

**CITY OF CHESTERFIELD, MISSOURI**

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2005

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Report prepared and submitted by the  
Finance and Administration Department

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**CITY OF CHESTERFIELD, MISSOURI**

## Comprehensive Annual Financial Report

December 31, 2005

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## Introductory Section

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March 16, 2006

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

State law and local ordinances require that all general purpose local governments publish a complete set of financial statements presented in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Chesterfield, Missouri (the City) for the fiscal year ended December 31, 2005. This year's Comprehensive Annual Financial Report (CAFR) is the fourth year that the City has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The format and the purpose of these changes are addressed in the Management's Discussion and Analysis (MD&A).

In accordance with the above-mentioned guidelines, the accompanying report consists of three parts:

1. The *Introductory Section* includes this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, a list of City officials, and the City's organizational chart.
2. The *Financial Section* includes the independent auditors' report, MD&A, basic financial statements for the City, required supplementary information, as well as additional supplementary information.
3. The *Statistical Section*, implemented this year under the new standards of governmental accounting and financial reporting Statement No. 44, is intended to improve consistency and comparability in reporting and to provide clearer guidance regarding the applicability of the standards for the statistical section to the City. This section is presented in five categories: financial trends, revenue capacity, debt capacity, demographic and economic, and operating information.

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

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2005 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2005 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditors' Report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal control and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

### **Profile of the City**

The City is located on the western edge of St. Louis County. The City currently occupies a land area of 32 square miles and serves a population of 46,802 residents. The City enjoys a balance of residential neighborhoods, manufacturing and service businesses, and a strong retail base, including Westfield Chesterfield, a regional shopping mall, along with Chesterfield Commons, one of the largest retail power centers in the country.

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. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and eight City Council members. Among other various functions, the City Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the City Administrator, City Attorney, Municipal Judge, and Prosecuting Attorney. The City Administrator is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The City Council is elected on a non-partisan basis. Council members serve two-year staggered terms, with four Council members elected each year. The Mayor is elected at large to serve a four-year term.

The City provides a full range of municipal services. These services include legislative, administrative, police services, judicial, planning, public works, and parks and recreation. In

2005, the City created the Economic and Community Development Division (ECDD) to better position itself as a place to establish a business and raise a family.

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 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. The accompanying financial data presented for the CCDC reflect the twelve months of activity through June 30, 2005. Complete financial statements of the CCDC can be obtained through the Economic and Community Development Division at the City.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Director of Finance and Administration each year. The Director of Finance and Administration uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council for review. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund, this comparison is presented starting on page 49 as required supplementary information. For governmental funds, other than the General Fund, with appropriated annual budgets, comparisons for Special Revenue Funds are found in required supplementary information which begins on page 52 and comparisons for the budgeted Capital Project and Debt Service Funds are found in other supplementary information which begins on page 62.

### **Factors Affecting Financial Condition**

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

**Local Economy.** Primarily located along the Highway 40/I-64 corridor, our economy contains a balanced mix of retail, service, and manufacturing businesses that attract a large consumer and workforce pool reaching far west into St. Charles County and to adjacent communities in the St. Louis region. We are fortunate to have a strong bio-tech presence in Pfizer's research and development facility. Pfizer announced a \$200 million expansion in 2005.

The growth segment of our economy has been in the area of medical facilities with the establishment of several outpatient and medical offices, including several cosmetic enhancement centers. The City is home to nine senior living/assisted care centers along with St. Luke's Hospital, which is a 493-bed regional healthcare provider located in the City. St. Luke's specializes in cardiac services, cancer services, women's health, general medicine, neurosciences, outpatient services, pediatrics, and comprehensive surgical services. Among other awards, it has been named a Top 100 Hospital by Solucient Healthcare and is ranked fifth among the nation's top 10 fertility centers. St. Luke's Hospital is also planning an extensive expansion of its outpatient and cardiac care facilities.

