

**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**



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**FOR THE YEAR ENDED DECEMBER 31, 1997**

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**CITY OF CHESTERFIELD, MISSOURI**

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 1997

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Report prepared and submitted by the  
Finance and Administration Department

Janet S. Hawn  
Director of Finance and Administration

**CITY OF CHESTERFIELD, MISSOURI**

Comprehensive Annual Financial Report

Fiscal year ended December 31, 1997

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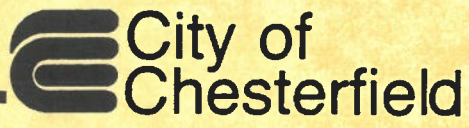
**CITY OF CHESTERFIELD, MISSOURI**

Comprehensive Annual Financial Report, Continued

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# **Introductory Section**



June 15, 1998

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

The Comprehensive Annual Financial Report of the City of Chesterfield, Missouri, for the fiscal year ended December 31, 1997, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, a list of City officials, and the City's organizational chart. The financial section includes the general purpose financial statements and the combining and individual fund financial statements and schedules, as well as our independent auditors' report on the general purpose financial statements. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the revised U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards and the related independent auditors' reports on internal controls and compliance, are included in a separately issued single audit report.

This report includes all funds, account groups, and component units which make up the City's financial reporting entity as defined by Governmental Accounting Standards Board Statement No. 14 (GASB 14) and discussed more fully in note 1 to the general purpose financial statements. Chesterfield Community Development Corporation (CCDC), an Industrial Development Authority, is considered a component unit of the City and its financial data have been presented in the general purpose financial statements of the City in the separate discretely presented component unit column. The members of the CCDC's governing board are appointed by the Mayor of the City and the City has been providing significant subsidies to finance the operations of the CCDC.

The City of Chesterfield, Missouri, provides a full range of municipal services. These services include legislative, administrative, police services, judicial, planning, public works, and parks and recreation. The Chesterfield Fire Protection District is a separate legal entity which does not meet the established criteria for inclusion in the reporting entity and, accordingly, is excluded from this report.

#### **GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION, AND OUTLOOK**

The City of Chesterfield, Missouri, is located on the western edge of St. Louis County. The City was incorporated under Missouri law as a third class City on June 1, 1988 and has operated under a mayor/council/administrator form of government since then. According to the 1990 census figures, the City has a population of 42,325 residents.

The City of Chesterfield, Missouri, is considered by many to be one of the fastest growing cities in the Midwest. The City already has a thriving business community and is currently in the process of establishing

a business district convenient to both the City of St. Louis and St. Charles County. Continuing improvements of I-64/Highway 40 assure the City greater opportunity for growth, enhancing its accessibility to downtown St. Louis. In the last twelve months, Chesterfield Valley received approval for an \$8.5 million lane capacity upgrade to I-64/Highway 40. The national and international headquarters and regional offices of corporations such as McDonald's Corporation, Merrill Lynch, Mallinckrodt Specialties Chemical Company, Wagner Brakes, and Shell Oil Company are located in the City of Chesterfield, Missouri. In addition, Monsanto has a \$150 million Life Sciences Research Center which occupies approximately 900,000 square feet, or 210 acres, within the City.

The City of Chesterfield, Missouri, also has a strong retail base with Chesterfield Mall, which is one of the largest suburban shopping centers in the metropolitan St. Louis area, and a diversity of shops and restaurants in neighboring shopping centers. Chesterfield Mall now has over 1.9 million square feet of enclosed suburban shopping space, including four anchor stores (Dillard's, Famous Barr, Sears, and JC Penney's), 30 restaurants, a four-screen cinema, and more than 145 boutiques, shops, stores, and services. The square footage noted above includes the major expansion of Dillard's, the construction of a new Famous Barr, and the addition of JC Penney's in October 1996, thus completing the mall's original design.

The City's western corridor, referred to as Chesterfield Valley, has expanded dramatically over the last several years, with light industrial and office/warehouse facilities. Chesterfield Valley has made a dramatic comeback from the flood of 1993. The Monarch-Chesterfield levee which protects Chesterfield Valley has been restored to its original 100-year level of protection. We are working with the Monarch-Chesterfield Levee District to seek approval for the construction of a 500-year levee. The 500-year levee will further protect the Valley from flood waters and allow increased economic growth and development to flourish again. The City Council has designated Chesterfield Valley as a tax increment financing district. During 1997, site work began for two large commercial projects: Chesterfield Commons (700,000 square feet of retail) and Chesterfield Grove (186,000 square feet of mixed use).

Based on current projections, continued development of the entire City is inevitable. The growth in assessed valuation of the City bears out this fact. The City's assessed valuation of \$923,964,304 as of January 1, 1997 represents an increase of 8.3% from \$853,477,245 as of January 1, 1996, and an increase of 98.5% from \$465,549,049 as of January 1, 1988.

## MAJOR INITIATIVES

**For the year.** The City's staff, following the specific directives of the Mayor and City Council, have been involved in a variety of projects throughout the year. These projects reflect the City's commitment to excellence.

During 1997, the City made great strides in the development of parks throughout the City. In November 1994, the voters approved an \$11 million bond issue to buy land and construct parks throughout the City. The bonds were issued in January 1995. During 1997, the City completed a master development plan for the acquisition and construction of the proposed park sites. The fourth planned park site (the City's central park site with 36.9 acres) was acquired during the year. Construction was completed on the Chesterfield Elementary School Park site. These efforts will greatly enhance the City's goal of creating a city of choice in the St. Louis region within which to live, work, play, and visit.

The City spent \$6,667,539 on major capital improvements to infrastructure, including street reconstruction, storm sewer reconstruction, sidewalk reconstruction, and highway. During 1997, the Department of Public Works continued to compliment its in-house operations with private contractors. This resulted in the reconstruction of over 11.06 miles (or 58,430 feet) of concrete streets, various asphalt overlays, and application of slurry seals. A total of 25,750 lineal feet of sidewalks were reconstructed due to this joint effort. The City also completed construction of three stormwater pumping stations within Chesterfield Valley. Each station will have the capacity to pump 60,000 gallons per minute of stormwater out of the Valley.



In November 1996, the voters of Chesterfield approved Propositions R & S, including a \$29,355,000 general obligation bond issue to fund capital improvements to streets and sidewalks citywide and a one-half cent capital improvement sales tax to pay for the bonds. The City has developed a comprehensive plan to complete these improvements over the next three to six years and began that work in 1997 with the issuance of \$14,230,000 of the general obligation debt which was authorized in 1996.

Also in 1997, City staff prepared its second five-year budget. This document demonstrates the City's commitment to excellence in planning for a fiscally strong future.

Finally, in 1997, the City added staff to enhance its ability to deliver services to its residents. One additional police officer and one additional captain was added to increase the number of commissioned officers to 72. The City also converted two part-time records clerks in the Police Department to full-time positions. In addition, the City added one additional customer service representative to enhance our Customer Service Center. The City also added one full-time data processing technician and converted a part-time secretary to a full-time executive secretary in the Finance and Administration Department. One parks maintenance supervisor, one parks maintenance worker and six seasonal maintenance workers were added during 1997 to the Parks Division of the Public Works/Parks Department.

**For the future.** Plans for the future include even more increases in City services as the municipality continues to become more established. The 1998 City budget foresees the addition of two Police Officers, one Planner I, one Deputy Director of Public Works, one Street Maintenance Worker, one Mechanic, one Recreation Coordinator, one Parks Maintenance Worker, and one Parks Administrative Secretary. In addition, the City plans to replace two part-time Records Clerks with one full-time position and one part-time Data Processing Technician with one full-time position.

#### **Department Focus**

Each year the City selects a department to highlight for its efforts and accomplishments. In 1997, the City's Police Department has been selected for review.

Since its inception as a police department in June 1989, the Chesterfield Police Department has continued as one of the leading law enforcement agencies in the region.

The Department's primary focus is on "Community Policing," concentrating its efforts on working with the Community to solve its problems, preventing crime, and fostering community involvement through various Department programs.

In 1997, the Department was reorganized into three divisions: The Division of Field Operations (which includes the Bureau of Uniform Patrol, the Bureau of Traffic & Special Operations and the Bureau of Reserve Police); the Division of Administration (which includes the Bureau of Professional Standards, the Bureau of Community Affairs, the Bureau of Support Services, Budgeting, Finance and Emergency Operations); and the Bureau of Criminal Investigations (which includes Investigations and Identification Unit).

The Department's Bureau of Community Affairs has received recognition on both a national and statewide level for their innovative prevention programs. It provides D.A.R.E. – Drug Abuse Resistance Education programs to hundreds of school age children each year, in addition to providing safety programs to pre-school children in Safety Town. Community Affairs also continues to facilitate the Citizen's Police Academy, the Neighborhood Watch Program, and the Law Enforcement Exploring Program.

During 1997, the Police Department continued to assign staff the Community Contact Bureau at Chesterfield Mall, two officers to the School Resource Program in Parkway Schools, and an Alcohol/Tobacco Enforcement Officer with the use of funds obtained through State and Federal grants.

The Police Department also continued its partnership with Ameritech, providing no-cost cell phones and pagers to on-duty police personnel, to enhance the Community Policing Program and make patrol officers more accessible to Chesterfield residents and businesses.

The Chesterfield Police Department looks forward to a continued partnership with the Community.

## **FINANCIAL INFORMATION**

The City maintains its general accounting records on a modified accrual basis for all of its fund types and similar fiduciary (expendable trust and agency) funds and account groups.

Under the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when the related fund liability has been incurred. "Available" means collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Municipal taxes and interest income are susceptible to accrual under the modified accrual basis of accounting. Licenses, permits, charges for services, fines, and fees and miscellaneous revenues are not susceptible to accrual and are recognized as revenues when received.

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 generally accepted accounting principles. This internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Single Audit**

As a recipient of federal financial assistance, the City of Chesterfield, Missouri, is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City.

As a part of the City's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year ended December 31, 1997, indicated no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

The auditors' reports related specifically to the single audit are contained in a separate report.

### **Budgetary Controls**

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council of the City of Chesterfield, Missouri.

Annual budgets are prepared by the City Administrator for the general fund, the Chesterfield Valley Tax Increment Financing and the Capital Improvement Sales Tax Trust special revenue funds, all debt service funds, and all capital projects funds. Budgetary control is maintained at the departmental level in the General Fund by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors and at the fund level for all other fund types. Open encumbrances lapse at year-end. However, encumbrances generally are reappropriated as part of the following year's budget. The City Council exercises control over budgeted expenditures throughout the fiscal year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

### General Government Functions

General governmental revenues which include the general, special revenue, debt service, and capital projects funds totaled \$18,718,357 for the fiscal year ended December 31, 1997, which was the ninth full year of operation for the City of Chesterfield, Missouri, since incorporation on June 1, 1988. During the period January 1, 1996 through December 31, 1996, revenues totaled \$16,037,492. The following schedule presents a summary of general government revenues for the fiscal year ended December 31, 1997 and the amount and percent of increases and decreases in relation to 1996 revenues:

<u>Revenues</u>	<u>1997 Amount</u>	<u>Percent of total</u>	<u>1996 Amount</u>	Dollar increase (decrease) from prior year	Percent increase (decrease)
Property tax	\$ 1,848,504	9.9%	\$ 1,560,636	\$ 287,868	18.4%
Utility gross receipts tax	3,799,169	20.3	3,667,368	131,801	3.6
Sales tax	6,824,431	36.5	4,766,618	2,057,813	43.2
Intergovernmental	3,337,035	17.8	3,408,192	(71,157)	(2.1)
Licenses and permits	663,124	3.5	611,892	51,232	8.4
Charges for services	209,030	1.1	142,508	66,522	46.7
Court fines and fees	409,817	2.2	521,039	(111,222)	(21.3)
Interest	1,571,740	8.4	1,286,497	285,243	22.2
Miscellaneous	<u>55,507</u>	<u>.3</u>	<u>72,742</u>	<u>(17,235)</u>	<u>(23.7)</u>
	\$ <u>18,718,357</u>	<u>100.0%</u>	\$ <u>16,037,492</u>	\$ <u>2,680,865</u>	<u>16.7%</u>

The largest single source of revenue was the City's share of the 1% county-wide sales tax and the ½% capital improvement sales tax which accounted for \$6,824,431 or 36.5% of total revenue. The second largest source of revenue is utility gross receipts tax, which accounted for \$3,799,169 or 20.3% of total revenues. The third largest source of revenue is intergovernmental revenues, which accounted for \$3,337,035 or 17.8% of total revenues. These three sources are expected to continue to provide a large percentage of City revenue in the future.

Property taxes have increased due to a growth in assessed valuation. As noted earlier, the City's overall assessed valuation grew 8.3% from 1996 to 1997. The incremental growth in assessed valuation of the Chesterfield Valley TIF District rose \$2,370,260 (or 44.7%) from \$5,308,590 to \$7,678,850.

Sales tax receipts grew significantly during 1997 due to the passage of a ½ cent capital improvement sales tax earmarked for street and sidewalk repairs. The voters approved this sales tax in November of 1996, along with a general obligation bond issue to be paid with the sales tax (Propositions R&S) and the City began receiving revenues in April of 1997.

Intergovernmental revenues during 1997 included motor fuel tax, motor vehicle sales tax, cigarette tax, road and bridge tax, Economic Development Authority (EDA) grant, Community Oriented Policing Services (COPS) grant, St. Louis County Police Academy grant, a State Community Development Block Grant, a Solid Waste Management District recycling grant, Narcotics Control Assistance Patrol (NCAP) grant, a Branch Out Missouri grant and a few other minor grants. A slight decrease in this source of revenue is attributable in large part to the EDA grant, most of which was received in 1996.

Charges for services increased in 1997 due to engineering inspection fees which were down in 1996 and greatly increased in 1997. In addition, parks and recreation fees increased due to the addition of new programs. Court fines and fees were lower in 1997 due to fewer traffic tickets which were issued.

Interest revenues also increased significantly during 1997. The City's revenue from this source has increased over the years as the City's fund reserves have increased, as well as unspent bond proceeds.

Miscellaneous revenues, which make up less than 1% of the City's total revenues, decreased slightly during 1997 as a result of significant revenues from sales of surplus property realized in 1996.

Expenditures for general governmental purposes totaled \$29,964,544 for the fiscal year ended December 31, 1997. During the period January 1, 1996 to December 31, 1996, total expenditures amounted to \$19,539,344. The following schedule presents a summary of general, special revenue, debt service, and capital projects fund expenditures for the fiscal year ended December 31, 1997 and the amount and percent of increases and decreases in relation to prior year amounts:

<u>Expenditures</u>	<u>1997 Amount</u>	<u>Percent of total</u>	<u>1996 Amount</u>	<u>Dollar increase (decrease) from prior year</u>	<u>Percent increase (decrease)</u>
Legislative	\$ 70,157	.2%	\$ 68,826	\$ 1,331	1.9%
Administrative	1,947,219	6.5	1,684,613	262,606	15.6
Police services	4,326,367	14.4	4,155,693	170,674	4.1
Judicial	169,848	0.6	166,340	3,508	2.1
Planning and zoning	390,307	1.3	327,904	62,403	19.0
Public works	2,625,200	8.8	2,493,202	131,998	5.3
Parks and recreation	196,713	.7	138,283	58,430	42.3
Capital outlay	18,363,647	61.3	9,241,840	9,121,807	98.7
Debt service	<u>1,875,086</u>	<u>6.2</u>	<u>1,262,643</u>	<u>612,443</u>	<u>48.5</u>
	\$ <u>29,964,544</u>	<u>100.0%</u>	\$ <u>19,539,344</u>	\$ <u>10,425,200</u>	<u>53.4%</u>

The single largest dollar increase in expenditures in actual dollars was capital outlay and reflects the City's commitment to acquiring land for parks, developing parks, improving streets and sidewalks. The City purchased a fourth park site targeted for acquisition through the use of the \$11 million general obligation bonds issued in 1995. The City also spent \$5,930,119 on street and sidewalk reconstruction funded through the \$14,230,000 general obligation bond issued in 1997.

The second largest dollar increase was in debt service and reflects the payment of principal and interest on debt issued by the City during 1995 and 1997.

