

CITY COUNCIL

MEETING DATE: March 14, 2022

FILE NUMBER: SUB 22-02

COUNCIL DISTRICT: 3

Location: 6518 Etzel Avenue

Applicant: JN Development

Request: Approval of a Minor Subdivision from one (1) lot to two (2).

Existing Zoning: SR – Single-family Residential

Existing Land Use: Vacant

Proposed Zoning: No change: SR – Single-family Residential

Proposed Land Use: Two (2) single-family homes

Surrounding Zoning and Current Land Use:

North: PA – Public Activity / SR – Single-Family Residential

East: SR – Single-Family Residential

South: LR – Limited Residential

West: SR – Single-Family Residential

COMPREHENSIVE PLAN CONFORMANCE

☐ Yes ☐ No ☒ No reference

STAFF RECOMMENDATION

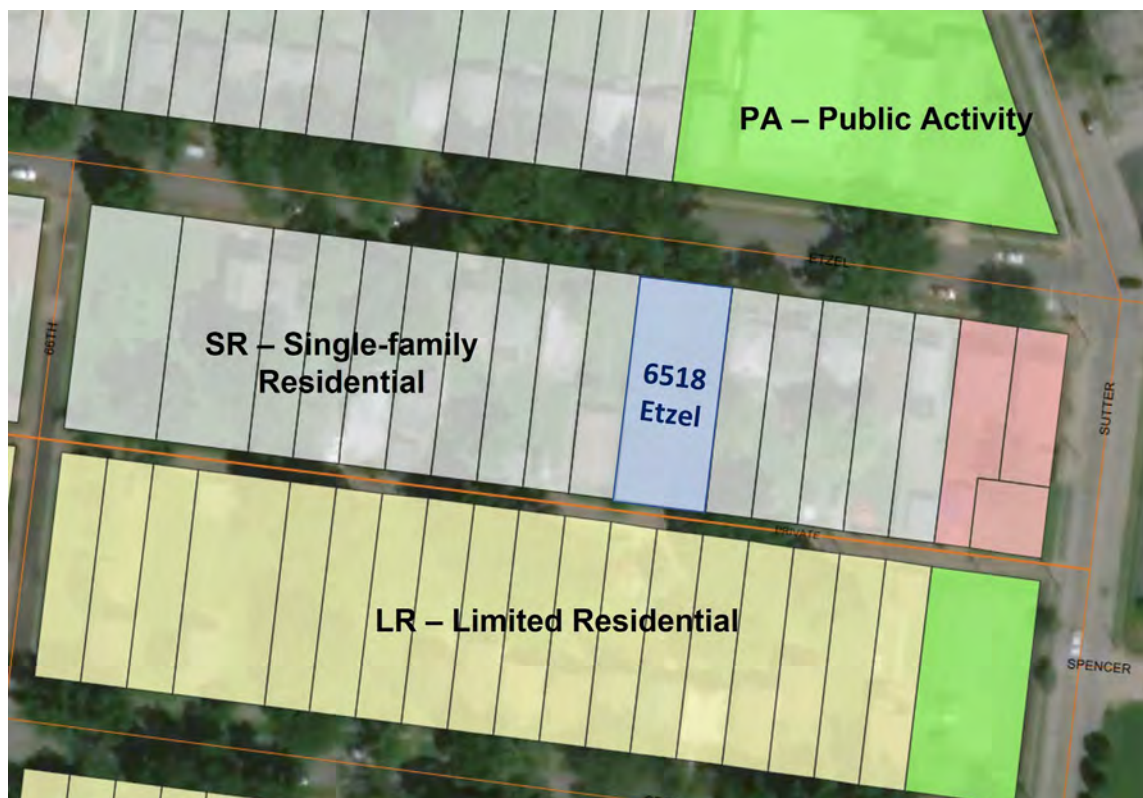
☒ Approval ☐ Approval with Conditions ☐ Denial

ATTACHMENTS

- A. Subdivision Application
- B. Record Plat and Legal Descriptions

Existing Property and Applicant Request

The subject property is 0.20 acres in size and is currently vacant. The Applicant is proposing to split the lot into two (2) 30' x 147.4' lots, each 0.10-acre in size. These dimensions would match the lots to the west and east of 6518 Etzel. Zoning of this and surrounding parcels, along with an aerial view of the property, is illustrated on the following page.