Located in the 1500-acre urban core called Chesterfield Village is our regional mall, Westfield Chesterfield, providing a strong retail base with nearly 200 stores, following a \$71 million renovation in 2005 that included an AMC 14-screen theater, Cheesecake Factory, new food court, and several new retailers, including a Borders bookstore scheduled to open in

late 2006. The Chesterfield Village area is also home to several large office buildings, providing hundreds of jobs for the region with companies such as J.W. Terrill, Maverick, and Rose International.

Having made a dramatic comeback since the flood of 1993, the City's western corridor, referred to as Chesterfield Valley, has expanded rapidly over the last several years to include over 700 businesses, 200 of which are retail. Within this area is the Chesterfield Commons, a power strip-center development with out parcels stretching two miles in length, containing over 150 retailers, restaurants, and service businesses. Additionally, the City has become a financial center with 24 banks or credit unions currently located here, several which have opened within the past two years to including the new headquarters for First Community Credit Union.

In order to restore economic prosperity to the Chesterfield Valley after the Flood of 1993, the City Council designated this area as a tax increment financing (TIF) district. With the assistance of this financing, the Monarch-Chesterfield Levee District and the City are raising the 11 miles of levee surrounding the Chesterfield Valley to a 500-year flood event level. In addition, using Economic Development Act (EDA) grant funds, the City installed pumps in the Valley to dramatically improve interior drainage.

Additional growth is coming to the far west end of the Chesterfield Valley that includes the redevelopment of a 32-acre parcel that is the former Adult Correction Institution owned by St. Louis County. A \$44 million proposal from a private entity to redevelop this property to include nearly 400,000 square feet of Class A office space and bring 1,600 jobs is currently under negotiation with St. Louis County. Additionally, the Monarch-Chesterfield Levee District and the City are partnering to install water and sewer lines in a 400-acre portion of the Valley that will encourage development around the Spirit of St. Louis Airport. Placement of the infrastructure is scheduled to begin in 2007. A 130-acre mixed-use retail and office development called Blue Valley is already planned in this area along with a 35-acre light-industrial development, Wings Corporate Estates.

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 \$1,548,311,988 as of January 1, 2005 represents an increase of 11.8% from \$1,385,266,830 as of January 1, 2004, and an increase of 232.6% from \$465,549,049 as of January 1, 1988, the time of the City's incorporation.

**Long-term Financial Planning.** The City confines long-term borrowing to capital improvements or projects that cannot be financed from current revenues, and where the issuance of long-term debt is required, it pays back the bonds within a period not to exceed the expected useful life of the project. Highlighted below are the actions of the City regarding the City's long-term needs.

The voters of the City approved a ½-cent capital improvement sales tax for street and sidewalk improvements in 1997. These funds are being used to repay debt on the general obligation bonds approved at the same time for major reconstruction projects. In addition, the sales tax will be used to fund major street and sidewalk improvements in the future. It is anticipated that approximately \$2.5 million will be available from the ½-cent sales tax to fund continued major street and sidewalk improvements well into the future.

The City plans to continue to explore options based on a recent survey of our residents relative to park improvements that was performed by Leisure Vision. Some of the recommendations resulting from the study include exploring opportunities to partner with St. Louis County and private providers of recreation services, pursuing opportunities to acquire open space in the City, and providing walking paths and an outdoor amphitheatre and lake in Central Park. In response to these efforts, voters passed a ½-cent sales tax for parks in November 2004. This sales tax took effect in April 2005. During 2005, the City purchased additional land and spent over \$2.2 million engineering and designing parks improvements.

The City also completed the "Pathway on the Parkway" sidewalk and beautification project along the west side of Chesterfield Parkway and the Highway 340 beautification project during the summer of 2005. The cost for both of these projects was funded through transfers out of the Capital Improvement Sales Tax Trust Fund and offset by one-time federal grants provided under the Transportation Efficiency Act.

In November 2005, voters in Chesterfield Valley approved the creation of a Transportation Development District (TDD) with an additional 3/8-cent sales tax in that area. The TDD will fund over \$25 million of significant transportation related improvement projects, including: realignment and creation of a single signalized intersection at Wild Horse Creek, Long, and Kehrs Mill roads; widening of Long Road from Chesterfield Airport Road to Wild Horse Creek Road, and roadway construction on Chesterfield Airport Road at Spirit of St. Louis Boulevard. This sales tax will take effect in March 2006.