The third largest dollar increase in expenditures was in administrative and reflects the one-time expenditures in the Chesterfield Valley Tax Increment Financing Fund made in 1997.

The fourth largest dollar increase in expenditures was in police services and reflects one additional officer hired under the Community Oriented Policing Grant, the addition of a Captain and the conversion of part-time Records Clerks to full-time positions.

### **General Fund Balance**

The fund balance of the general fund increased by 11.1% from \$5,786,447 as of December 31, 1996 to \$6,430,892 as of December 31, 1997. This fund balance provides the City with an operational reserve that is the equivalent of 78 working days of expenditures, or 21.5% of the total general governmental expenditures for the fiscal year ended December 31, 1997.

## **General Fixed Assets Account Group**

The general fixed assets of the City have been acquired for general governmental purposes. The assets purchased are recorded as expenditures in the governmental fund types and are capitalized at cost in the general fixed assets account group. As of December 31, 1997, general fixed assets amounted to \$16,986,352. The City has elected not to capitalize roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems since such assets are immovable and of value only to the City. The City does not record depreciation on its general fixed assets.

## **Debt Administration**

At year end, the City had four debt issues outstanding. These issues include \$10,450,000 in general obligation bonds for parks, \$14,230,000 in general obligation bonds for streets and sidewalks, \$2,775,000 in certificates of participation related to the City's capital lease obligation, and \$2,473,318 in a TIF note as of December 31, 1997. The general obligation bonds for parks and certificates of participation were both issued in 1995. The general obligation bonds for streets and sidewalks were issued in 1997. The TIF note was issued in 1996. The City has upgraded its (Aa) rating on the general obligation bond issue to Aa2 and from A1 to Aa3 on the certificates of participation from Moody's Investor Service.

## **Cash Management**

The City earned \$1,571,740 in investment income during fiscal year 1997. During the period January 1, 1996 through December 31, 1996, investment income totaled \$1,286,497. State statutes authorize Missouri local governments to invest in obligations of the United States Treasury and U.S. Government agency securities. Other deposits or investments require collateral to be pledged consisting of obligations of the United States Treasury or instruments guaranteed by the full faith and credit of the United States Government. The fair market value of the pledged securities must equal 100% of the deposits and investments. As of December 31, 1997, the City had all cash invested in a repurchase agreement which earns interest at an adjustable rate based on market conditions, or short-term U.S. Treasury and government agency securities with a weighted average interest rate of 5.89%.

## **Risk Management**

The City is a member of two public entity risk pools comprised of various municipalities in St. Louis County. One of the pools covers workers' compensation (St. Louis Area Insurance Trust – SLAIT). The other pool insures liability exposures (Property and Casualty Trust – PACT). The purpose of these pools is to share the cost of self-insurance with other similar cities. The Daniel & Henry Company provides claims administration for both of the trusts.

## **OTHER INFORMATION**

### **Independent Audit**

City ordinances require an annual audit of the books, financial records, and transactions which comprise all of the funds and account groups of the City by an independent certified public accountant selected by the City Council. This ordinance has been complied with, and the independent auditors' report is included with this report.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report issued for the fiscal year ended December 31, 1996. This was the eighth consecutive year the City has received this prestigious award, an impressive accomplishment for the City's ~~ninth~~ <sup>eighth</sup> full year of operation.

In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied 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 Comprehensive Annual 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.

In addition, the City of Chesterfield also received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its annual budget for fiscal year 1997. This was the seventh consecutive year that the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document met the program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

#### **Acknowledgements**

This report could not have been completed without the assistance of the entire administrative staff of the various departments of the City. We would like to especially acknowledge the dedicated services and help of the staff members in the Finance and Administration Department. The Finance staff were key components of maintaining the City's accounting systems, and their contribution was invaluable.

We would also like to thank our auditors, KPMG Peat Marwick LLP, for their help in formulating this report. Our sincere gratitude is extended to you for your interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Michael G. Herring  
City Administrator



Janet S. Hawn  
Director of Finance and Administration

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Chesterfield,  
Missouri

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1996

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



*Linda N. Savitsky*  
President

*Jeffrey L. Essler*  
Executive Director

**CITY OF CHESTERFIELD, MISSOURI**

City Officials

---

**MAYOR**

Nancy Greenwood

**COUNCIL MEMBERS**

**Ward 1:**

Barry Flachsbart

Allan Sheppard

**Ward 2:**

Barry Streeter

Larry Grosser

**Ward 3:**

Daniel Hurt

Alan J. Politte

**Ward 4:**

Linda Tilley

Mary K. Brown

**CITY ADMINISTRATOR**

Michael G. Herring

**DIRECTOR OF FINANCE AND  
ADMINISTRATION**

Janet S. Hawn

**CITY CLERK**

Marty DeMay

**POLICE CHIEF**

Ray Johnson

**DIRECTOR OF PLANNING**

Teresa Price

**DIRECTOR OF PUBLIC WORKS**

Michael O. Geisel

**CITY ATTORNEY**

Douglas R. Beach

**JUDGE**

Richard K. Brunk

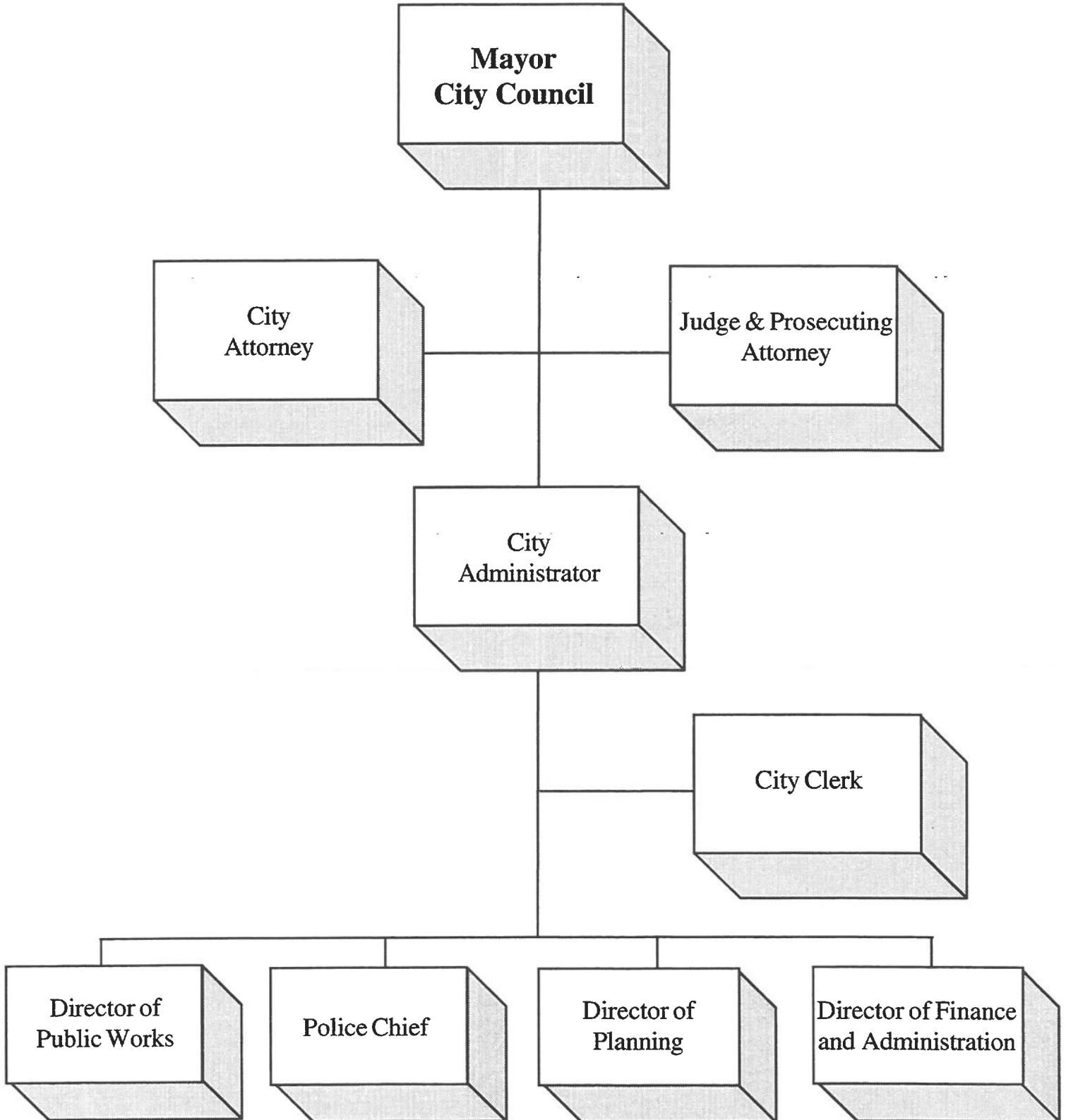
**PROSECUTING ATTORNEY**

Susan Clarke

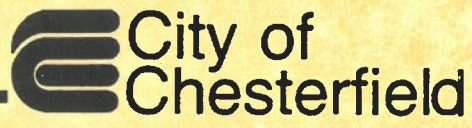


# CITY OF CHESTERFIELD, MISSOURI

## Organizational Chart







**Financial Section**

### Independent Auditors' Report

Honorable Mayor and Members of the City Council  
City of Chesterfield, Missouri:

We have audited the general purpose financial statements of the City of Chesterfield, Missouri, as of and for the year ended December 31, 1997 as listed in Part II of the accompanying table of contents. These general purpose financial statements are the responsibility of the management of the City of Chesterfield, Missouri. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Chesterfield Community Development Corporation which represents 100 percent of the assets and revenues of the discretely presented component unit. Those financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. The financial statements of Chesterfield Community Development Corporation were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based upon our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Chesterfield, Missouri, as of December 31, 1997, and the results of its operations and cash flows of its discretely presented component unit for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 18, 1998 on our consideration of the City of Chesterfield, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary data listed in Part II of the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Chesterfield, Missouri. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

As discussed in note 1 (f) to the general purpose financial statements, the City of Chesterfield, Missouri adopted Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, during 1997. Additionally, as discussed in note 6 to the general purpose financial statements, the City of Chesterfield, Missouri adopted Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, during 1997.

*KPMG Peat Marwick LLP*

March 18, 1998

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**GENERAL PURPOSE FINANCIAL STATEMENTS**

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**CITY OF CHESTERFIELD, MISSOURI**

Combined Balance Sheet – All Fund Types,  
Account Groups, and Discretely  
Presented Component Unit

December 31, 1997

(with comparative totals for December 31, 1996)

<u>Assets and Other Debits</u>	Governmental fund types			
	General	Special revenue	Debt service	Capital projects
Cash and cash equivalents	\$ 1,669,382	2,220,731	597,256	3,827,020
Investments	6,964,802	-	241,128	8,411,705
Receivables:				
Municipal taxes	662,723	842,347	962,814	-
Intergovernmental	940,816	-	-	-
Interest	103,521	-	7,075	150,970
Other	235,404	-	-	-
Due from other funds	12,020	249,637	61,247	27,376
Prepaid assets	182,308	-	-	-
Property and equipment	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for general obligation bonds payable	-	-	-	-
Amount to be provided for capital lease obligation payable	-	-	-	-
Amount to be provided for tax increment financing note payable	-	-	-	-
Total assets and other debits	\$ 10,770,976	3,312,715	1,869,520	12,417,071
<u>Liabilities, Fund Equity, and Other Credits</u>				
Liabilities:				
Accounts payable	1,742,011	93,923	261	540,729
Accrued payroll	176,547	-	-	4,357
Accrued compensated absences	270,853	-	-	-
Deferred revenue	1,894,313	30,131	114,077	-
Due to other funds	255,560	45	-	94,675
Deposits held in escrow	800	-	-	-
Deferred compensation benefits payable	-	-	-	-
General obligation bonds payable	-	-	-	-
Capital lease obligation payable	-	-	-	-
Tax increment financing note payable	-	-	-	-
Total liabilities	4,340,084	124,099	114,338	639,761
Fund equity and other credits:				
Investment in general fixed assets	-	-	-	-
Fund balances:				
Reserved for:				
Street improvements	-	-	-	-
Prepaid assets	182,308	-	-	-
Police training	10,434	-	-	-
Debt service	-	-	1,755,182	-
Capital projects	-	-	-	11,777,310
Unreserved:				
Designated for subsequent year expenditures	10,090	-	-	-
Undesignated	6,228,060	3,188,616	-	-
Equity – component unit	-	-	-	-
Total fund equity	6,430,892	3,188,616	1,755,182	11,777,310
Total fund equity and other credits	6,430,892	3,188,616	1,755,182	11,777,310
Total liabilities, fund equity, and other credits	\$ 10,770,976	3,312,715	1,869,520	12,417,071

See accompanying notes to general purpose financial statements.

Fiduciary fund type – trust and agency	Account Groups		Total (memorandum only) primary government	Discretely presented component unit	Total (memorandum only) reporting entity	
	General fixed assets	General long-term debt			1997	1996
1,092,602	-	-	9,406,991	186,348	9,593,339	5,781,229
-	-	-	15,617,635	-	15,617,635	17,664,156
-	-	-	2,467,884	-	2,467,884	1,889,190
-	-	-	940,816	-	940,816	1,315,285
379	-	-	261,945	-	261,945	132,600
-	-	-	235,404	4,536	239,940	134,003
-	-	-	350,280	-	350,280	1,940,305
-	-	-	182,308	1,980	184,288	140,437
-	16,986,352	-	16,986,352	16,206	17,002,558	9,130,592
-	-	1,755,182	1,755,182	-	1,755,182	1,397,853
-	-	23,189,663	23,189,663	-	23,189,663	9,600,105
-	-	2,510,155	2,510,155	-	2,510,155	2,602,042
-	-	2,473,318	2,473,318	-	2,473,318	2,600,000
<u>1,092,981</u>	<u>16,986,352</u>	<u>29,928,318</u>	<u>76,377,933</u>	<u>209,070</u>	<u>76,587,003</u>	<u>54,327,797</u>
6,475	-	-	2,383,399	4,188	2,387,587	1,023,452
-	-	-	180,904	-	180,904	145,330
-	-	-	270,853	7,594	278,447	267,499
-	-	-	2,038,521	38,016	2,076,537	3,323,041
-	-	-	350,280	-	350,280	1,940,305
773,664	-	-	774,464	-	774,464	400,855
-	-	-	-	-	-	1,256,559
-	-	24,680,000	24,680,000	-	24,680,000	10,735,000
-	-	2,775,000	2,775,000	3,449	2,778,449	2,869,110
-	-	2,473,318	2,473,318	-	2,473,318	2,600,000
<u>780,139</u>	<u>-</u>	<u>29,928,318</u>	<u>35,926,739</u>	<u>53,247</u>	<u>35,979,986</u>	<u>24,561,151</u>
-	16,986,352	-	16,986,352	-	16,986,352	9,114,487
312,842	-	-	312,842	-	312,842	387,109
-	-	-	182,308	-	182,308	139,359
-	-	-	10,434	-	10,434	8,200
-	-	-	1,755,182	-	1,755,182	1,397,853
-	-	-	11,777,310	-	11,777,310	12,161,985
-	-	-	10,090	-	10,090	38,601
-	-	-	9,416,676	-	9,416,676	6,391,781
-	-	-	-	155,823	155,823	127,271
<u>312,842</u>	<u>-</u>	<u>-</u>	<u>23,464,842</u>	<u>155,823</u>	<u>23,620,665</u>	<u>20,652,159</u>
<u>312,842</u>	<u>16,986,352</u>	<u>-</u>	<u>40,451,194</u>	<u>155,823</u>	<u>40,607,017</u>	<u>29,766,646</u>
<u>1,092,981</u>	<u>16,986,352</u>	<u>29,928,318</u>	<u>76,377,933</u>	<u>209,070</u>	<u>76,587,003</u>	<u>54,327,797</u>

**CITY OF CHESTERFIELD, MISSOURI**

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balances – All Governmental  
Fund Types and Similar Expendable Trust Fund

Year ended December 31, 1997  
(with comparative totals for the year ended December 31, 1996)

	Governmental fund types		
	General	Special revenue	Debt service
Revenues:			
Municipal taxes	\$ 8,461,586	2,871,808	1,138,710
Intergovernmental	3,285,265	51,770	-
Licenses and permits	663,124	-	-
Charges for services	209,030	-	-
Court fines and fees	409,817	-	-
Investment income	554,633	43,995	84,745
Miscellaneous	55,507	-	-
Total revenues	13,638,962	2,967,573	1,223,455
Expenditures:			
Current:			
Legislative	70,157	-	-
Administrative	1,678,983	268,236	-
Police services	4,326,172	195	-
Judicial	169,848	-	-
Planning and zoning	390,307	-	-
Public works	2,625,200	-	-
Parks and recreation	196,713	-	-
Capital outlay	720,777	59,846	-
Debt service:			
Principal	-	126,682	375,000
Interest and other charges	-	121,489	1,188,473
Cost of issuance	-	-	-
Total expenditures	10,178,157	576,448	1,563,473
Excess (deficiency) of revenues over expenditures	3,460,805	2,391,125	(340,018)
Other financing sources (uses):			
Operating transfers in	540	-	232,036
Operating transfers out	(2,816,900)	(540)	-
Proceeds from tax increment financing note payable	-	-	-
Proceeds from general obligation bonds payable	-	-	473,898
Total other financing sources (uses)	(2,816,360)	(540)	705,934
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	644,445	2,390,585	365,916
Fund balances:			
Beginning of year:			
As previously stated	5,779,910	798,031	1,397,853
Adjustment [Note 1(f)]	6,537	-	(8,587)
As restated	5,786,447	798,031	1,389,266
End of year	\$ 6,430,892	3,188,616	1,755,182

See accompanying notes to general purpose financial statements.