Staff Review

Staff reviewed this as part of the “Minor Subdivision” process identified in Section 405.170 of the Subdivision regulations.

Analysis

Staff has determined that the Plat meets all requirements of 405.380 of the Subdivision and Land Development Regulations. In addition, the subdivision is consistent with City Ordinance Number 7095, enacted on January 14, 2019. This legislation concerns existing, non-conforming lots in the City. Table 1 in the ordinance lists subdivisions and the prevailing pattern of their dimensions for lots in subdivisions that were platted prior to the City’s first zoning code in 1926.

6518 Etzel Avenue is in the Sutter Heights subdivision. Acceptable dimensions for lots in this subdivision, as outlined in Table 1, are a 3,400 square-foot minimum lot size with a minimum lot width of 30 feet. If the lot at 6518 Etzel Avenue were split, as the Applicant has requested, there would be two (2) lots 4,422 square-feet in area and 30 feet in width. As such, the lot dimensions comply with City standards.

Plan Commission Meeting

At the Plan Commission meeting on February 23, 2022, the Commission voted unanimously to approve the Minor Subdivision, from one (1) lot to two (2) lots at 6518 Etzel Avenue.

Conclusion/Recommendation

The proposal meets the intent of all Zoning Code and Subdivision Regulation requirements for a Final Plat. Thus, staff recommends approval of the proposed Minor Subdivision.

INTRODUCED BY: _____

DATE: _____

BILL NO. _____

ORDINANCE NO. _____

**AN ORDINANCE APPROVING A FINAL PLAT FOR A MINOR SUBDIVISION
OF A TRACT OF LAND AT 6518 ETZEL AVENUE.**

WHEREAS, an application was submitted by JN Development on January 31, 2022 for approval of a final subdivision plat of a tract of land at 6518 Etzel Avenue; and

WHEREAS, at its meeting on February 23, 2022, the City Plan Commission reviewed the final plat for the minor subdivision and determined that the final plat is in compliance with the requirements of the University City Municipal Code and recommended to the City Council approval of the final plat; and

WHEREAS, the final plat for the minor subdivision application, including all required documents submitted therewith, is before the City Council for its consideration.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. Attached, marked "Exhibit A", and made a part hereof is a final subdivision plat of a tract of land at 6518 Etzel Avenue: Lots 34 & 35, Block 2 of Sutter Heights, a subdivision located in the County of St. Louis, Missouri, according to the plat thereof recorded in Plat Book 7, Page 72 of the St. Louis County Records.

Section 2. It is hereby found and determined that the final plat for the minor subdivision is in full compliance with the University City Municipal Code, including Sections 405.380 and 405.390, and Ordinance Number 7095, adopted on January 28, 2019. Accordingly, the final plat for the minor subdivision marked "Exhibit A" is hereby approved.

Section 3. The City Clerk is hereby directed to endorse upon the final plat for the minor subdivision the approval of the City Council under the hand of the City Clerk and the seal of University City.

Section 4. This ordinance shall take effect and be in force from and after its passage as provided by law.

PASSED and ADOPTED this _____ day of _____, 2022.