**Cash Management Policies and Practices.** Cash temporarily idle during the year was invested in obligations of the U.S. Treasury and repurchase agreements. The maturities of the investments range from overnight to 3 years, with an average maturity of 12 months. The average yield on investments was 2.75% for the City. Investment income includes appreciation in the fair value of investments. Increases in the fair value during the current year, however, do not necessarily represent trends that will continue, nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the City intends to hold to maturity.

**Risk Management.** The City is a member of a public entity risk pool comprised of various municipalities in St. Louis County, Missouri. This pool covers workers' compensation and liability exposures (St. Louis Area Insurance Trust - SLAIT). The purpose of this pool is to share the cost of self-insurance with other similar cities. The Daniel & Henry Company provides claims administration for the trust. Additional information on the City's risk management activity can be found in Note 8 of the notes to the basic financial statements.

**Debt Administration.** At year-end, the City had seven debt issues outstanding. These issues include \$6,990,000 in general obligation bonds for parks, \$1,845,000 in certificates of participation related to the City's capital lease obligation for the construction of a Public Works Facility, \$8,745,000 and \$12,515,000 in general obligation bonds for streets and sidewalks, and \$15,580,000 in certificates of participation related to the City's capital lease obligation for the City Hall. Additionally, in 2005 the City issued crossover refunding bonds for streets and sidewalks for \$17,760,000 and certificates of participation for parks for \$25,710,000. The City also had a series of notes to the Monarch-Chesterfield Levee District for levee and storm water improvements in Chesterfield Valley, most of which were refunded with TIF Refunding and Improvement Revenue Bonds issued in April 2002. The outstanding amounts of these notes were \$6,376,312 and TIF bonds totaled \$29,335,000.

**Retirement Plan.** The City sponsors a single-employer defined contribution retirement plan for its employees. 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 are fully vested (100%) after five years of service. The City's contribution for 2005 was \$670,458 or approximately 8% of covered payroll less any forfeitures from terminated nonvested employees. Total covered payroll for the year was \$8,352,303 or 88% of the City's total payroll of \$9,521,908.

Additional information on the City's pension arrangements can be found in Note 10 in the notes to the basic financial statements.

## **Awards and Acknowledgements**

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the City for its CAFR issued for the fiscal year ended December 31, 2004. This was the fourteenth consecutive year the City has received this prestigious award, an impressive accomplishment for the City's sixteenth full year of operation. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

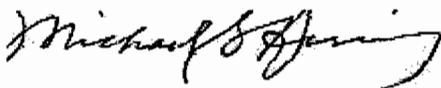
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 2005. This was the fifteenth 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.

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

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

Respectfully submitted,



Michael G. Herring  
City Administrator



Jeremy T. Craig  
Director of Finance & 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, 2004

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.