Capital projects	Fiduciary fund type – expendable trust	Total (memorandum only)	
		1997	1996
-	-	12,472,104	9,994,622
-	-	3,337,035	3,408,192
-	-	663,124	611,892
-	-	209,030	142,508
-	-	409,817	521,039
888,367	4,308	1,576,048	1,287,742
-	-	55,507	72,742
<u>888,367</u>	<u>4,308</u>	<u>18,722,665</u>	<u>16,038,737</u>
-	-	70,157	68,826
-	-	1,947,219	1,684,613
-	-	4,326,367	4,155,693
-	-	169,848	166,340
-	-	390,307	327,904
-	-	2,625,200	2,493,202
-	-	196,713	138,283
17,583,024	78,575	18,442,222	9,241,840
-	-	501,682	350,000
-	-	1,309,962	846,143
63,442	-	63,442	66,500
<u>17,646,466</u>	<u>78,575</u>	<u>30,043,119</u>	<u>19,539,344</u>
<u>(16,758,099)</u>	<u>(74,267)</u>	<u>(11,320,454)</u>	<u>(3,500,607)</u>
2,612,274	-	2,844,850	6,298,768
(27,410)	-	(2,844,850)	(6,298,768)
-	-	-	2,600,000
<u>13,756,102</u>	<u>-</u>	<u>14,230,000</u>	<u>-</u>
<u>16,340,966</u>	<u>-</u>	<u>14,230,000</u>	<u>2,600,000</u>
(417,133)	(74,267)	2,909,546	(900,607)
12,161,985	387,109	20,524,888	21,425,495
32,458	-	30,408	-
<u>12,194,443</u>	<u>387,109</u>	<u>20,555,296</u>	<u>21,425,495</u>
<u>11,777,310</u>	<u>312,842</u>	<u>23,464,842</u>	<u>20,524,888</u>

**CITY OF CHESTERFIELD, MISSOURI**

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balances – Budget and Actual –  
All Governmental Fund Types

Year ended December 31, 1997

	General fund			Special revenue funds		
	Revised budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
<b>Revenues:</b>						
Municipal taxes	\$ 8,132,000	8,461,586	329,586	1,883,455	2,871,808	988,353
Intergovernmental	3,158,221	3,285,265	127,044	-	-	-
Licenses and permits	626,800	663,124	36,324	-	-	-
Charges for services	138,500	209,030	70,530	-	-	-
Court fines and fees	415,000	409,817	(5,183)	-	-	-
Investment income	420,000	554,633	134,633	-	43,995	43,995
Miscellaneous	39,941	55,507	15,566	-	-	-
<b>Total revenues</b>	<b>12,930,462</b>	<b>13,638,962</b>	<b>708,500</b>	<b>1,883,455</b>	<b>2,915,803</b>	<b>1,032,348</b>
<b>Expenditures:</b>						
Legislative	72,544	72,289	255	-	-	-
Administrative	2,077,539	1,705,487	372,052	849,983	295,082	554,901
Police services	4,742,990	4,530,021	212,969	-	-	-
Judicial	185,739	171,847	13,892	-	-	-
Planning and zoning	468,043	396,305	71,738	-	-	-
Public works	3,645,040	3,094,286	550,754	-	-	-
Parks and recreation	256,610	207,922	48,688	-	-	-
Contingency	29,205	-	29,205	-	-	-
Debt service:						
Principal	-	-	-	126,682	126,682	-
Interest and other charges	-	-	-	123,318	121,489	1,829
Cost of issuance	-	-	-	-	-	-
<b>Total expenditures</b>	<b>11,477,710</b>	<b>10,178,157</b>	<b>1,299,553</b>	<b>1,099,983</b>	<b>543,253</b>	<b>556,730</b>
Excess (deficiency) of revenues over expenditures	1,452,752	3,460,805	2,008,053	783,472	2,372,550	1,589,078
<b>Other financing sources (uses):</b>						
Operating transfers in	-	540	540	-	-	-
Operating transfer out	(3,024,684)	(2,816,900)	207,784	-	-	-
Proceeds from general obligation bonds payable	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(3,024,684)</b>	<b>(2,816,360)</b>	<b>208,324</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,571,932)	644,445	2,216,377	783,472	2,372,550	1,589,078
<b>Fund balances:</b>						
Beginning of year:						
As previously stated	5,779,910	5,779,910	-	798,031	798,031	-
Adjustment [Note 1(f)]	-	6,537	6,537	-	-	-
As restated	5,779,910	5,786,447	6,537	798,031	798,031	-
End of year	\$ 4,207,978	6,430,892	2,222,914	1,581,503	3,170,581	1,589,078

See accompanying notes to general purpose financial statements.

Debt service funds			Capital projects funds			Total (memorandum only)		
Revised budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
1,093,870	1,138,710	44,840	-	-	-	11,109,325	12,472,104	1,362,779
-	-	-	-	-	-	3,158,221	3,285,265	127,044
-	-	-	-	-	-	626,800	663,124	36,324
-	-	-	-	-	-	138,500	209,030	70,530
-	-	-	-	-	-	415,000	409,817	(5,183)
-	84,745	84,745	647,000	888,367	241,367	1,067,000	1,571,740	504,740
-	-	-	-	-	-	39,941	55,507	15,566
<u>1,093,870</u>	<u>1,223,455</u>	<u>129,585</u>	<u>647,000</u>	<u>888,367</u>	<u>241,367</u>	<u>16,554,787</u>	<u>18,666,587</u>	<u>2,111,800</u>
-	-	-	-	-	-	72,544	72,289	255
-	-	-	-	-	-	2,927,522	2,000,569	926,953
-	-	-	-	-	-	4,742,990	4,530,021	212,969
-	-	-	-	-	-	185,739	171,847	13,892
-	-	-	-	-	-	468,043	396,305	71,738
-	-	-	11,648,890	9,945,937	1,702,953	15,293,930	13,040,223	2,253,707
-	-	-	10,673,864	7,637,087	3,036,777	10,930,474	7,845,009	3,085,465
-	-	-	-	-	-	29,205	-	29,205
375,000	375,000	-	-	-	-	501,682	501,682	-
1,188,308	1,188,473	(165)	-	-	-	1,311,626	1,309,962	1,664
-	-	-	63,445	63,442	3	63,445	63,442	3
<u>1,563,308</u>	<u>1,563,473</u>	<u>(165)</u>	<u>22,386,199</u>	<u>17,646,466</u>	<u>4,739,733</u>	<u>36,527,200</u>	<u>29,931,349</u>	<u>6,595,851</u>
<u>(469,438)</u>	<u>(340,018)</u>	<u>129,420</u>	<u>(21,739,199)</u>	<u>(16,758,099)</u>	<u>4,981,100</u>	<u>(19,972,413)</u>	<u>(11,264,762)</u>	<u>8,707,651</u>
243,043	232,036	(11,007)	2,809,051	2,612,274	(196,777)	3,052,094	2,844,850	(207,244)
-	-	-	(27,410)	(27,410)	-	(3,052,094)	(2,844,310)	207,784
473,898	473,898	-	13,756,102	13,756,102	-	14,230,000	14,230,000	-
<u>716,941</u>	<u>705,934</u>	<u>(11,007)</u>	<u>16,537,743</u>	<u>16,340,966</u>	<u>(196,777)</u>	<u>14,230,000</u>	<u>14,230,540</u>	<u>540</u>
247,503	365,916	118,413	(5,201,456)	(417,133)	4,784,323	(5,742,413)	2,965,778	8,708,191
1,397,853	1,397,853	-	12,161,985	12,161,985	-	20,137,779	20,137,779	-
-	(8,587)	(8,587)	-	32,458	32,458	-	30,408	30,408
<u>1,397,853</u>	<u>1,389,266</u>	<u>(8,587)</u>	<u>12,161,985</u>	<u>12,194,443</u>	<u>32,458</u>	<u>20,137,779</u>	<u>20,168,187</u>	<u>30,408</u>
<u>1,645,356</u>	<u>1,755,182</u>	<u>109,826</u>	<u>6,960,529</u>	<u>11,777,310</u>	<u>4,816,781</u>	<u>14,395,366</u>	<u>23,133,965</u>	<u>8,738,599</u>

**CITY OF CHESTERFIELD, MISSOURI**

Statement of Revenues, Expenses, and Changes in Fund Equity –  
Discretely Presented Component Unit

For the six month period ended June 30, 1997  
(with comparative totals for the year ended December 31, 1996)

	<u>1997</u>	<u>1996</u>
Operating revenues:		
Support	\$ 120,490	247,450
Bond issuance fees	40,000	61,133
Other revenue	2,533	167
Total operating revenues	<u>163,023</u>	<u>308,750</u>
Operating expenses:		
Program services	79,295	157,751
General and administrative	55,697	102,597
Depreciation	3,860	5,252
Total operating expenses	<u>138,852</u>	<u>265,600</u>
Operating income	24,171	43,150
Nonoperating revenues - interest income	<u>4,381</u>	<u>4,273</u>
Net income	28,552	47,423
Fund equity:		
Beginning of year	127,271	79,848
End of year	<u>\$ 155,823</u>	<u>127,271</u>

See accompanying notes to general purpose financial statements.

**CITY OF CHESTERFIELD, MISSOURI**

Statement of Cash Flows –  
Discretely Presented Component Unit

For the six month period ended June 30, 1997  
(with comparative totals for the year ended December 31, 1996)

	<u>1997</u>	<u>1996</u>
Cash flows from operating activities:		
Operating income	\$ 24,171	43,150
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,860	5,252
Loss on asset disposal	2,163	209
(Increase) decrease in receivables – other	(4,185)	19,882
Increase in prepaid expenses	(902)	–
Increase (decrease) in accounts payable	2,424	(5,914)
Increase in accrued compensated absences	1,312	6,282
Increase in deferred revenue	<u>38,016</u>	<u>–</u>
Net cash provided by operating activities	<u>66,859</u>	<u>68,861</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of property and equipment	–	1,505
Purchase of property and equipment	(6,124)	(11,892)
Payment of capital lease obligation	<u>(661)</u>	<u>(937)</u>
Net cash used in capital and related financing activities	<u>(6,785)</u>	<u>(11,324)</u>
Cash flows from investing activities - interest received	<u>4,381</u>	<u>4,273</u>
Net increase in cash and cash equivalents	64,455	61,810
Cash and cash equivalents:		
Beginning of year	<u>121,893</u>	<u>60,083</u>
End of year	\$ <u><u>186,348</u></u>	<u><u>121,893</u></u>

See accompanying notes to general purpose financial statements.

## CITY OF CHESTERFIELD, MISSOURI

### Notes to General Purpose Financial Statements

December 31, 1997

(1) Summary of Significant Accounting Policies

The City of Chesterfield, Missouri (the City) was incorporated on June 1, 1988 and established a mayor/council/city administrator form of government. The City's major operations include: police protection, street maintenance and improvements, parks and recreation, general administrative services, legislative services, judicial services, and planning.

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

(a) The Financial Reporting Entity

The City defines its financial reporting entity in accordance with the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14). GASB 14 requirements for inclusion of component units are based primarily upon whether the City's governing body has any significant amount of financial accountability for potential component units. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on, the City. Based on these requirements, the City's general purpose financial statements include all funds, account groups, agencies, boards, commissions, and authorities for which the City is financially accountable.

The City's financial reporting entity consists of the City and its discretely presented component unit, the Chesterfield Community Development Corporation (CCDC). The members of the governing board of CCDC are appointed by the Mayor. Although the City cannot "impose its will" on CCDC, the City of Chesterfield provides a material subsidy to the CCDC primarily to finance the operations of the organization. Together, the City and CCDC form the reporting entity for financial reporting purposes.

During 1997, the CCDC fiscal year-end was changed to June 30 from its previous fiscal year-end of December 31. The accompanying financial data presented for the CCDC reflects six months of activity due to the change in fiscal year-end.

Complete financial statements of the CCDC can be obtained from their administrative offices at 135 Chesterfield Industrial Boulevard, Chesterfield, Missouri 63005.

(b) Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and other debits, liabilities, fund equity, revenues, and expenditures. The various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

**Governmental Fund Types**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and related liabilities are

## CITY OF CHESTERFIELD, MISSOURI

### Notes to General Purpose Financial Statements

accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position. The following are the City's governmental fund types:

General – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue – Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service – Debt service funds are used to account for the accumulation of resources for, and the payment of, certain general long-term debt principal, interest, and related costs.

Capital Projects – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital items.

#### **Fiduciary Fund Types**

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. These include expendable trust and agency funds. Expendable trust funds are accounted for and reported in the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.

#### **Account Groups**

Account groups are used to establish accounting control and accountability. The City's account groups are as follows:

General Fixed Assets Account Group – This account group is used to account for all fixed assets of the City.

General Long-Term Debt Account Group – This account group is used to account for the unmatured principal of its general long-term debt.

#### **Discretely Presented Component Unit**

The Chesterfield Community Development Corporation (CCDC) is included as a discretely presented component unit of the City, and is accounted for similar to a proprietary fund type. Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance.

#### (c) Basis of Accounting

The City maintains its records and presents the financial statements of its governmental fund types and fiduciary (expendable trust and agency) fund type on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Licenses, permits, charges for services, fines and fees, and miscellaneous revenues (except investment income) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment income is recorded as earned since it is measurable and available. Utility

## CITY OF CHESTERFIELD, MISSOURI

### Notes to General Purpose Financial Statements

gross receipts, sales taxes, and intergovernmental revenues (other than grants) received from other governmental units are considered "measurable" when in the hands of intermediary collecting governments and recognized as revenue at that time. Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days following the end of the current period. Property taxes not collected within 60 days following the end of the current period are recorded as deferred revenue.

Intergovernmental grants are generally recognized as revenues to the extent expenditures are incurred under the terms and conditions of the grant agreements. Any excess or deficiency of grant monies received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from the grantor.

Under the accrual basis of accounting, used by the discretely presented component unit, revenues are recognized when earned and expenses are recognized when incurred.

(d) Budgetary Data

The City prepares and legally adopts an annual budget for the general fund, the Chesterfield Valley Tax Increment Financing special revenue fund, the Capital Improvement Sales Tax Trust special revenue fund, all debt service funds, and all capital projects funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. The Council follows the procedures outlined below in establishing the budgetary data reflected in the general purpose financial statements:

1. On or before November 1, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Expenditures may not legally exceed budgeted appropriations at the department level for the general fund and at the fund level for all other fund types.
2. Copies of the proposed budget are made available for public inspection in the office of the City Clerk for at least 10 days prior to passage of the budget. At least one public hearing is held on the budget by the City Council. Notice of the hearing is given by publication in a newspaper with general circulation in the City.
3. The budget is adopted by the City Council by the affirmative vote of a majority of the members of the City Council and approval by the Mayor on or before the last day preceding the budget year. If the budget has not been passed and approved by this time, then the budget and appropriations for the current fiscal year shall be deemed to be rebudgeted and reappropriated for the budget year until a new budget is adopted and approved.
4. All appropriations lapse at year-end.