MAYOR

ATTEST:

CITY CLERK

CERTIFIED TO BE CORRECT AS TO FORM:

CITY ATTORNEY





CITY OF UNIVERSITY CITY COUNCIL MEETING
AGENDA ITEM

NUMBER: <i>For City Clerk Use</i>	UB20220328-02
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SUBJECT/TITLE: TXT 22-01 Application for Zoning Code Text Amendment to Amend the list of Conditional Uses in the LC – Limited Commercial District, §400.450.			
REQUESTED BY: John L. Wagner		DEPARTMENT / WARD Community Development	
AGENDA SECTION:	Unfinished Business Bill 9456	CAN ITEM BE RESCHEDULED?	Yes
CITY MANAGER'S RECOMMENDATION OR RECOMMENDED MOTION: City Manager concurs with the Planning Commission's recommendation.			
FISCAL IMPACT: N/A			
AMOUNT:		ACCOUNT No.:	
FROM FUND:		TO FUND:	
EXPLANATION: N/A			

STAFF COMMENTS AND BACKGROUND INFORMATION: This Zoning Code Text Amendment is an application by Bamboo Acquisitions, LLC to amend §400.450 the Zoning Ordinance to add to the list of Conditional Uses in the LC – Limited Commercial District, "Automobiles and light truck rental/rent-a-car services" to accommodate an Avis car rental business.

CIP No.	
RELATED ITEMS / ATTACHMENTS: Attached are the Plan Commission Transmittal Letter, February 23, 2022 Plan Commission Memo, application letter from Bamboo Acquisitions, LLC, an Avis Operational Overview and a Draft Ordinance.	

LIST CITY COUNCIL GOALS (S): 			
RESPECTFULLY SUBMITTED:	City Manager, Gregorory Rose	MEETING DATE:	March 28, 2022



Plan Commission

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 862-6767, Fax: (314) 862-3168

February 23, 2022

Ms. LaRette Reese
City Clerk
City of University City
6801 Delmar Boulevard
University City, MO 63130

RE: Zoning Code Text Amendment (TXT 22-01)

Dear Ms. Reese,

At a regularly scheduled meeting on February 23, 2022, at 6:30 p.m. via videoconference, the Plan Commission considered the application of Bamboo Acquisitions, LLC for a Zoning Code Text Amendment to add to the list of Conditional Uses in the "LC" Limited Commercial District, Section 400.450, "Automobile and light truck rental/rent-a-car services."

By a vote of 4 to 3, the Plan Commission recommended approval of the Text Amendment.

Sincerely,

Margaret Holly, Chairperson
University City Plan Commission



Department of Planning and Development

6801 Delmar Boulevard, University City, Missouri 63130, Phone: (314) 862-6767, Fax: (314) 862-3168

M E M O R A N D U M

TO: Plan Commission
FROM: John Wagner, Ph.D., Senior Planner
DATE: February 23, 2022
SUBJECT: "LC" Limited Commercial Text Amendment

The Plan Commission Code Review Committee met on February 5, 2022, and again on February 10, 2022, to discuss proposed text amendments to the "LC" Limited Commercial section of the University City Zoning Ordinance.

The Committee made no recommendation to the full Plan Commission on the proposed amendment. Please refer to the January 26, 2022 meeting packet for the original application and details on the Applicant's request.

Jaimie L. Mansfield
General Counsel
Bamboo Equity Partners, LLC
(o) 314.744.8986
jmansfield@bambooequity.com



January 10, 2022

VIA: EMAIL (jwagner@ucitymo.org)

City of University City
Attn: John L. Wagner, Ph.D.
Senior Planner
6801 Delmar Boulevard
University City, Missouri 63130

Re: Application for Text Amendment to the City of University City (the "**City**") Zoning Code (the "**Code**") pursuant to Section 400.3140, et. seq., to add a Conditional Use for "Automobile and light truck rental/rent-a-car services, subject to limitations set forth in Sections 400.460 and 400.470" (the "**Proposed Conditional Use**") to the City's "LC" Limited Commercial District (the "**Text Amendment Application**")

Dear Dr. Wagner,

On behalf of applicant, Bamboo Acquisitions, LLC ("**Applicant**"), and with the consent of the current owner of the property located at 8130 Delmar Boulevard in the City ("**the Property**"), 8130 Delmar, LLC (the "**Owner**"), please allow this letter to serve as its Text Amendment Application to add the following conditional use to Section 400.450 of the Code within its LC District:

Section 400.450 Conditional Uses.