*Carla E. Perry*

President

*Jeffrey R. Emer*

Executive Director

**CITY OF CHESTERFIELD, MISSOURI**

City Officials

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**MAYOR**

John Nations

**COUNCIL MEMBERS**

**Ward 1:**

Barry Flachsbart

Jane Durrell

**Ward 2:**

Barry Streeter

Bruce Geiger

**Ward 3:**

Daniel Hurt

Mike Casey

**Ward 4:**

Mary K. Brown

Connie Fults

**CITY ADMINISTRATOR**

Michael G. Herring

**DIRECTOR OF FINANCE AND  
ADMINISTRATION**

Jeremy T. Craig

**CITY CLERK**

Marty DeMay

**POLICE CHIEF**

Ray Johnson

**DIRECTOR OF PLANNING**

Teresa Price

**DIRECTOR OF PUBLIC WORKS**

Michael O. Geisel

**CITY ATTORNEY**

Robert M. Heggie

**JUDGE**

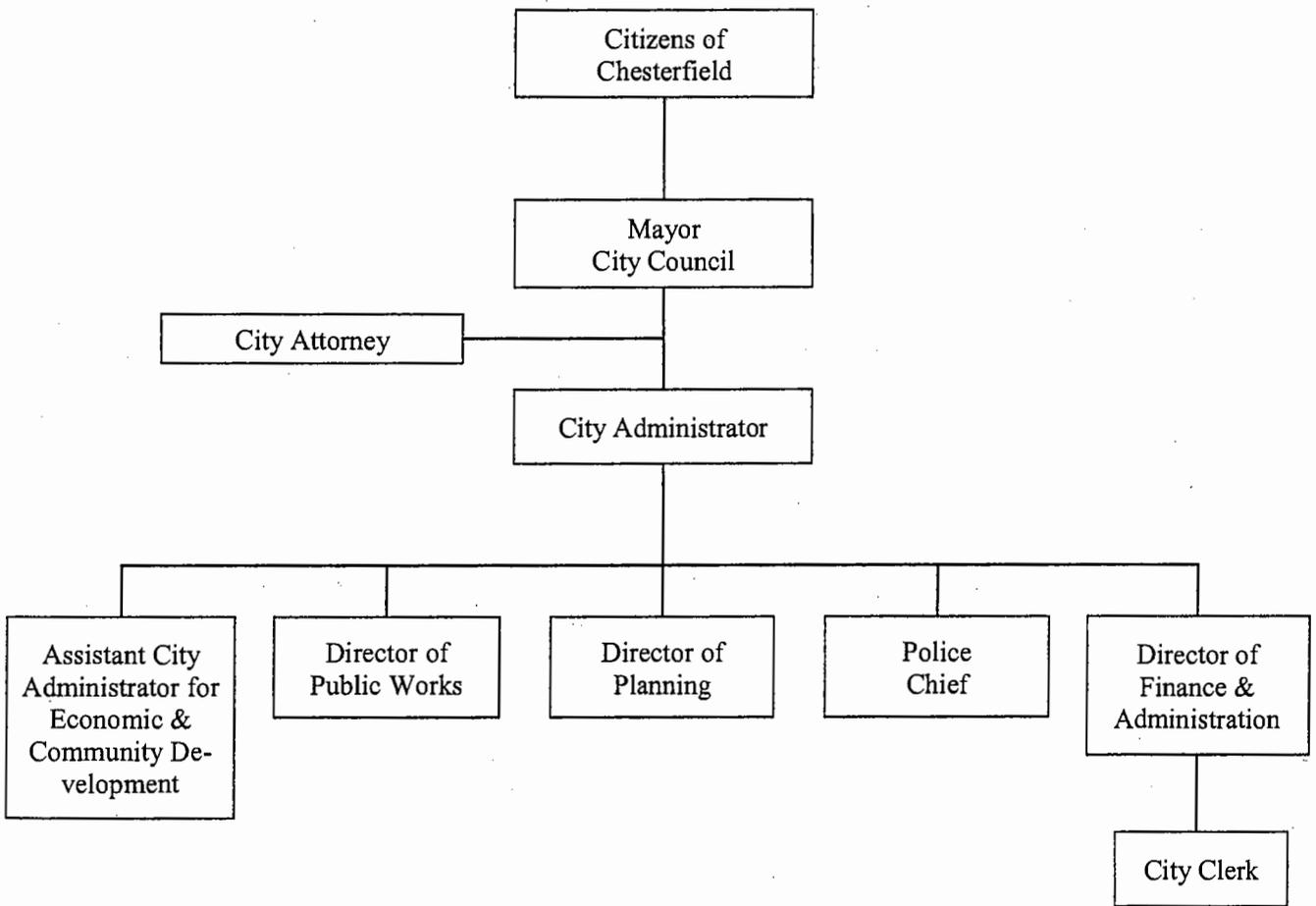
Richard K. Brunk

**PROSECUTING ATTORNEY**

Tim Engelmeyer

**CITY OF CHESTERFIELD**  
**MISSOURI**

**Organizational Chart**  
**2005**





**E** City of  
Chesterfield

*690 Chesterfield Parkway West  
Chesterfield, MO 63017  
[www.chesterfield.mo.us](http://www.chesterfield.mo.us)*



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## Financial Section

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

## INDEPENDENT AUDITORS' REPORT

March 16, 2006

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF CHESTERFIELD, MISSOURI** (the City) as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2005, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 16, 2006, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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 1000 Washington Square, P.O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

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The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

*Hochschild, Bloom + Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

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## **Management's Discussion and Analysis**

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**City of Chesterfield, Missouri**  
**Management's Discussion and Analysis**  
**December 31, 2005**

As management of the City of Chesterfield, Missouri (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report along with the City's financial statements, including the footnotes that follow this Management's Discussion and Analysis.