Budget transfers during the year may be made as follows:

- (a) Heads of departments may make transfers within a general fund department or within all other fund type budgets in an amount up to \$2,500 with the prior approval of the Director of Finance and Administration.
- (b) Heads of departments may make transfers within a general fund department or within all other fund type budgets in an amount from \$2,500 to \$5,000 with the prior approval from the Director of Finance and Administration and the City Administrator.



CITY OF CHESTERFIELD, MISSOURI

Notes to General Purpose Financial Statements

- (c) Transfers greater than \$5,000 within a general fund department or within all other fund type budgets require prior approval of the majority of the City Council.

The City Council made several supplemental appropriations during the year which increased the total budget by \$17,915,651. The majority of the supplemental appropriations were the result of a 1997 general obligation bond issuance and the related additional capital projects and debt service appropriations.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types. Since appropriations lapse at year-end, outstanding encumbrances are reappropriated in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.

(f) Investments

In 1997, the City changed its method of accounting for the carrying value of all investments to fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Fair value of investments is based on quoted market prices. As a result of this change in accounting, the January 1, 1997, fund balances of the respective funds noted below were adjusted as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 6,537
Debt service – Public Works Facility – 1995	(8,587)
Capital projects – Park Construction	<u>32,458</u>
	\$ <u>30,408</u>

(g) Property and Equipment

Property and equipment are recorded as expenditures in the governmental fund types and capitalized at historical cost in the general fixed assets account group. Contributed fixed assets are recorded at fair market value at the time received.

Certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets. Depreciation is not provided on general fixed assets.

(h) Compensated Absences

The City grants vacation to all full-time employees based on years of continuous service and compensatory time is granted to all nonexempt employees for hours worked in excess of a normal work week which are not taken within the current biweekly pay period. These benefits are allowed to accumulate and to carry over, with limitation, into the next calendar year and will be paid to employees upon resignation, retirement, or death. Sick leave benefits do not vest and, accordingly, are recorded as expenditures when paid. The accrued benefit liability is recorded in the general fund since it is expected to be liquidated with available expendable resources.

(i) Interfund Transactions

From time to time the City has the following types of transactions among funds:

## CITY OF CHESTERFIELD, MISSOURI

### Notes to General Purpose Financial Statements

#### Reimbursements

Reimbursement of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

#### Quasi-External Transactions

Charges or collections for services rendered by one fund for another are recognized as revenues of the recipient fund and expenditures or expenses of the disbursing fund. These transactions are recorded as quasi-external transactions because they would be treated as revenues and expenditures or expenses if they involved organizations external to the City.

#### Equity Transfers

Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from the fund equity balance.

#### Operating Transfers

All other interfund transfers are reported when incurred as "operating transfers in" by the recipient fund and as "operating transfers out" by the disbursing fund.

(j) Deferred Revenue

The City has received inspection fees in advance from various developers. These fees are recognized as revenue as the City performs the inspections of the developments. Also included in deferred revenue are property tax revenues, which are not collected within 60 days following the end of the current period.

On March 26, 1996, a Missouri Supreme Court decision declared Missouri's local use tax invalid. This tax was charged to residents and businesses who purchased products from out of state vendors for use in Missouri. A portion of revenue collected to date from this tax is allocated to deferred revenue and will be recognized during 1998.

(k) Reserved Fund Balances

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriations or is legally segregated for a specific future use.

(l) Use of Estimates

The preparation of general purpose financial statements in conformity with generally accepted accounting principles requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(m) Total (Memorandum Only) Data

Total columns in the general purpose financial statements are captioned "Total (memorandum only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation since interfund eliminations have not been made.

(n) Comparative Total Data

Comparative total data are presented for informational purposes only.

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

(2) Cash and Investments

State statutes authorize Missouri local governments to invest in obligations of the United States Treasury and United States government agencies, obligations of the State of Missouri, time certificates of deposit, and repurchase agreements. Deposits in financial institutions must be collateralized by securities pledged to the City by these same institutions.

At year-end, the carrying amount of the City's deposits was \$(859,582) and the bank balance was \$102,304. Of the bank balance, \$100,000 was covered by federal depository insurance and \$2,304 was covered by collateral held by the pledging bank's agent in the City's name.

The City's investments are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered, or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by a counterparty's trust department or agent, but not in the City's name.

	<u>Category</u>			<u>Carrying</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>value</u>
<b>Investments:</b>				
U.S. Treasury and agency securities	\$ 15,617,635	-	-	15,617,635
Repurchase agreements	10,249,669	-	-	10,249,669
Total investments	\$ <u>25,867,669</u>	<u>-</u>	<u>-</u>	25,867,669
Federated Automated Cash Reserve Pooled Account				16,904
Cash deposits				<u>(859,582)</u>
Total – primary government				\$ <u>25,024,626</u>

(3) General Fixed Assets

A summary of changes in property and equipment within the general fixed assets account group follows:

	Balance, January 1, <u>1997</u>	Addi- tions	Deduc- tions	Balance, December 31, <u>1997</u>
Land	\$ 3,261,891	5,762,167	-	9,024,058
Building and improvements	2,608,083	1,633,146	3,522	4,237,707
Machinery and equipment	1,742,677	318,541	191,781	1,869,437
Automobiles and trucks	<u>1,501,836</u>	<u>442,133</u>	<u>88,819</u>	<u>1,855,150</u>
	\$ <u>9,114,487</u>	<u>8,155,987</u>	<u>284,122</u>	<u>16,986,352</u>

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

A summary of changes in general fixed assets by function is as follows:

	Balance, January 1, <u>1997</u>	Addi- tions	Transfers	Deduc- tions	Balance, December 31, <u>1997</u>
Legislative	\$ 10,940	2,132	(150)	-	12,922
Administrative	340,155	28,504	(5,285)	10,985	352,389
Police services	704,227	258,124	(11,603)	155,336	795,412
Planning	79,284	5,998	(2,628)	14,351	68,303
Parks	2,741,415	7,231,941	-	-	9,973,356
Public works	<u>5,238,466</u>	<u>629,288</u>	<u>19,666</u>	<u>103,450</u>	<u>5,783,970</u>
	\$ <u>9,114,487</u>	<u>8,155,987</u>	<u>-</u>	<u>284,122</u>	<u>16,986,352</u>

A summary of general fixed assets by function is as follows:

	<u>Land</u>	Buildings and improvements	Machinery and equip- ment	Automo- biles and trucks	<u>Total</u>
Legislative	\$ -	-	1,982	10,940	12,922
Administrative	-	-	248,335	104,054	352,389
Police services	-	25,828	281,643	487,941	795,412
Planning	-	-	39,219	29,084	68,303
Parks	8,363,986	1,520,298	53,273	35,799	9,973,356
Public works	<u>660,072</u>	<u>2,691,581</u>	<u>1,244,985</u>	<u>1,187,332</u>	<u>5,783,970</u>
	\$ <u>9,024,058</u>	<u>4,237,707</u>	<u>1,869,437</u>	<u>1,855,150</u>	<u>16,986,352</u>

The source of all general fixed assets is as follows:

General fund	\$ 4,530,892
Capital projects funds	<u>12,455,460</u>
	\$ <u>16,986,352</u>

(4) Property Taxes

The City's property tax is levied each September based on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are billed in November, due and collectible on December 31, and delinquent after December 31. Liens are placed on property for delinquent taxes on the January 1 following the due date. The City's tax rate was levied at \$.13 per \$100 of assessed valuation which is for retirement of general obligation bonds payable.

Taxes levied for 1997 are recorded as receivables, net of estimated uncollectible amounts; however, revenue recognition on all property tax receivables not collected within 60 days after year-end is deferred. The 1997 levy was due and collectible within the City's fiscal year ended December 31, 1997.

All property tax assessment, billing, and collection functions are handled by the St. Louis County government. Taxes collected are remitted to the City by the St. Louis County Collector (the County Collector) in the month subsequent to the actual collection date. Taxes held by the County Collector, if any, are included in taxes receivable in the accompanying general purpose financial statements.

CITY OF CHESTERFIELD, MISSOURI

Notes to General Purpose Financial Statements

(5) 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 insurance trusts for workers' compensation (St. Louis Area Insurance Trust – SLAIT) and for general liability matters (Property and Casualty Trust – PACT). The purpose of these trusts is to distribute the cost of self-insurance over similar entities. The trusts require an annual premium payment from 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 trusts; however, the City is contingently liable to fund its pro rata share of any deficit incurred by the trusts should the trusts cease operations at some future date. The trusts have contracted with an insurance agent to handle all administrative matters, including processing of claims filed. The City's 1997 premium payments to the trusts were \$215,773.

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

(6) Deferred Compensation Plan

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

In 1997, the deferred compensation plan was amended to comply with amendments to Section 457 of the Internal Revenue Code of 1986. Trust provisions were incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries under Section 1448 of the Small Business Job Protection Act of 1996. As a result, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, As of December 31, 1997, the asset and liabilities of the deferred compensation plan are no longer included in the accompanying general purpose financial statements. Prior to 1997, all amounts of compensation deferred, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights were (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the deferred compensation plan), subject only to the claims of the City's general creditors.

(7) Retirement Plan

In 1989, the City established a money purchase retirement plan (a defined contribution plan) funded through Manufacturers Life Insurance Company. All employees are eligible to participate in the plan after they have completed one year of service and attained the age of 18. Per City ordinance, the City contributes an amount equal to 8% of compensation of eligible participants. No contribution is required from employees. All employees vest 20% after three years of service and an additional 20% per year thereafter, making the employees fully vested after seven years of credited service. The City's contribution for 1997 was \$328,810 or 8% of covered payroll, less any forfeitures from terminated nonvested employees.

# 364,935 1998

Total covered payroll for the year was \$4,325,451 or 80% of the total City payroll of \$5,417,249.

1994 equivalent

4,798,278 7970

# 604,199

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

(8) Budgetary Control

For the year ended December 31, 1997, expenditures exceeded appropriations in the following funds as a result of actual expenditures exceeding preliminary budget estimates.

<u>Fund</u>	<u>Amount</u>
Debt service:	
Parks – 1995	\$ 104
Public Works Facility – 1995	<u>261</u>

State statutes prohibit deficit budgeting by requiring that estimated expenditures for the period may not exceed estimated revenues for the period plus unencumbered fund balances at the beginning of the period. During 1997, the City budgeted a deficit in the capital projects –Public Works Facility Construction fund due to the reappropriation of prior year encumbrances.

(9) Interfund Balances

Individual fund interfund receivable and payable balances as of December 31, 1997 are as follows:

	<u>Receivable fund</u>	<u>Payable fund</u>
General	\$ 12,020	255,560
Special revenue:		
Chesterfield Valley Tax Increment Financing	228,184	–
Police Forfeiture	–	45
Capital Improvement Sales Tax Trust	21,453	–
Debt service – R & S – 1997	61,247	–
Capital projects:		
Capital Projects	27,376	–
Park Construction	–	42
R & S Construction	–	<u>94,633</u>
	<u>\$ 350,280</u>	<u>350,280</u>

(10) Obligations Under Operating Lease Agreements

The City leases equipment under certain operating lease agreements with terms in excess of one year. Annual aggregate lease payments remaining under the terms of the operating lease agreements as of December 31, 1997 are as follows:

1998		\$ 328,190
1999		65,312
2000		<u>59,752</u>
		<u>\$ 453,254</u>

Total rent expenditures of \$288,499 for the year ended December 31, 1997 are included as contractual services expenditures of the general fund.

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

(11) General Long-Term Debt

The following is a summary of the City's general long-term debt transactions for the year ended December 31, 1997:

	General obligation bonds <u>payable</u>	Capital lease obligation <u>payable</u>	Tax increment financing note <u>payable</u>
Balance, January 1, 1997	\$ 10,735,000	2,865,000	2,600,000
New debt issued	14,230,000	-	-
Debt retired	<u>(285,000)</u>	<u>(90,000)</u>	<u>(126,682)</u>
Balance, December 31, 1997	\$ <u>24,680,000</u>	<u>2,775,000</u>	<u>2,473,318</u>

General Obligation Bonds Payable

In February 1995, the City issued \$11,000,000 in General Obligation Bonds, Series 1995, the proceeds of which are to be used to acquire and develop land for four park sites. The bonds bear interest ranging from 5.45% to 8.25% and are repaid through a debt service fund.

In February 1997, the City issued \$14,230,000 in General Obligation Bonds, Series 1997, the proceeds of which are to be used for the construction, repair and improvements to streets, curbing and sidewalks. The bonds bear interest ranging from 4.15% to 7.125% and are repaid through a debt service fund.

The annual principal and interest requirements to maturity of the general obligation bonds as of December 31, 1997 are as follows:

	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1998	\$ 1,630,000	1,354,696	2,984,696
1999	1,740,000	1,231,818	2,971,818
2000	760,000	1,146,573	1,906,573
2001	810,000	1,105,228	1,915,228
2002	870,000	1,064,338	1,934,338
2003 and thereafter	<u>18,870,000</u>	<u>8,443,135</u>	<u>27,313,135</u>
	\$ <u>24,680,000</u>	<u>14,345,788</u>	<u>39,025,788</u>

Capital Lease Obligation

In August 1995, the City issued \$2,950,000 in Certificates of Participation which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated August 1, 1995 between the City and Magna Trust Company, St. Louis, Missouri (the trustee/lessor). The trustee has agreed to execute and deliver certificates pursuant to a declaration and indenture of trust to finance the City's acquisition and construction of a public works maintenance facility. The base rentals constitute rent for the facility pursuant to the lease. The certificates of participation bear interest ranging from 4.7% to 5.8% and are repaid through a transfer of general fund operating revenues to a debt service fund.

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

The annual principal and interest requirements to maturity of the capital lease obligation as of December 31, 1997 are as follows:

1998	\$	242,813
1999		248,348
2000		243,413
2001		248,478
2002		248,073
2003 and thereafter		<u>3,209,977</u>
Total future minimum lease payments		4,441,102
Less amount representing interest		<u>1,666,102</u>
Present value of net minimum lease payments	\$	<u>2,775,000</u>

Tax Increment Financing Note Payable

In 1996, the City issued \$2,600,000 in Tax Increment Financing Notes, Series 1996-1, for the purpose of paying a portion of the redevelopment project costs in connection with the "Chesterfield Valley Tax Increment Financing Redevelopment Plan". Beginning February 15, 1997, interest is payable semiannually, at a rate of 5.93%, with a final interest payment due on February 15, 2016.