- A. The following land uses and developments may be permitted in the "LC" district, subject to the issuance of a conditional use permit, in accordance with the procedures and standards contained in Article XI, "Conditional Uses" . . .

. . .

4. Automobile and light truck rental/rent-a-car services, subject to limitations set forth in Sections 400.460 and 400.470.

I. Background

By way of background, Applicant is an active and fully integrated real estate development, investment and advisory firm that specializes in acquiring and repositing properties to ensure value-add market stability not only for the end user of the real estate, but also for the communities said users serve. Should Applicant's Text Amendment Application and subsequent application for a Conditional Use Permit be approved, Applicant intends to do just that – add long-term, stable value for the City.

A. The Property.

Applicant is under contract to purchase the Property. The Property is currently located in one of the City's LC District pockets, and much like the City's other LC District pockets, is surrounded by Single Family Residential and Medium Density Residential Districts. The Property was previously home to University Gardens, and prior to that, home to vehicle repair and service shop. The Property is current vacant and has been so for __ years.

B. The Proposed Conditional Use.

Applicant is seeking to amend the City's Code to authorize the Proposed Conditional Use within the LC District. To that end, Applicant, with the interest and consent of Avis Car Rental ("Avis"), seeks to relocate Avis from its current location at 215 N. Meramec Avenue in the City of Clayton, just under one mile from the Property. Accordingly, upon the approval of the Text Amendment Application and subsequently, the issuance of a Conditional Use Permit, Avis will execute a long-term lease with Bamboo and become a valued member of the City's community.

II. Basis of Text Amendment Application.

A. The Proposed Conditional Use is Quiet and Consistent.

The Proposed Conditional Use been in existence for decades and are quiet and consistent neighbors in their communities. It has withstood down-turns in the economy, proved resilient in response to the ridesharing boom, and have thrived in the wake of the COVID-19 Pandemic, from providing a much-needed reprieve for residents to get away to providing a much-needed safe, service option to businesspersons visiting St. Louis or traveling for business outside of St. Louis. What is more, these uses have found homes away from the traditional airport locations, and have instead, nestled themselves into quiet areas of communities. For example, Avis' current location in the City of Clayton is within its C-2 General Commercial District, and much like the City's LC District, is surrounded by Low Density Multiple Family Dwelling, Single family Dwelling Districts. Enterprise Rent-a-Car in Brentwood is located in the City's Planned Development District but is abutted to single family homes.

Additionally, the Proposed Conditional Use is one of the least intrusive uses, in that the traffic count is lower than any traditional retail use typically found in commercial districts. Applicant can, upon request, provide Avis' traffic count data for its current Clayton location, as well as its national average statistics. With only one to two employees onsite each day working within a small indoor office, excessive noise nuisances are completely abated. Furthermore, with any Avis operation, security of the entire site will be enhanced in a manner that will surely deter crime or disturbances in the area (and particularly at the Property as it sits vacant) and as such, will provide additional security for the surrounding residential and commercial neighbors.

Furthermore, by authorizing this use as a Conditional Use within the LC District, the City can impose additional restrictions on the use over and above the Density and Dimensional Regulations found in Section 400.460 of the Code and the Other Development Standards found in Section 400.470 of the Code. For example, by Resolution, the City may want to limit the amount of parking stalls, limit the hours of operation, and/or impose additional landscaping and lighting standards, and perhaps look towards lot size restrictions for this type of use. Applicant and Avis will work with the Plan Commission to address those considerations and upon any such Resolution, will ensure compliance during the Site Plan Application process.