**Financial Highlights**

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent fiscal year by \$114,937,321. The City has unrestricted net assets totaling (\$23,133,146) due to \$35,711,312 in TIF Refunding and Improvement Revenue Bonds outstanding at year-end for infrastructure assets not owned by the City.
- General revenues for governmental activities were \$39,135,818 which included \$25,584,469 (65.4%) in sales, gross receipts, and sewer lateral taxes. Property taxes accounted for \$11,210,863 (28.6%) of general revenues.
- Net expense from the various functions of governmental activities was \$24,445,381. General government was \$2,185,105 (8.9%), public works was \$10,349,156 (42.3%), public safety was \$6,512,385 (26.6%), planning was \$554,696 (2.3%), and community development was \$65,848 (0.3%).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$80,698,144 an increase of \$37,979,867 in comparison with the prior year. Approximately 14.7% of this total amount or \$11,854,734 is available for spending at the City's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$11,996,698 (80.3%) of total General Fund expenditures.
- The City's total debt increased by \$32,360,409 (35%) during the current fiscal year.

**Overview of the Financial Statements**

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

**Government-wide Financial Statements**

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

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

**City of Chesterfield, Missouri**  
**Management's Discussion and Analysis**  
**December 31, 2005**

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and accrued vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, parks and recreation, judicial, planning, public works, public safety, and community development. The City does not have any business-type activities.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Chesterfield Community Development Corporation, discretely presented, for which the City is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 24 through 25 of this report.

### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds. It should be noted that the City does not have any proprietary funds.

### **Governmental Funds**

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Chesterfield Valley Tax Increment Financing Fund, Capital Improvement Sales Tax Trust Fund, Parks Construction Fund, Parks Sales Tax Fund, TIF Bond Debt Service Fund, R & S Debt Service Fund, and Capital Project Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation called "other governmental funds". Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the other supplementary information section in this report.

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The City adopts an annual appropriated budget for its General Fund, Chesterfield Valley Tax Increment Financing Special Revenue Fund, Capital Improvement Sales Tax Trust Special Revenue Fund, Parks Sales Tax Special Revenue Fund, TIF Bond Debt Service Fund, Parks 1998 Debt Service Fund, Public Works Facility 1995 and 2002 Debt Service Fund, R & S Debt Service Fund, City Hall Debt Service Fund, and Capital Project Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

The governmental fund financial statements can be found on pages 26 through 29 of this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The statement of fiduciary net assets can be found on page 30 of this report.

### **Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 31 through 48 of this report.

### **Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 49 through 56 of this report.

### **Other Supplementary Information**

The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 57 through 70 of this report.

### **Government-wide Financial Analysis--Financial Analysis of the City as a Whole**

This is the fourth year that the City has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis for State - and Local Governments*. Therefore, a comparative analysis of government-wide data is also included in this report.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, the net assets of \$114,937,321 increased in 2005 by approximately 14.6% as compared to the previous year.

At the end of 2005, the City had positive balances in two of its categories of net assets, (invested in capital assets, net of related debt and restricted net assets), however, its unrestricted net assets had a deficit balance of \$23,133,146.