The annual principal and interest requirements to maturity of the note payable as of December 31, 1997 are as follows:

	<u>Tax Increment Financing Note Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1998	\$ 70,000	144,592	214,592
1999	70,000	140,441	210,441
2000	75,000	136,142	211,142
2001	85,000	131,398	216,398
2002	90,000	126,209	216,209
2003 and thereafter	<u>2,083,318</u>	<u>979,327</u>	<u>3,062,645</u>
	\$ <u>2,473,318</u>	<u>1,658,109</u>	<u>4,131,427</u>

(12) Reconciliation of GAAP Basis to Budget Basis

Adjustments necessary to convert the results of operations and fund balances of the special revenue fund type as of December 31, 1997 on the GAAP basis to the budget basis are as follows:

Fund balances:

GAAP basis	\$ 3,188,616
Unbudgeted funds	<u>(18,035)</u>
Budget basis	\$ <u>3,170,581</u>

Excess of revenues and other financing sources over expenditures:

GAAP basis	\$ 2,390,585
Unbudgeted funds	<u>(18,035)</u>
Budget basis	\$ <u>2,372,550</u>



## CITY OF CHESTERFIELD, MISSOURI

### Notes to General Purpose Financial Statements

- (13) Commitments and Contingencies  
Various legal claims have arisen during the normal course of business which, in the opinion of management after discussion with legal counsel, will not result in any material liability to the City.
- (14) Discretely Presented Component Unit – Chesterfield Community Development Corporation  
The following notes relate only to the Chesterfield Community Development Corporation (CCDC):
- (a) Organization  
The CCDC was formed May 5, 1992 under the official name "Industrial Development Authority of the City of Chesterfield, Missouri". It is, however, registered to conduct business as the "Chesterfield Community Development Corporation". The CCDC is a qualified not-for-profit organization under Section 501(c)(6) of the Internal Revenue Code. The purpose of the CCDC is to promote and solicit industrial, economic, and community development activities within the City to provide balanced growth in the City. The CCDC may issue tax-exempt revenue bonds, notes, or other obligations on behalf of non-profit institutions and other organizations for the purpose of construction, improvement of facilities or the refinancing of outstanding debt. These bonds, notes, or other obligations and the interest thereon do not constitute a debt or liability of the CCDC or the City, but are special obligations between the investors and debtors payable solely from the repayments received by the Trustees under the loan agreements. Industrial development bonds totaling \$19,500,000 in 1997 and \$7,000,000 in 1996 were issued by the CCDC. The fiscal year end of CCDC was changed during 1997 to June 30 from its previous fiscal year end of December 31.
- (b) Cash and Cash Equivalents  
The bank balance of cash and cash equivalents at June 30, 1997 was covered by Federal Depository Insurance or collateralized with securities held by CCDC or its agent in CCDC's name. The CCDC is allowed to invest in obligations of the United States or obligations of financial institutions which are insured by governmental agencies.
- (c) Property and Equipment  
Property and equipment is carried at cost, less accumulated depreciation. Depreciation is provided over five to seven years using accelerated methods.
- (d) Statement of Cash Flows  
For the purpose of the statement of cash flows, the CCDC considers all highly liquid debt instruments (cash and certificates of deposit) purchased with a maturity of three months or less to be cash equivalents.
- (e) Conduit Debt Obligations  
Various forms of tax-exempt and taxable indebtedness issued by CCDC have been loaned to institutions which are required to make payments to the trustees sufficient to meet principal and interest requirements of the related obligation. The aggregate principal amount of outstanding revenue bonds at June 30, 1997 was \$47,431,237.

**CITY OF CHESTERFIELD, MISSOURI**

Notes to General Purpose Financial Statements

(15) Subsequent Event

As discussed in note 1(j), in March 1996, the Missouri Supreme Court held that the local use tax was unconstitutional and void. The Court did not mention the issue of refunds of the taxes collected to date. On January 27, 1998, the Missouri Supreme Court held that the Missouri Director of Revenue must provide refunds for amounts claimed, and the Director may withhold amounts otherwise due to political subdivisions to the extent such withholding is necessary to cover expenses of these refunds. The City is required to refund \$1,432,576 in use taxes received to date. The local use tax received in prior years amounted to \$3,129,523 and had been recorded as deferred revenue prior to 1997. As a result of the Missouri Supreme Court decision, at December 31, 1997, the City will allocate \$1,432,576 of the local use tax received to date to accounts payable and the balance of \$1,696,947 will remain as deferred revenue to be recognized in 1998.

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**SUPPLEMENTARY DATA**

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## **General Fund**

The general fund is used to account for all financial resources except those required to be accounted for in another fund.

## Schedule 1

## CITY OF CHESTERFIELD, MISSOURI

Schedule of Revenues and Expenditures – Budget  
and Actual – General Fund

Year ended December 31, 1997

	Revised budget	Actual	Variance – favorable (unfavorable)
<b>Revenues:</b>			
Municipal taxes:			
Utility gross receipts	\$ 3,760,000	3,729,038	(30,962)
Sales taxes	4,372,000	4,732,548	360,548
Total municipal taxes	<u>8,132,000</u>	<u>8,461,586</u>	<u>329,586</u>
Intergovernmental:			
Cigarette tax	204,000	190,960	(13,040)
Motor fuel and vehicle sales taxes	1,539,000	1,641,363	102,363
Road and bridge tax	892,000	922,582	30,582
Economic Development Authority grant	186,872	186,872	–
Grants and other	336,349	343,488	7,139
Total intergovernmental	<u>3,158,221</u>	<u>3,285,265</u>	<u>127,044</u>
License and permits	626,800	663,124	36,324
Charges for services:			
Inspection and subdivision fees	52,500	117,495	64,995
Zoning applications	15,000	11,363	(3,637)
Police reports	15,000	17,047	2,047
False alarms	35,000	38,600	3,600
Other charges	21,000	24,525	3,525
Total charges for services	<u>138,500</u>	<u>209,030</u>	<u>70,530</u>
Court fines and fees	415,000	409,817	(5,183)
Investment income	420,000	554,633	134,633
Miscellaneous	39,941	55,507	15,566
Total revenues	<u>12,930,462</u>	<u>13,638,962</u>	<u>708,500</u>
<b>Expenditures:</b>			
Legislative – Mayor's office and City Council:			
Personal services	64,794	64,762	32
Contractual services	5,000	4,763	237
Commodities	750	632	118
Capital outlay	2,000	2,132	(132)
Total legislative	<u>72,544</u>	<u>72,289</u>	<u>255</u>
Administrative:			
City Clerk:			
Personal services	77,415	77,425	(10)
Contractual services	55,381	39,107	16,274
Commodities	725	15	710
Capital outlay	2,000	1,998	2
Legal services			
Contractual services	175,350	158,810	16,540
City Administrator:			
Personal services	143,956	140,898	3,058
Contractual services	47,705	46,692	1,013
Commodities	675	1,034	(359)
Capital outlay	2,000	1,998	2

(Continued)

## CITY OF CHESTERFIELD, MISSOURI

Schedule of Revenues and Expenditures – Budget  
and Actual – General Fund, Continued

	Revised budget	Actual	Variance – favorable (unfavorable)
Expenditures, continued:			
Finance:	\$		
Personal services	214,108	210,418	3,690
Contractual services	101,391	(14,776)	116,167
Commodities	1,750	2,485	(735)
Capital outlay	2,000	1,998	2
Central services:			
Personal services	156,161	136,621	19,540
Contractual services	1,020,681	822,808	197,873
Commodities	47,750	57,446	(9,696)
Capital outlay	28,491	20,510	7,981
Total administrative	<u>2,077,539</u>	<u>1,705,487</u>	<u>372,052</u>
Police services:			
Administration:			
Personal services	304,347	292,272	12,075
Contractual services	9,471	13,949	(4,478)
Commodities	10,982	7,533	3,449
Capital outlay	6,000	5,667	333
Patrol services:			
Personal services	3,106,672	2,930,574	176,098
Contractual services	53,720	53,220	500
Commodities	132,839	116,603	16,236
Capital outlay	164,200	159,874	4,326
Support services:			
Personal services	222,685	223,248	(563)
Contractual services	366,062	360,353	5,709
Commodities	7,200	10,344	(3,144)
Capital outlay	25,700	20,632	5,068
Criminal investigation:			
Personal services	293,581	297,589	(4,008)
Contractual services	9,135	8,937	198
Commodities	10,328	11,550	(1,222)
Capital outlay	20,068	17,676	2,392
Total police services	<u>4,742,990</u>	<u>4,530,021</u>	<u>212,969</u>
Judicial – Municipal Court:			
Personal services	90,357	93,822	(3,465)
Contractual services	93,274	76,026	17,248
Commodities	108	–	108
Capital outlay	2,000	1,999	1
Total judicial	<u>185,739</u>	<u>171,847</u>	<u>13,892</u>
Planning and zoning:			
Personal services	366,323	320,412	45,911
Contractual services	91,520	67,277	24,243
Commodities	4,200	2,618	1,582
Capital outlay	6,000	5,998	2
Total planning and zoning	<u>468,043</u>	<u>396,305</u>	<u>71,738</u>

(Continued)

## CITY OF CHESTERFIELD, MISSOURI

Schedule of Revenues and Expenditures – Budget  
and Actual – General Fund, Continued

	Revised budget	Actual	Variance – favorable (unfavorable)
Expenditures, continued:			
Public works:			
Administration and engineering:			
Personal services	\$ 582,110	574,035	8,075
Contractual services	158,628	159,136	(508)
Commodities	27,954	23,207	4,747
Capital outlay	48,355	42,340	6,015
Street and sewer maintenance:			
Personal services	1,123,386	911,420	211,966
Contractual services	304,963	284,436	20,527
Commodities	535,112	447,398	87,714
Capital outlay	611,904	418,793	193,111
Vehicle maintenance:			
Personal services	177,882	180,542	(2,660)
Contractual services	6,850	7,099	(249)
Commodities	38,997	32,725	6,272
Capital outlay	20,724	7,953	12,771
Street lighting – contractual services	8,175	5,202	2,973
Total public works	<u>3,645,040</u>	<u>3,094,286</u>	<u>550,754</u>
Parks and recreation –			
Administration:			
Personal services	153,275	115,172	38,103
Contractual services	74,960	60,910	14,050
Commodities	15,500	20,631	(5,131)
Capital outlay	12,875	11,209	1,666
Total parks and recreation	<u>256,610</u>	<u>207,922</u>	<u>48,688</u>
Contingency	29,205	–	29,205
Total expenditures	<u>11,477,710</u>	<u>10,178,157</u>	<u>1,299,553</u>
Excess of revenues over expenditures	<u>\$ 1,452,752</u>	<u>3,460,805</u>	<u>2,008,053</u>

See accompanying independent auditors' report.



## Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The following special revenue funds are maintained by the City:

Community Development Block Grant – This fund was used to account for special revenues received through a Community Development Block Grant program through the Missouri Department of Economic Development which are specifically earmarked for levee improvements. The Community Development Block Grant fund was closed during 1997.

Chesterfield Valley Tax Increment Financing – This fund is used to account for special revenues received from the Chesterfield Valley TIF District which are required to be segregated into a special allocation fund and designated for use in the TIF district only.

Police Forfeiture – This fund is used to account for special revenues received which are specifically earmarked for future expenditures in the area of public safety.

Capital Improvement Sales Tax Trust – This fund is used to account for special revenues received from the capital improvement sales tax which are specifically earmarked for capital improvements.

Schedule 2

**CITY OF CHESTERFIELD, MISSOURI**

Combining Balance Sheet – Special Revenue Funds

December 31, 1997

<u>Assets</u>	<u>Chesterfield Valley Tax Increment Financing</u>	<u>Police Forfeiture</u>	<u>Capital Improvement Sales Tax Trust</u>	<u>Total</u>
Cash and cash equivalents	\$ 739,391	18,080	1,463,260	2,220,731
Receivables – municipal taxes	640,367	–	201,980	842,347
Due from other funds	228,184	–	21,453	249,637
Total assets	<u>\$ 1,607,942</u>	<u>18,080</u>	<u>1,686,693</u>	<u>3,312,715</u>
 <u>Liabilities and Fund Balances</u>				
<b>Liabilities:</b>				
Accounts payable	93,923	–	–	93,923
Deferred revenue	30,131	–	–	30,131
Due to other funds	–	45	–	45
Total liabilities	<u>124,054</u>	<u>45</u>	<u>–</u>	<u>124,099</u>
Fund balances	1,483,888	18,035	1,686,693	3,188,616
Total liabilities and fund balances	<u>\$ 1,607,942</u>	<u>18,080</u>	<u>1,686,693</u>	<u>3,312,715</u>

See accompanying independent auditors' report.

## CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances – Special Revenue Funds

Year ended December 31, 1997

	Community Development Block Grant	Chesterfield Valley Tax Increment Financing	Police Forfeiture	Capital Improvement Sales Tax Trust	Total
<b>Revenues:</b>					
Municipal taxes:					
Property taxes	\$ -	709,794	-	-	709,794
Utility gross receipts	-	70,131	-	-	70,131
Sales taxes	-	426,643	-	1,665,240	2,091,883
Total municipal taxes	-	1,206,568	-	1,665,240	2,871,808
Intergovernmental	33,000	-	18,770	-	51,770
Investment income	-	22,542	-	21,453	43,995
Total revenues	33,000	1,229,110	18,770	1,686,693	2,967,573
<b>Expenditures:</b>					
Current:					
Administrative	33,000	235,236	-	-	268,236
Police services	-	-	195	-	195
Capital outlay	-	59,846	-	-	59,846
Debt service:					
Principal	-	126,682	-	-	126,682
Interest and other charges	-	121,489	-	-	121,489
Total expenditures	33,000	543,253	195	-	576,448
Excess of revenues over expenditures	-	685,857	18,575	1,686,693	2,391,125
Other financing uses –					
operating transfers out	-	-	(540)	-	(540)
Excess of revenues over expenditures and other financing uses	-	685,857	18,035	1,686,693	2,390,585
<b>Fund balances:</b>					
Beginning of year	-	798,031	-	-	798,031
End of year	\$ -	1,483,888	18,035	1,686,693	3,188,616

See accompanying independent auditors' report.

Schedule 4

CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances – Budget and Actual –  
Special Revenue Funds

Year ended December 31, 1997

	Chesterfield Valley Tax Increment Financing			Capital Improvement Sales Tax Trust			Total		
	Revised budget	Actual	Variance – favorable (unfavorable)	Revised Budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
<b>Revenues:</b>									
<b>Municipal taxes:</b>									
Property taxes	\$ 351,404	709,794	358,390	–	–	–	351,404	709,794	358,390
Utility gross receipts	52,041	70,131	18,090	–	–	–	52,041	70,131	18,090
Sales taxes	69,010	426,643	357,633	1,411,000	1,665,240	254,240	1,480,010	2,091,883	611,873
Total municipal taxes	472,455	1,206,568	734,113	1,411,000	1,665,240	254,240	1,883,455	2,871,808	988,353
Investment income	–	22,542	22,542	–	21,453	21,453	–	43,995	43,995
Total revenues	472,455	1,229,110	756,655	1,411,000	1,686,693	275,693	1,883,455	2,915,803	1,032,348
<b>Expenditures:</b>									
<b>Current:</b>									
Administrative	849,983	295,082	554,901	–	–	–	849,983	295,082	554,901
<b>Debt service:</b>									
Principal	126,682	126,682	–	–	–	–	126,682	126,682	–
Interest and other charges	123,318	121,489	1,829	–	–	–	123,318	121,489	1,829
Total expenditures	1,099,983	543,253	556,730	–	–	–	1,099,983	543,253	556,730
Excess (deficiency) of revenues over expenditures	(627,528)	685,857	1,313,385	1,411,000	1,686,693	275,693	783,472	2,372,550	1,589,078
<b>Fund balances:</b>									
Beginning of year	798,031	798,031	–	–	–	–	798,031	798,031	–
End of year	\$ 170,503	1,483,888	1,313,385	1,411,000	1,686,693	275,693	1,581,503	3,170,581	1,589,078

See accompanying independent auditors' report.

## Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, certain general long-term debt principal, interest, and related costs. The following debt service funds are maintained by the City:

1995 Parks – This fund is used to account for the accumulation of resources and payment of general obligation principal and interest on the parks General Obligation Bond issue, Series 1995.

1995 Public Works Facility – This fund is used to account for the accumulation of resources and payment of principal and interest on the Public Works Facility Certificates of Participation, Series 1995.

1997 R & S – This fund is used to account for the accumulation of resources and payment of principal and interest on the road and sidewalk General Obligation Bond issue, Series 1997.

Schedule 5

CITY OF CHESTERFIELD, MISSOURI

Combining Balance Sheet – Debt Service Funds

December 31, 1997

<u>Assets</u>	<u>Parks – 1995</u>	<u>Public Works Facility – 1995</u>	<u>R &amp; S – 1997</u>	<u>Total</u>
Cash and cash equivalents	\$ 527,751	16,903	52,602	597,256
Investments	–	241,128	–	241,128
Receivables:				
Municipal taxes	962,814	–	–	962,814
Interest	–	7,075	–	7,075
Due from other funds	–	–	61,247	61,247
Total assets	<u>\$ 1,490,565</u>	<u>265,106</u>	<u>113,849</u>	<u>1,869,520</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	–	261	–	261
Deferred revenue	114,077	–	–	114,077
Total liabilities	114,077	261	–	114,338
Fund balances – reserved for debt service	1,376,488	264,845	113,849	1,755,182
Total liabilities and fund balances	<u>\$ 1,490,565</u>	<u>265,106</u>	<u>113,849</u>	<u>1,869,520</u>

See accompanying independent auditors' report.

## CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances – Debt Service Funds

Year ended December 31, 1997

	Parks – 1995	Public Works Facility – 1995	R & S - 1997	Total
<b>Revenues:</b>				
Municipal taxes – property taxes	\$ 1,138,710	–	–	1,138,710
Investment income	48,336	21,742	14,667	84,745
Total revenues	<u>1,187,046</u>	<u>21,742</u>	<u>14,667</u>	<u>1,223,455</u>
<b>Expenditures – debt service:</b>				
Principal	285,000	90,000	–	375,000
Interest and other charges	660,453	153,304	374,716	1,188,473
Total expenditures	<u>945,453</u>	<u>243,304</u>	<u>374,716</u>	<u>1,563,473</u>
Excess (deficiency) of revenues over expenditures	<u>241,593</u>	<u>(221,562)</u>	<u>(360,049)</u>	<u>(340,018)</u>
<b>Other financing sources:</b>				
Operating transfers in	–	232,036	–	232,036
Proceeds from general obligation bonds payable	–	–	473,898	473,898
Total other financing sources	<u>–</u>	<u>232,036</u>	<u>473,898</u>	<u>705,934</u>
Excess of revenues and other financing sources over expenditures	<u>241,593</u>	<u>10,474</u>	<u>113,849</u>	<u>365,916</u>
<b>Fund balances:</b>				
Beginning of year:				
As previously stated	1,134,895	262,958	–	1,397,853
Adjustment [Note 1(f)]	–	(8,587)	–	(8,587)
As restated	<u>1,134,895</u>	<u>254,371</u>	<u>–</u>	<u>1,389,266</u>
End of year	<u>\$ 1,376,488</u>	<u>264,845</u>	<u>113,849</u>	<u>1,755,182</u>

See accompanying independent auditors' report.

## CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances -- Budget and Actual --  
Debt Service Funds

Year ended December 31, 1997

	Parks -- 1995			Public Works Facility -- 1995			R & S -- 1997			Total		
	Revised budget	Actual	Variance -- favorable (unfavorable)	Revised budget	Actual	Variance -- favorable (unfavorable)	Revised budget	Actual	Variance -- favorable (unfavorable)	Revised budget	Actual	Variance -- favorable (unfavorable)
Revenues:												
Municipal taxes -- property taxes	\$ 1,093,870	1,138,710	44,840	-	-	-	-	-	-	1,093,870	1,138,710	44,840
Investment income	-	48,336	48,336	-	21,742	21,742	-	14,667	14,667	-	84,745	84,745
Total revenues	<u>1,093,870</u>	<u>1,187,046</u>	<u>93,176</u>	<u>-</u>	<u>21,742</u>	<u>21,742</u>	<u>-</u>	<u>14,667</u>	<u>14,667</u>	<u>1,093,870</u>	<u>1,223,455</u>	<u>129,585</u>
Expenditures -- debt service:												
Principal	285,000	285,000	-	90,000	90,000	-	-	-	-	375,000	375,000	-
Interest and other charges	660,349	660,453	(104)	153,043	153,304	(261)	374,916	374,716	200	1,188,308	1,188,473	(165)
Total expenditures	<u>945,349</u>	<u>945,453</u>	<u>(104)</u>	<u>243,043</u>	<u>243,304</u>	<u>(261)</u>	<u>374,916</u>	<u>374,716</u>	<u>200</u>	<u>1,563,308</u>	<u>1,563,473</u>	<u>(165)</u>
Excess (deficiency) of revenues over expenditures	<u>148,521</u>	<u>241,593</u>	<u>93,072</u>	<u>(243,043)</u>	<u>(221,562)</u>	<u>21,481</u>	<u>(374,916)</u>	<u>(360,049)</u>	<u>14,867</u>	<u>(469,438)</u>	<u>(340,018)</u>	<u>129,420</u>
Other financing sources:												
Operating transfers in	-	-	-	243,043	232,036	(11,007)	-	-	-	243,043	232,036	(11,007)
Proceeds from general obligation bonds payable	-	-	-	-	-	-	473,898	473,898	-	473,898	473,898	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,043</u>	<u>232,036</u>	<u>(11,007)</u>	<u>473,898</u>	<u>473,898</u>	<u>-</u>	<u>716,941</u>	<u>705,934</u>	<u>(11,007)</u>
Excess of revenues and other financing sources over expenditures	<u>148,521</u>	<u>241,593</u>	<u>93,072</u>	<u>-</u>	<u>10,474</u>	<u>10,474</u>	<u>98,982</u>	<u>113,849</u>	<u>14,867</u>	<u>247,503</u>	<u>365,916</u>	<u>118,413</u>
Fund balances:												
Beginning of year:												
As previously stated	1,134,895	1,134,895	-	262,958	262,958	-	-	-	-	1,397,853	1,397,853	-
Adjustment [Note 1(f)]	-	-	-	-	(8,587)	(8,587)	-	-	-	-	(8,587)	(8,587)
As restated	<u>1,134,895</u>	<u>1,134,895</u>	<u>-</u>	<u>262,958</u>	<u>254,371</u>	<u>(8,587)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,397,853</u>	<u>1,389,266</u>	<u>(8,587)</u>
End of year	<u>\$ 1,283,416</u>	<u>1,376,488</u>	<u>93,072</u>	<u>262,958</u>	<u>264,845</u>	<u>1,887</u>	<u>98,982</u>	<u>113,849</u>	<u>14,867</u>	<u>1,645,356</u>	<u>1,755,182</u>	<u>109,826</u>

See accompanying independent auditors' report.



## **Capital Projects Funds**

Capital projects funds are used to account for financial resources to be used for acquisition or construction of major capital facilities. The following capital projects funds are maintained by the City:

Capital Projects – This fund is used to account for financial resources designated for the acquisition or construction of major capital facilities or improvements.

Levee/Drainage – This fund is used to account for all major capital improvement projects involving stormwater and levee projects in Chesterfield Valley.

Park Construction – This fund is used to account for financial resources designated for the acquisition of land for parks and the construction of parks facilities.

Public Works Facility Construction – This fund is used to account for financial resources designated for the construction of a Public Works Facility. The Public Works Facility Construction fund was closed during 1997.

R & S Construction – This fund is used to account for financial resources designated for road and sidewalk construction or improvements.

Schedule 8

**CITY OF CHESTERFIELD, MISSOURI**

Combining Balance Sheet – Capital Projects Funds

December 31, 1997

<u>Assets</u>	<u>Capital Projects</u>	<u>Levee/ Drainage</u>	<u>Park Construction</u>	<u>R &amp; S Construction</u>	<u>Total</u>
Cash and cash equivalents	\$ -	400,445	3,426,575	-	3,827,020
Investments	-	-	-	8,411,705	8,411,705
Interest receivable	-	-	-	150,970	150,970
Due from other funds	27,376	-	-	-	27,376
<b>Total assets</b>	<b>\$ 27,376</b>	<b>400,445</b>	<b>3,426,575</b>	<b>8,562,675</b>	<b>12,417,071</b>
 <u>Liabilities and Fund Balances</u> 					
<b>Liabilities:</b>					
Accounts payable	27,376	115,000	353,543	44,810	540,729
Accrued payroll	-	-	-	4,357	4,357
Due to other funds	-	-	42	94,633	94,675
<b>Total liabilities</b>	<b>27,376</b>	<b>115,000</b>	<b>353,585</b>	<b>143,800</b>	<b>639,761</b>
Fund balances – reserved for capital projects	-	285,445	3,072,990	8,418,875	11,777,310
<b>Total liabilities and fund balances</b>	<b>\$ 27,376</b>	<b>400,445</b>	<b>3,426,575</b>	<b>8,562,675</b>	<b>12,417,071</b>

See accompanying independent auditors' report.

## CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances – Capital Projects Funds

Year ended December 31, 1997

	Capital Projects	Levee/ Drainage	Park Construction	Public Works Facility Construction	R & S Construction	Total
Revenues – investment income	\$ –	55,350	235,755	4,371	592,891	888,367
Expenditures:						
Capital outlay	800,863	3,147,622	7,637,087	130,776	5,866,676	17,583,024
Debt service – cost of issuance	–	–	–	–	63,442	63,442
Total expenditures	<u>800,863</u>	<u>3,147,622</u>	<u>7,637,087</u>	<u>130,776</u>	<u>5,930,118</u>	<u>17,646,466</u>
Deficiency of revenues over expenditures	<u>(800,863)</u>	<u>(3,092,272)</u>	<u>(7,401,332)</u>	<u>(126,405)</u>	<u>(5,337,227)</u>	<u>(16,758,099)</u>
Other financing sources (uses):						
Operating transfers in	828,273	214,282	1,569,719	–	–	2,612,274
Operating transfers out	(27,410)	–	–	–	–	(27,410)
Proceeds from general obligation bonds payable	–	–	–	–	13,756,102	13,756,102
Total other financing sources	<u>800,863</u>	<u>214,282</u>	<u>1,569,719</u>	<u>–</u>	<u>13,756,102</u>	<u>16,340,966</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>–</u>	<u>(2,877,990)</u>	<u>(5,831,613)</u>	<u>(126,405)</u>	<u>8,418,875</u>	<u>(417,133)</u>
Fund balances:						
Beginning of year:						
As previously stated	–	3,163,435	8,872,145	126,405	–	12,161,985
Adjustment [Note 1(f)]	–	–	32,458	–	–	32,458
As restated	<u>–</u>	<u>3,163,435</u>	<u>8,904,603</u>	<u>126,405</u>	<u>–</u>	<u>12,194,443</u>
End of year	\$ <u>–</u>	<u>285,445</u>	<u>3,072,990</u>	<u>–</u>	<u>8,418,875</u>	<u>11,777,310</u>

See accompanying independent auditors' report.

**CITY OF CHESTERFIELD, MISSOURI**

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances – Budget and Actual –  
Capital Projects Funds

Year ended December 31, 1997

	Capital Projects			Levee/Drainage		
	Revised budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
Revenues – investment income	\$ –	–	–	55,000	55,350	350
Expenditures:						
Public works	947,640	800,863	146,777	3,417,945	3,147,622	270,323
Parks and recreation	–	–	–	–	–	–
Debt service – cost of issuance	–	–	–	–	–	–
Total expenditures	<u>947,640</u>	<u>800,863</u>	<u>146,777</u>	<u>3,417,945</u>	<u>3,147,622</u>	<u>270,323</u>
Excess (deficiency) of revenues over expenditures	<u>(947,640)</u>	<u>(800,863)</u>	<u>146,777</u>	<u>(3,362,945)</u>	<u>(3,092,272)</u>	<u>270,673</u>
Other financing sources (uses):						
Operating transfers in	975,050	828,273	(146,777)	214,282	214,282	–
Operating transfers out	(27,410)	(27,410)	–	–	–	–
Proceeds from general obligation bonds payable	–	–	–	–	–	–
Total other financing sources (uses)	<u>947,640</u>	<u>800,863</u>	<u>(146,777)</u>	<u>214,282</u>	<u>214,282</u>	<u>–</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>–</u>	<u>–</u>	<u>–</u>	<u>(3,148,663)</u>	<u>(2,877,990)</u>	<u>270,673</u>
Fund balances:						
Beginning of year:						
As previously stated	–	–	–	3,163,435	3,163,435	–
Adjustment [Note 1(f)]	–	–	–	–	–	–
As restated	<u>–</u>	<u>–</u>	<u>–</u>	<u>3,163,435</u>	<u>3,163,435</u>	<u>–</u>
End of year	<u>\$ –</u>	<u>–</u>	<u>–</u>	<u>14,772</u>	<u>285,445</u>	<u>270,673</u>

See accompanying independent auditors' report.

Park Construction			Public Works Facility Construction		
Revised budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
182,000	235,755	53,755	-	4,371	4,371
-	-	-	130,776	130,776	-
10,673,864	7,637,087	3,036,777	-	-	-
-	-	-	-	-	-
<u>10,673,864</u>	<u>7,637,087</u>	<u>3,036,777</u>	<u>130,776</u>	<u>130,776</u>	<u>-</u>
<u>(10,491,864)</u>	<u>(7,401,332)</u>	<u>3,090,532</u>	<u>(130,776)</u>	<u>(126,405)</u>	<u>4,371</u>
1,619,719	1,569,719	(50,000)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,619,719</u>	<u>1,569,719</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(8,872,145)</u>	<u>(5,831,613)</u>	<u>3,040,532</u>	<u>(130,776)</u>	<u>(126,405)</u>	<u>4,371</u>
8,872,145	8,872,145	-	126,405	126,405	-
-	32,458	32,458	-	-	-
<u>8,872,145</u>	<u>8,904,603</u>	<u>32,458</u>	<u>126,405</u>	<u>126,405</u>	<u>-</u>
<u>-</u>	<u>3,072,990</u>	<u>3,072,990</u>	<u>(4,371)</u>	<u>-</u>	<u>4,371</u>

## Schedule 10. Cont.

## CITY OF CHESTERFIELD, MISSOURI

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances – Budget and Actual –  
Capital Projects Funds, Continued

Year ended December 31, 1997

	R & S Construction			Total		
	Revised Budget	Actual	Variance – favorable (unfavorable)	Revised budget	Actual	Variance – favorable (unfavorable)
Revenues – investment income	\$ 410,000	592,891	182,891	647,000	888,367	241,367
Expenditures:						
Public works	7,152,529	5,866,676	1,285,853	11,648,890	9,945,937	1,702,953
Parks and recreation	-	-	-	10,673,864	7,637,087	3,036,777
Debt service - cost of issuance	63,445	63,442	3	63,445	63,442	3
Total expenditures	<u>7,215,974</u>	<u>5,930,118</u>	<u>1,285,856</u>	<u>22,386,199</u>	<u>17,646,466</u>	<u>4,739,733</u>
Excess (deficiency) of revenues over expenditures	<u>(6,805,974)</u>	<u>(5,337,227)</u>	<u>1,468,747</u>	<u>(21,739,199)</u>	<u>(16,758,099)</u>	<u>4,981,100</u>
Other financing sources:						
Operating transfers in	-	-	-	2,809,051	2,612,274	(196,777)
Operating transfers out	-	-	-	(27,410)	(27,410)	-
Proceeds from general obligation bonds payable	<u>13,756,102</u>	<u>13,756,102</u>	<u>-</u>	<u>13,756,102</u>	<u>13,756,102</u>	<u>-</u>
Total other financing sources (uses)	<u>13,756,102</u>	<u>13,756,102</u>	<u>-</u>	<u>16,537,743</u>	<u>16,340,966</u>	<u>(196,777)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>6,950,128</u>	<u>8,418,875</u>	<u>1,468,747</u>	<u>(5,201,456)</u>	<u>(417,133)</u>	<u>4,784,323</u>
Fund balances:						
Beginning of year:						
As previously reported	-	-	-	12,161,985	12,161,985	-
Adjustment [Note 1(f)]	-	-	-	-	32,458	32,458
As restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,161,985</u>	<u>12,194,443</u>	<u>32,458</u>
End of year	<u>\$ 6,950,128</u>	<u>8,418,875</u>	<u>1,468,747</u>	<u>6,960,529</u>	<u>11,777,310</u>	<u>4,816,781</u>

See accompanying independent auditors' report.

## **Fiduciary Fund Type**

Trust and agency funds are used to account for assets held by the government as a trustee or agent for individuals, private organizations, other governments, and/or other funds.

### **Expendable Trust Fund**

This fund is used to account for collection and release of monies for future roadway improvements contemplated in a construction development within the City. Collection of monies ensure completion of projects and restoration of the surrounding area. An inspection by the City is necessary to release funds.

### **Agency Funds**

Miscellaneous Escrow Fund – This fund is used to account for the collection and release of monies in connection with various permits issued for construction projects in which the contractor must comply with certain requirements. Collection of monies ensure completion of projects and restoration of the surrounding area. An inspection by the City is necessary to release funds.

Bail Bond Fund – This fund is used to account for monies received and held as bond deposits to ensure defendants' appearances in court.

Explorers' Fund – This fund is used to account for proceeds received in connection with a joint program sponsored by the City and the local explorer's post.