B. The Proposed Conditional Use is in Conformity with City's Comprehensive Plan.

The City mandates in its Comprehensive Plan the concept that as the City redevelops, it must take care not to govern development decisions by short-term payoffs, but to redevelop areas in accordance with its long-term vision while recognizing the challenging need for immediate improvement. To that end, the Comprehensive Plan sets forth certain goals for managing its growth. The City looks at a number of factors, which include, but are not limited to, the management and improvement of commercial areas, the preservation and improvement of residential neighborhoods, as well as the management of physical development in a manner that increases the value of the surrounding property, adds to public convenience and enhances community resources. The Proposed Conditional Use strikes the desired balance of managing growth, as it both maintains and improves upon the City's LC District with a quiet and convenient service that is helpful to and mindful of its residential and contemplative neighbors. Further, development of any site for this use would be enhanced by landscape buffering and other aesthetic considerations.

Further, the Comprehensive Plan's sets forth a particular focus on the Delmar-Old Bonhomme district, which contains a combination of office, specialty retail convenience, and restaurant uses, and states that typically, parking is inadequate for some businesses within this district. For the Proposed Conditional Use, parking will not be an issue, as many end users will be dropped off at the location to pick up their rental vehicle.

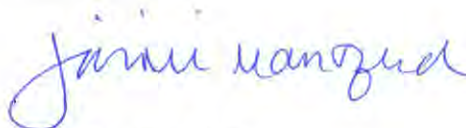
Lastly, the City's focus in its Comprehensive Plan understandably focuses on improving the physical appearance of its commercial districts. To that end, with the assistance of Bamboo's sister company, OakLine Studios, please see attached the proposed renderings of the development, wherein the existing building will be repurposed and tied into the surrounding buildings, places of worship and retail centers. Further, by

authorizing this use as a conditional use, the City can ensure at the adoption of any such Resolution for a conditional use permit that its standards are met.

III. Conclusion

Of important note, the Owner, and individually, Boris Bukhshtaber and Janet Cronin, are in support Bamboo's Text Amendment Application. Boris and Janet have been property owners and residents of University City for decades. The current owners have reached out to the surrounding community for support and have received positive feedback about the Proposed Conditional Use and will share same with the Plan Commission and/or Subcommittee. At the request of the City Manager, Boris, Janet and members of Bamboo have informed Councilmembers Hale and McMahon of the Text Amendment Application and they have been made aware of Applicant's intentions and the filing of this Application. On behalf of the current owners of the Property and Bamboo, thank you for your time and consideration and we all look forward to presenting this opportunity to the Plan Commission on January 26, 2022, and City Council in the near future.

Sincerely,



Jaimie L. Mansfield
General Counsel

Enclosures

- c.c. Dan Dokovic, Managing Principal of Bamboo Equity Partners (via email)
- Boris Bukhshtaber, representative of 8130 Delmar, LLC (via email)
- Janet Cronin, representative of 8130 Delmar, LLC (via email)
- Matt Bukhshtaber, CBRE, representative of 8130 Delmar, LLC (via email)
- Jeff Wanger, Area Development Manager for Avis (via email)

OPERATIONAL OVERVIEW

Avis Budget – Clayton, MO Relocation to

Avis Budget Car Rental, LLC

Proposed Address

8130 Delmar Blvd

Universal City, MO 63130

Avis Budget Car Rental, LLC is the parent company of Avis Rent a Car System, LLC and Budget Rent a Car System, Inc. We operate both the Avis and Budget car rental brands throughout the United States and worldwide. Due to a redevelopment of our current site in Clayton, we are seeking to occupy the 8130 Delmar Blvd site and relocate the Clayton business here.

This space was selected after an extensive and exhausting search for a suitable site to operate from. Given the automotive nature of our business, this former service station is ideal. The site was chosen as much for its location adjacent to Clayton as its former/original use. The site also has adequate parking available.

We will typically have approximately 10 cars idle at any given time. During peak holiday/vacation return times we may have as many as 25 vehicles on site, but the amount of time that they would be present should not exceed 2 to 3 days while our shuttling crews work to relocate them to other rental facilities or back to the area airports. Our fleet is shared throughout the greater St. Louis area and is shuttled in/out based on reservation demand.