Schedule 11

CITY OF CHESTERFIELD, MISSOURI

Combining Balance Sheet – Trust and Agency Funds

December 31, 1997

<u>Assets</u>	<u>Expendable Trust</u>	<u>Agency</u>	<u>Total</u>
Cash and cash equivalents	\$ 312,463	780,139	1,092,602
Receivable – interest	379	–	379
Total assets	<u>\$ 312,842</u>	<u>780,139</u>	<u>1,092,981</u>
 <u>Liabilities and Fund Balance</u>  			
Liabilities:			
Accounts payable	–	6,475	6,475
Deposits held in escrow	–	773,664	773,664
Total liabilities	–	780,139	780,139
Fund balance – reserved for street improvements	312,842	–	312,842
Total liabilities and fund balance	<u>\$ 312,842</u>	<u>780,139</u>	<u>1,092,981</u>

See accompanying independent auditors' report.



## CITY OF CHESTERFIELD, MISSOURI

## Combining Balance Sheet – Agency Funds

December 31, 1997

<u>Assets</u>	<u>Miscellaneous Escrow</u>	<u>Bail Bond</u>	<u>Explorer's</u>	<u>Total</u>
Cash and cash equivalents	\$ <u>732,894</u>	<u>40,770</u>	<u>6,475</u>	<u>780,139</u>
 <u>Liabilities</u>				
Accounts payable	-	-	6,475	6,475
Deposits held in escrow	<u>732,894</u>	<u>40,770</u>	<u>-</u>	<u>773,664</u>
Total liabilities	<u>\$ 732,894</u>	<u>40,770</u>	<u>6,475</u>	<u>780,139</u>

See accompanying independent auditors' report.

## CITY OF CHESTERFIELD, MISSOURI

## Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year ended December 31, 1997

	Balance, January 1, 1997	Additions	Deductions	Balance, December 31, 1997
<u>Miscellaneous Escrow</u>				
Assets – cash and cash equivalents	\$ 352,330	409,064	28,500	732,894
Liabilities – deposits held in escrow	\$ 352,330	407,564	27,000	732,894
<u>Bail Bond</u>				
Assets – cash and cash equivalents	\$ 48,580	6,967	14,777	40,770
Liabilities:				
Due to other funds	55	–	55	–
Deposits held in escrow	48,525	6,967	14,722	40,770
Total liabilities	\$ 48,580	6,967	14,777	40,770
<u>Explorer's</u>				
Assets – cash and cash equivalents	\$ 4,058	4,122	1,705	6,475
Liabilities – accounts payable	\$ 4,058	4,122	1,705	6,475
<u>Total – all agency funds</u>				
Assets:				
Cash and cash equivalents	\$ 404,968	420,153	44,982	780,139
Liabilities:				
Accounts payable	4,058	4,122	1,705	6,475
Due to other funds	55	–	55	–
Deposits held in escrow	400,855	414,531	41,722	773,664
Total liabilities	\$ 404,968	418,653	43,482	780,139

See accompanying independent auditors' report.



**Statistical Section**

**CITY OF CHESTERFIELD, MISSOURI**

General Governmental Expenditures By Function

Last Ten Fiscal Years

		<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(2)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996(3)</u>	<u>1997(4)</u>
Legislative	\$	13,161	39,357	90,887	123,223	124,921	71,863	63,386	70,078	68,826	70,157
Administrative		323,183	691,135	757,809	780,102	894,000	939,007	1,160,205	1,489,115	1,684,613	1,947,219
Police services		1,482,262	2,535,032	2,594,516	2,867,205	3,003,391	3,265,910	3,262,201	3,760,415	4,155,693	4,326,367
Judicial		33,138	63,840	77,397	93,393	95,146	97,390	114,222	132,015	166,340	169,848
Planning and zoning		81,880	246,562	219,458	237,888	272,069	289,688	357,242	367,673	327,904	390,307
Public works		678,873	1,319,257	1,787,000	2,032,890	2,100,466	2,884,227	2,842,277	2,933,474	2,493,202	2,625,200
Parks and recreation		-	-	-	-	16,750	48,336	23,218	62,053	138,283	196,713
Capital outlay		237,092	900,848	1,015,210	842,555	1,220,149	1,605,932	2,905,064	4,140,729	9,241,840	18,363,647
Debt service		-	-	308,882	210,479	81,690	134,425	-	499,815	1,262,643	1,875,086
<b>Total</b>	<b>\$</b>	<u>2,849,589</u>	<u>5,796,031</u>	<u>6,851,159</u>	<u>7,187,735</u>	<u>7,808,582</u>	<u>9,336,778</u>	<u>10,727,815</u>	<u>13,455,367</u>	<u>19,539,344</u>	<u>29,964,544</u>

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Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.
- (3) The City used proceeds from a 1995 general obligation parks bond issue for the acquisition of land and 1995 certificates of participation to construct a Public Works Facility in 1996.
- (4) The City used proceeds from a 1997 general obligation bond issue for the reconstruction of streets and sidewalks.

Source: General purpose financial statements, all governmental fund types – primary government only.

## CITY OF CHESTERFIELD, MISSOURI

## General Governmental Revenues By Source

## Last Ten Fiscal Years

	<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(4)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997(8)</u>
Municipal taxes (2)(3)(6)(7)	\$ 1,971,356	4,619,291	4,700,199	5,336,033	5,913,742	6,565,107	7,060,339	9,314,116	9,994,622	12,472,104
Intergovernmental (2)(5)	698,992	1,457,028	1,586,308	1,712,868	2,122,090	3,212,468	2,997,512	2,962,059	3,408,192	3,337,035
Licenses and permits	46,943	111,403	377,264	454,006	496,853	544,796	547,770	597,177	611,892	663,124
Charges for services	23,568	75,507	87,693	78,850	122,455	95,338	135,003	153,651	142,508	209,030
Court fines and fees	85,305	250,557	320,906	345,210	372,818	287,591	377,377	516,212	521,039	409,817
Interest	1,840	14,920	87,256	90,211	86,701	134,561	233,697	1,092,832	1,286,497	1,571,740
Miscellaneous	-	4,900	29,293	10,444	39,389	179,565	48,615	38,231	72,742	55,507
Total	\$ <u>2,828,004</u>	<u>6,533,606</u>	<u>7,188,919</u>	<u>8,027,622</u>	<u>9,154,048</u>	<u>11,019,426</u>	<u>11,400,313</u>	<u>14,674,278</u>	<u>16,037,492</u>	<u>18,718,357</u>

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## Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) Sales tax, motor fuel tax, motor vehicle sales tax, and cigarette tax distributions were adjusted in September of 1991 as a result of the 1990 census.
- (3) Deferred revenues of approximately \$181,000 were recognized as revenues in 1991. These revenues were previously deferred by the City as a result of a dispute with another governmental entity. This matter was resolved in 1991.
- (4) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.
- (5) The City received a federal emergency management assistance grant in the amount of \$935,287 in 1993.
- (6) Upon the successful outcome of litigation in 1995, the City recognized \$213,182 in deferred sales tax revenues from prior years and began recognizing new sales revenue under a county-wide sales tax redistribution formula.
- (7) The City adopted a property tax of \$.13 per \$100 of assessed valuation in 1995 and also received property tax revenue due to incremental growth in assessed valuation from the Chesterfield Valley TIF District.
- (8) The City passed a ½ cent capital improvements sales tax in November 1996 and began receiving the tax in April 1997.

Source: General purpose financial statements, all governmental fund types – primary government only.

**CITY OF CHESTERFIELD, MISSOURI**

Municipal Tax Revenue By Source

Last Ten Fiscal Years

	<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(4)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Property tax (5)	\$ -	-	-	-	-	-	-	1,325,557	1,560,636	1,848,504
Utility gross receipts tax	897,978	2,382,331	2,525,039	2,712,063	2,822,781	3,187,143	3,323,852	3,359,052	3,667,368	3,799,169
Sales tax (2) (3) (4) (6)	<u>1,073,378</u>	<u>2,236,960</u>	<u>2,175,160</u>	<u>2,623,970</u>	<u>3,090,961</u>	<u>3,377,964</u>	<u>3,736,487</u>	<u>4,629,507</u>	<u>4,766,618</u>	<u>6,824,431</u>
Total	\$ <u>1,971,356</u>	<u>4,619,291</u>	<u>4,700,199</u>	<u>5,336,033</u>	<u>5,913,742</u>	<u>6,565,107</u>	<u>7,060,339</u>	<u>9,314,116</u>	<u>9,994,622</u>	<u>12,472,104</u>

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Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) Sales tax distribution was adjusted in September of 1991 as a result of the 1990 census.
- (3) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.
- (4) Upon the successful outcome of litigation in 1995, the City recognized \$213,182 in deferred sales tax revenue from prior years and began recognizing new sales tax revenue under a county-wide sales tax redistribution formula.
- (3) The City adopted a property tax of \$.13 per \$100 of assessed valuation in 1995 and also received property tax revenue due to incremental growth in assessed valuation from the Chesterfield Valley TIF District.
- (4) The City passed a ½ cent capital improvements sales tax in November 1996 and began receiving the tax in April 1997.

Source: General purpose financial statements, all governmental fund types – primary government only.

## CITY OF CHESTERFIELD, MISSOURI

## Intergovernmental Revenues By Source

## Last Ten Fiscal Years

	<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(3)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Motor fuel tax (2)	\$ 230,508	468,127	462,678	534,521	741,287	826,395	952,879	1,004,142	1,107,221	1,176,692
Motor vehicle sales tax (2)	108,208	223,473	225,452	256,353	326,913	375,450	418,102	429,913	442,558	464,671
Cigarette tax (2)	88,054	139,832	138,355	155,793	182,302	189,967	187,795	196,817	198,837	190,960
Road and bridge tax	272,222	625,596	688,545	715,794	818,552	797,475	793,127	858,907	879,913	922,582
Police traffic service grant	-	-	70,063	50,407	37,080	15,042	-	3,557	1,771	-
Federal emergency management assistance grant	-	-	-	-	-	935,287	119,240	53,404	106	-
COPS grant - Federal	-	-	-	-	-	-	-	18,667	72,668	94,166
COPS grant - Parkway	-	-	-	-	-	-	-	4,763	28,555	41,593
Police academy grant	-	-	-	-	-	21,370	-	45,118	47,697	46,221
Federal aid urban grant	-	-	-	-	-	-	87,403	14,618	-	-
St. Louis County Bonhomme Creek reimbursement	-	-	-	-	-	46,845	140,485	6,038	-	8,503
Community Development Block Grant	-	-	-	-	-	-	252,049	249,951	-	33,000
EDA Grant	-	-	-	-	-	-	-	-	495,028	186,872
Solid Waste Grant	-	-	-	-	-	-	-	-	66,055	72,838
NCAP Grant	-	-	-	-	-	-	-	-	14,381	36,624
Branch Out Missouri	-	-	-	-	-	-	-	-	-	24,562
Grants other	-	-	1,215	-	15,956	4,637	46,432	76,164	53,402	37,751
Total	\$ <u>698,992</u>	<u>1,457,028</u>	<u>1,586,308</u>	<u>1,712,868</u>	<u>2,122,090</u>	<u>3,212,468</u>	<u>2,997,512</u>	<u>2,962,059</u>	<u>3,408,192</u>	<u>3,337,035</u>

## Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) Revenue distributions were adjusted in September of 1991 as a result of the 1990 census.
- (3) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.

Source: General purpose financial statements, all governmental fund types - primary government only.

**CITY OF CHESTERFIELD, MISSOURI**

Licenses and Permits

Last Ten Fiscal Years

	<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(4)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Business licenses (2)	\$ 105	4,055	210,793	250,085	256,852	270,312	253,620	292,331	288,446	327,774
Liquor licenses	202	14,763	14,528	20,161	28,620	29,277	33,393	30,145	36,592	31,989
Vending licenses	-	5,513	9,350	9,056	10,287	14,643	21,409	23,775	19,488	19,075
Cable television franchise (3)	46,636	85,592	134,206	163,329	186,217	212,939	219,183	236,429	251,427	273,874
Miscellaneous	-	<u>1,480</u>	<u>8,387</u>	<u>11,375</u>	<u>14,877</u>	<u>17,625</u>	<u>20,165</u>	<u>14,497</u>	<u>15,939</u>	<u>10,412</u>
Total	\$ <u>46,943</u>	<u>111,403</u>	<u>377,264</u>	<u>454,006</u>	<u>496,853</u>	<u>544,796</u>	<u>547,770</u>	<u>597,177</u>	<u>611,892</u>	<u>663,124</u>

Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) On June 5, 1990, voters approved a revised business license fee structure for the City.
- (3) The City increased the license tax on cable television franchises from 3% to 5% on February 20, 1995.
- (4) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.

Source: General purpose financial statements, all governmental fund types – primary government only.



**CITY OF CHESTERFIELD, MISSOURI**

Charges for Services

Last Ten Fiscal Years

	<u>1988(1)</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(2)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Engineering inspection fees	\$ 592	32,003	29,410	30,160	66,241	34,951	61,569	57,936	57,452	107,887
Subdivision processing fees	7,290	6,890	4,423	7,765	7,355	11,495	9,078	6,486	6,651	9,608
Zoning applications	4,521	7,902	10,645	6,343	13,989	13,399	15,313	18,882	12,874	11,363
Police reports	-	6,393	12,306	10,577	12,478	14,358	15,201	14,985	15,685	17,047
False alarms	11,118	21,358	28,994	21,619	16,950	16,925	28,450	42,528	33,444	38,600
Other charges	<u>47</u>	<u>961</u>	<u>1,915</u>	<u>2,386</u>	<u>5,442</u>	<u>4,210</u>	<u>5,392</u>	<u>12,834</u>	<u>16,402</u>	<u>24,525</u>
Total	\$ <u>23,568</u>	<u>75,507</u>	<u>87,693</u>	<u>78,850</u>	<u>122,455</u>	<u>95,338</u>	<u>135,003</u>	<u>153,651</u>	<u>142,508</u>	<u>209,030</u>

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Notes:

- (1) The City was incorporated on June 1, 1988. The fiscal period is from the date of inception (June 1, 1988) through December 31, 1988.
- (2) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.

Source: General purpose financial statements, all governmental fund types – primary government only.

## CITY OF CHESTERFIELD, MISSOURI

## Assessed and Estimated Actual Value of Taxable Property (1)(2)

## Last Ten Fiscal Years

		<u>Real property</u>	<u>Personal property</u>	<u>Railroad and utilities</u>	<u>Totals</u>	
					<u>Assessed value</u>	<u>Estimated actual value</u>
1988 (3)	\$	404,550,560	60,998,489	-	465,549,049	2,069,802,320
1989		494,909,830	113,252,888	15,309,591	623,472,309	2,662,533,859
1990		518,041,910	137,789,071	14,906,377	670,737,358	2,834,312,386
1991		546,048,970	144,354,921	14,813,513	705,217,404	2,975,197,738
1992 (4)		611,766,200	156,066,333	14,953,292	782,785,825	3,297,885,746
1993		623,355,670	146,917,716	14,480,699	784,754,085	3,346,767,746
1994 (5)		614,067,940	121,996,684	15,085,563	751,150,187	3,301,233,056
1995		655,300,640	141,510,637	14,635,156	811,446,433	3,620,456,696
1996		676,795,720	160,550,273	16,131,252	853,477,245	3,775,884,321
1997		737,719,530	171,773,003	14,471,771	923,964,304	4,103,912,367

## Notes:

- (1) Assessments are determined by the Assessor of St. Louis County. Property is assessed as of January 1.
- (2) Assessments are based on a percentage of estimated actual values. Real property is classified as residential, agricultural, or commercial. Residential property is assessed at 19%, agricultural is assessed at 12%, and commercial is assessed at 32%. All railroad and utility property is assessed at 32%. All personal property is assessed at 33-13%. Real property is reassessed biannually in odd-numbered years.
- (3) The City was incorporated on June 1, 1988. No property tax was levied by the City until 1995 when the voters approved an \$11 million general obligation bond issue for parks. The entire levy funds debt service.
- (4) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.
- (5) Value decreased due to 1993 flood in Chesterfield Valley.

Source: St. Louis County Assessor.

## CITY OF CHESTERFIELD, MISSOURI

Property Tax Rates – Direct and Overlapping Governments  
(Per \$100 of Assessed Value)

## Last Ten Fiscal Years

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Taxes levied on all property in the City of Chesterfield:										
City of Chesterfield (1)	\$ -	-	-	-	-	-	-	.130	.130	.130
State of Missouri	.030	.030	.030	.030	.030	.030	.030	.030	.030	.030
St. Louis County	.670	.580	.580	.580	.580	.580	.580	.580	.580	.580
Special School District	.570	.540	.540	.530	.610	.620	.630	.620	.630	.620
St. Louis Community College	.195	.190	.190	.190	.220	.220	.240	.240	.240	.240
St. Louis County Library	.100	.100	.100	.110	.125	.130	.130	.140	.140	.140
Metropolitan St. Louis Sewer District	.020	.020	.020	.020	.020	.020	.020	.020	.020	.020
Metropolitan Zoological Park and Museum District	.206	.198	.198	.198	.214	.220	.224	.228	.232	.232
Sheltered Workshop	.035	.085	.085	.085	.085	.085	.085	.085	.085	.085
Totals	\$ <u>1.826</u>	<u>1.743</u>	<u>1.743</u>	<u>1.743</u>	<u>1.884</u>	<u>1.905</u>	<u>1.939</u>	<u>2.043</u>	<u>2.087</u>	<u>2.077</u>
School Districts (2):										
Parkway	\$ 3.08	3.12	3.13	3.09	3.35	3.43	3.44	3.44	3.73	3.64
Rockwood	<u>2.86</u>	<u>3.70</u>	<u>3.75</u>	<u>3.69</u>	<u>3.92</u>	<u>3.94</u>	<u>4.53</u>	<u>4.54</u>	<u>4.54</u>	<u>4.49</u>
Fire Protection Districts (3):										
Metro West	\$ .71	.69	.68	.64	.77	.77	.95	1.03	1.04	1.03
Chesterfield	<u>.72</u>	<u>.70</u>	<u>.83</u>	<u>.82</u>	<u>.86</u>	<u>.88</u>	<u>.92</u>	<u>1.06</u>	<u>1.00</u>	<u>1.03</u>

## Notes:

- (1) The City was incorporated on June 1, 1988. No property tax was levied by the City until 1995 when the voters approved an \$11 million general obligation bond issue for parks. The entire levy funds debt service.
- (2) All property is located in one of the two school districts whose boundaries include part of the City.
- (3) All property is located in one of the two fire protection districts whose boundaries include part of the City.

Source: St. Louis County Collector.

## CITY OF CHESTERFIELD, MISSOURI

## Property Tax Levies and Collections

Last Three Fiscal Years (1)

(Dollars expressed in thousands)

<u>Fiscal year</u>	<u>Total tax levy</u>	<u>Current tax collections</u>	<u>Percent of current taxes collected</u>	<u>Delinquent tax collections</u>	<u>Total tax collections</u>	<u>Ratio of total tax collections to total tax levy</u>	<u>Outstanding delinquent taxes</u>	<u>Ratio of Delinquent taxes to total tax levy</u>
1995	\$ 1,402	\$ 1,326	94.6%	\$ -	\$ 1,326	94.6%	\$ 76	5.4%
1996	\$ 1,585	\$ 1,498	94.5%	\$ 63	\$ 1,561	98.4%	\$ 100	6.3%
1997	\$ 1,891	\$ 1,769	93.5%	\$ 79	\$ 1,848	97.7%	\$ 143	7.6%

## Note:

(1) 1995 was the first year that the City of Chesterfield had a property tax levy.

Table 10

**CITY OF CHESTERFIELD, MISSOURI**

Legal Debt Margin

December 31, 1997

Assessed value of the City of Chesterfield for 1997	\$	923,964,304
Limit of bonded indebtedness at 10% of assessed value	\$	92,396,430
Total bonded debt		24,680,000
Less amount available in debt service fund		<u>(1,490,337)</u>
Bonded debt applicable to debt limit		<u>23,189,663</u>
Legal debt margin	\$	<u>69,206,767</u>

Note: Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

## CITY OF CHESTERFIELD, MISSOURI

Ratio of Annual Debt Service Expenditures for General Bonded Debt to  
Total General Governmental Expenditures

Last Three Fiscal Years (1)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total debt service</u>	<u>Total general governmental expenditures</u>	<u>Ratio of debt service to general governmental expenditures</u>
1995(1)	\$ -	346,923	346,923	13,455,367	2.6%
1996	265,000	683,037	948,037	19,539,344	4.8%
1997(2)	285,000	1,035,169	1,320,169	29,964,544	4.4%

## Note:

- (1) 1995 was the first year that the City had general bonded indebtedness.
- (2) The City issued \$14,230,000 in additional general bonded indebtedness in 1997.

Source: General purpose financial statements, all governmental fund types – primary government only.

Table 12

**CITY OF CHESTERFIELD, MISSOURI**

**Ratio of Net General Bonded Debt to Assessed Value  
and Net Bonded Debt Per Capita**

Last Three Fiscal Years (1)

<u>Year</u>	<u>Population</u>	<u>Assessed value</u>	<u>Bonded debt</u>	<u>Amount available in debt service fund</u>	<u>Net bonded debt</u>	<u>Ratio of net bonded debt to assessed value</u>	<u>Net bonded debt per capita</u>
1995(1)	42,325 (2)	\$ 811,446,433	11,000,000	998,144	10,001,858	1.2%	\$ 236
1996	42,325	853,477,245	10,735,000	1,134,895	9,600,105	1.1%	227
1997(3)	42,325	923,964,304	24,680,000	1,490,337	23,189,663	2.5%	548

Note:

- (1) 1995 was the first year that the City had general bonded indebtedness.
- (2) Population data is estimated using the 1992 U.S. Census Bureau data for the area.
- (3) The City issued \$14,230,000 in additional general bonded indebtedness in 1997.

## CITY OF CHESTERFIELD, MISSOURI

## Computation of Direct and Overlapping Debt

December 31, 1997

	General obligation <u>debt</u>	Percent appli- cable to the City of <u>Chesterfield</u>	Amount appli- cable to the City of <u>Chesterfield</u>
City of Chesterfield	\$ 24,680,000	100.00%	\$ 24,680,000
St. Louis County	160,520,000	6.36	10,209,072
Parkway School District (1)	62,770,390	24.30	15,253,205
Rockwood School District (1)	99,183,600	14.06	13,945,214
Chesterfield Fire Protection District (1)	4,640,799	8.06	374,048
Metropolitan Sewer District	<u>10,645,000</u>	<u>13.81</u>	<u>1,470,075</u>
Total	\$ <u>362,439,789</u>		\$ <u>65,931,614</u>
Total debt per capita (2)			\$ <u>1,557.75</u>

(1) Only portions of the school and fire districts are located within the City boundaries. The applicable amounts refer to that portion of the district that is contained within the City's boundary. Therefore, the applicable amounts refer to portions of the City's taxpayers.

(2) Based upon a population of 42,325.

Source: The above-named jurisdictions, St. Louis County Real Estate Assessment Rolls, and St. Louis County report of Assessed Valuation.



**CITY OF CHESTERFIELD, MISSOURI**

**Building Permits and Construction (1)**

**Last Nine Fiscal Years**

	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992(2)</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
<b>New construction:</b>									
Number of permits	263	131	132	447	635	917	619	712	652
Value of construction	\$ <u>52,056,444</u>	<u>22,070,752</u>	<u>19,627,440</u>	<u>46,626,596</u>	<u>47,502,993</u>	<u>71,912,425</u>	<u>40,005,131</u>	<u>49,994,194</u>	<u>47,738,060</u>
<b>Alterations/additions:</b>									
Number of permits	1,126	1,507	1,035	1,435	2,245	2,022	2,164	2,051	2,113
Value of construction	\$ <u>14,804,018</u>	<u>17,253,024</u>	<u>8,827,772</u>	<u>17,293,610</u>	<u>20,432,811</u>	<u>36,683,188</u>	<u>22,043,850</u>	<u>23,902,052</u>	<u>28,004,804</u>
<b>Building demolitions:</b>									
Number of permits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**Notes:**

- (1) The City has not established a building commissioner's office within the organization. St. Louis County currently provides building inspection services. Information regarding 1988 permits is unavailable. The City was incorporated on June 1, 1988.
- (2) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.

Source: Planning Department, City of Chesterfield, Missouri.

## CITY OF CHESTERFIELD, MISSOURI

## Bank Deposits

## Last Ten Fiscal Years

	<u>Amount</u> (1)
1988	\$ 333,188,000
1989	349,810,000
1990	456,590,000
1991	504,334,156
1992 (2)	641,865,343
1993	625,192,796
1994	608,355,913
1995	610,500,754
1996	638,068,841
1997 (3)	494,969,924

## Notes:

- (1) Represents deposits of the 11 bank facilities located in the City of Chesterfield.
- (2) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.
- (3) Roosevelt Bank and Mark Twain Parkway Banks were bought out by Mercantile Bank and the branch banks in Chesterfield were closed in 1997.

Source: NationsBank N.A. – Chesterfield Center, NationsBank N.A. – Baxter Branch, Commerce Bank of St. Louis, N.A. – Clarkson, First Bank – First Missouri Center, First Bank – Clarkson, First National Bank, Mercantile Bank of St. Louis N.A. – Clarkson Square, Magna Bank of Chesterfield, Mercantile Bank of St. Louis N.A. – Hilltown Village, Founders Bank, and Cass Bank and Trust.

Table 16

## CITY OF CHESTERFIELD, MISSOURI

## Schedule of Insurance in Force

December 31, 1997

<u>Type of coverage/ insurance carrier</u>	<u>Policy number</u>	<u>Policy period</u>	<u>Deductible</u>	<u>Liability limits</u>	<u>Annual premium</u>
General Liability Police Liability Automobile Liability/ Property and Casualty Trust of St. Louis	GL 0021-97 PL0021-97 AL 0021-97	3/1/97- 3/1/98	\$ 500 500 500	\$ 1,000,000	67,205
Property/Inland Marine/Chubb	3529-08-79	3/1/97- 3/1/98	1,000	1,000,000	42,869
Public Officials Liability/Firemen's Fund	CPL500-02-92	3/1/97- 3/1/98	5,000	1,000,000	5,472
Worker's Compensa- tion/St. Louis Insurance Trust (SLAIT)	97-004	8/1/97- 8/1/98	N/A	Per Missouri Law	148,568
Public Official Bond/ Kemper	3SM 726 028	9/1/97- 9/1/98	N/A	100,000	238
Public Employees Blanket Bond/Kemper	3FM 726 239	1/23/97- 1/23/98	500	100,000	353
Flood Insurance Police Department (Contents Only)/ Aetna Flood	AE6-0020-3635-5	5/21/97- 5/21/98	500	275,600	448
Flood Insurance - Public Works (Building & Contents)/Aetna Flood	AE6-0027-9173-6	11/6/97- 11/6/98	500	1,000,000	2,065
Fiduciary Bond/The Travelers/Aetna	051FF103003485	11/3/97- 11/3/98	-	500,000	1,121
Underground Storage Tanks	0009914	2/24/97- 2/24/98	10,000	1,000,000	200

Source: City's insurance policies.

**CITY OF CHESTERFIELD, MISSOURI**  
**Salaries and Surety Bonds of Principal Officials**  
 December 31, 1997

<u>Name and title of official</u>	<u>Annual salary</u>	<u>Amount surety bond</u>
Michael G. Herring, City Administrator	\$ 90,000	(1)
Jan Hawn, Director of Finance and Administration	69,517	100,000
Marty DeMay, City Clerk	40,301	(1)
Ray Johnson, Police Chief	72,990	(1)
Teresa Price, Director of Planning	56,274	(1)
Mike Geisel, Director of Public Works/City Engineer	<u>69,517</u>	<u>(1)</u>

## Note:

(1) Blanket surety coverage of \$100,000.

Table 18

**CITY OF CHESTERFIELD, MISSOURI**

Miscellaneous Statistical Data

December 31, 1997

Date of incorporation as a third class city		June 1, 1988
Form of government		Mayor/Council/City Administrator
Area		32 square miles
Miles of streets (City maintained)		130
Miles of sidewalks (City maintained)		100
Number of street lights (City provided) (1)		10
Police protection:		
Number of full-time employees		79
Commissioned officers		72
Other full-time employees		7
Other part-time employees		2
Police Station		1
Total employees, full-time		153
Fire protection:		
The City's coverage is provided by two districts:		
Metro West Protection District		
Chesterfield Fire Protection District		
The City is served by the Parkway and Rockwood School Districts.		
The City's electric is supplied by Union Electric; natural gas is supplied by Laclede Gas; water is supplied by St. Louis County Water Company; sewer service is provided by Metropolitan St. Louis Sewer District. All four of these companies are publicly held utilities.		
The library serving the City of Chesterfield is the Daniel Boone and the Thornhill branches of the St. Louis County Library System.		
Population (2):	1988	34,486
	1990	37,990
	1992	42,325
Number of households (2)	1988 Single Family	9,105
	Multi-Family	3,049
	1990 Single Family	10,541
	Multi-Family	3,246
	1992 Single Family	11,821(4)
	Multi-Family	3,848(4)
Per capita income:		
Median Family Income	1986	\$ 61,800
	1990	75,237
Per Capita Family Income	1979	\$ 12,686
	1987	21,912
	1990	28,019
Number of registered voters	1996	30,579

(Continued)

## CITY OF CHESTERFIELD, MISSOURI

## Miscellaneous Statistical Data, Continued

## Principal taxpayers

<u>Taxpayer</u>	<u>Type of Business</u>	1997 <u>Assessed Valuation</u>	Percentage of <u>Total Assessed Valuation</u>
Monsanto Company	Research/development	\$ 26,159,180	2.83%
JG St. Louis West Limited Liability Co.	Chesterfield Mall	15,976,420	1.73
Union Electric Company	Private utility company	11,902,376	1.29
St. Lukes Episcopal Presbyterian Hospital	Hospital	6,975,710	0.75
Caplaco Inc.	Real estate venture	6,411,460	0.69
Dierberg's	Grocery store	6,229,260	0.67
May Department Stores	Department store	6,096,400	0.66
Wild Horse Joint Venture	Apartment project	5,913,690	0.64
Dillard Department Stores	Department store	5,367,030	0.58
Corporate Plaza Management.	Office buildings	<u>5,140,710</u>	<u>0.56</u>
		<u>\$ 96,172,236</u>	<u>10.40%</u>

## Major employers within the City of Chesterfield:

<u>Company</u>	<u>Type of Business</u>
1. Monsanto Company	Research Company
2. WorldCom Network Services, Inc.	Private Line Telecommunications Service
3. Mark Andy	Printing Press Manufacturer
4. Mallinckrodt	Administrative Office
5. McBride & Sons	Homebuilder/Developer Contractor
6. Cooper Automotive	Administrative Offices
7. Roosevelt Bank	Financial Institution
8. CMS Communications	Remarketer of Telecommunications Services
9. Doubletree Hotel	Hotel
10. Famous Barr	Department Store

## Utility Customers:

<u>Year</u>	<u>Electric Meters(A)</u>	<u>Gas Meters(B)</u>	<u>Water Meters(C)</u>	<u>Telephones (D)</u>
1988	13,462	10,711	9,981	14,945
1989	14,698	11,084	10,127	15,832
1990	15,386	11,377	10,475	16,213
1991	15,602	11,499	10,490	17,229
1992(3)	18,289	13,594	11,797	18,166
1993	18,356	13,554	11,937	18,711
1994	19,048	14,328	12,672	19,855
1995	19,076	14,450	12,789	21,263
1996	19,274	14,608	13,031	23,277
1997	19,789	15,231	13,330	23,564

Source: (A) Union Electric Company  
 (B) Laclede Gas Company  
 (C) St. Louis County Water Company  
 (D) Southwestern Bell Telephone Company

- (1) The City currently provides street lights at selected intersections within the City of Chesterfield. Street lights are primarily provided and maintained by private subdivisions.
- (2) Population data is estimated for the area using the U.S. Census Bureau data for the area.
- (3) The City annexed an area encompassing 1.6 square miles to the east on May 15, 1992.

Source: The City's Public Works Department, Planning and Zoning Department, Finance and Administration Department, Police Department, U.S. Census Bureau, St. Louis County Department of Revenue, Board of Election Commissioners of St. Louis County, St. Louis County Fact Book and Development Strategies.