This will be a full-service car rental facility, servicing both commercial accounts and leisure customers from the surrounding area. We offer daily, weekly, and monthly rates, along with one-way rentals to and from any of our other rental locations within the lower 48 states. Our hours of operation will be Monday through Friday – 7:30 AM to 6:00 PM, Saturday 8:00 AM to 2:00 PM, and Sunday 10:00 PM to 1:00 PM or something very similar.

The location is minimally staffed with an independent agency operator. At this particular location, there would be a maximum of two staff members on duty at any time.

Based on the actual business trends of some of our Clayton location and other area stores, we will have approximately 40 customer transactions in an average day. It is important to note that not all of these transactions take place at the physical location as many of them, upwards of half, are virtual transactions taking place over the internet and/or deliveries to off-site businesses.

The proposed rental facility will not be detrimental to the health, welfare, and safety of the neighborhood nor its citizens as we are not introducing any new aspect or application to the location that hasn't previously existed (customers, cars, parking, etc.). There are no changes to the existing site, building, or parking lot other than our interior finish plan. Our presence in the neighborhood will not

INTRODUCED BY: _____

DATE: _____

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 400.450 OF THE MUNICIPAL CODE OF THE CITY OF UNIVERSITY CITY, RELATING TO CONDITIONAL USES IN THE “LC” LIMITED COMMERCIAL ZONING DISTRICT, BY ADDING “AUTOMOBILE AND LIGHT TRUCK RENTAL/RENT-A-CAR SERVICES” AS A CONDITIONAL USE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI AS FOLLOWS:

WHEREAS, Chapter 400 (Zoning Code) of the Municipal Code of the City of University City, Missouri divides the City into several zoning districts and establishes standards to which land, buildings, structures and their uses must conform; and

WHEREAS, Bamboo Acquisitions, LLC applied for a text amendment to Zoning Code Section 400.450 to add to the list of Conditional Uses in the “LC” Limited Commercial District “Automobile and light truck rental/rent-a-car services;” and

WHEREAS, at its meetings on February 5, 2022, and February 10, 2022, the City Plan Commission Code Review Committee reviewed the application for said Zoning Code text amendment without making a recommendation to the full City Plan Commission; and

WHEREAS, at its meeting on February 23, 2022, the City Plan Commission reviewed the application for said Zoning Code text amendment and recommended to the City Council approval of the text amendment; and

WHEREAS, due notice of a public hearing to be held by the City Council in the 5th Floor City Council Chambers at City Hall at 6:30 pm, March 28, 2022, was duly published in the St. Louis Countian, a newspaper of general circulation within said City on March 13, 2022; and

WHEREAS, said public hearing was held at the time and place specified in said notice, and all suggestions or objections concerning said amendment of the Zoning Code were duly heard and considered by the City Council.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. Section 400.450 of the Municipal Code of the City of University City, relating to conditional uses in the “LC” Limited Commercial Zoning District, is hereby amended by adding the following conditional and renumbering in alphabetical order the conditional uses listed therein:

4. Automobile and light truck rental/rent-a-car services.

Section 2. This ordinance shall take effect and be in force from and after its passage as provided by law.

PASSED this _____ day of _____, 2022.

MAYOR

ATTEST:

CITY CLERK

CERTIFIED TO BE CORRECT AS TO FORM:

CITY ATTORNEY

impact negatively on the public infrastructure nor services as the addition of our use is simply not invasive nor intrusive. Finally, we will not negatively impact any existing uses in the immediate area, rather we will complement them as our business is a destination business. We will no doubt be bringing new customers to the other businesses in Universal City as we draw customers from a wide radius of the existing location and we will retain them in the new space. We will not produce excessive noise, glare, fumes, or any other condition that could be considered noxious or injurious in nature.