The largest portion of the City's net assets, \$106,461,560 in 2005 (up approximately 4% from 2004), reflects its investment in capital assets (e.g. land, infrastructure, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City

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uses these capital assets to provide services to citizens. Consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

			<b>Governmental Activities</b>	
			<b>December 31</b>	
			<b>2005</b>	<b>2004</b>
<b>ASSETS</b>				
Current and other assets	\$	87,506,409	46,213,045	
Capital assets, not depreciated		93,079,324	87,588,063	
Capital assets, net		64,961,232	63,039,685	
Total assets		245,866,761	196,840,793	
 <b>LIABILITIES</b>				
Long-term liabilities		126,768,559	93,479,298	
Other liabilities		4,160,881	3,114,611	
Total liabilities		130,929,440	96,593,909	
 <b>NET ASSETS</b>				
Invested in capital assets, net of related debt		106,461,560	102,724,442	
Restricted		31,608,907	30,719,989	
Unrestricted		(23,133,146)	(33,197,547)	
Total net assets	\$	114,937,321	100,246,884	

An additional portion of the City's net assets, \$31,608,907 in 2005, represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

The remaining category of the City's net assets represents a deficit *unrestricted net assets* balance of (\$23,133,146) in 2005. This deficit is the result of the balance of \$35,711,312 in TIF Refunding and Improvement Revenue Bonds Series 2002 outstanding at year-end for infrastructure assets not owned by the City. The TIF Refunding and Improvement Revenue Bonds Series 2002 are limited obligations of the City and are funded only by incremental revenues generated within the TIF district.

**Governmental Activities**

Governmental activities increased the City's net assets by \$14,690,437. Key elements of this are as follows:

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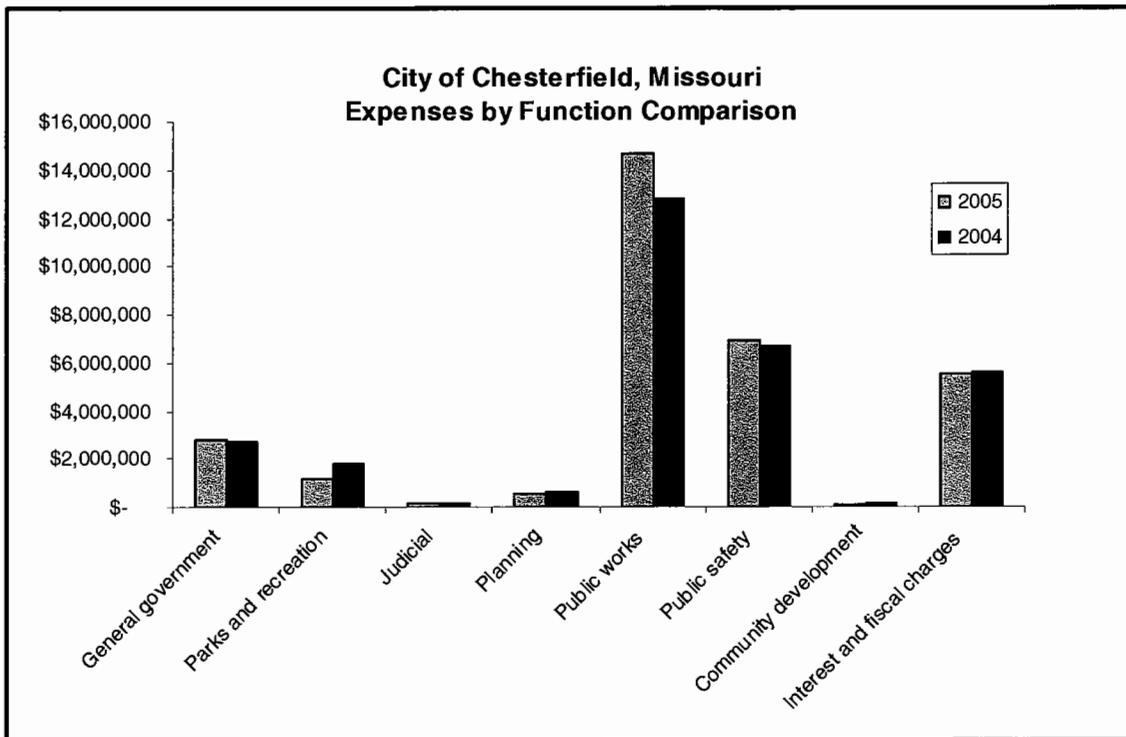
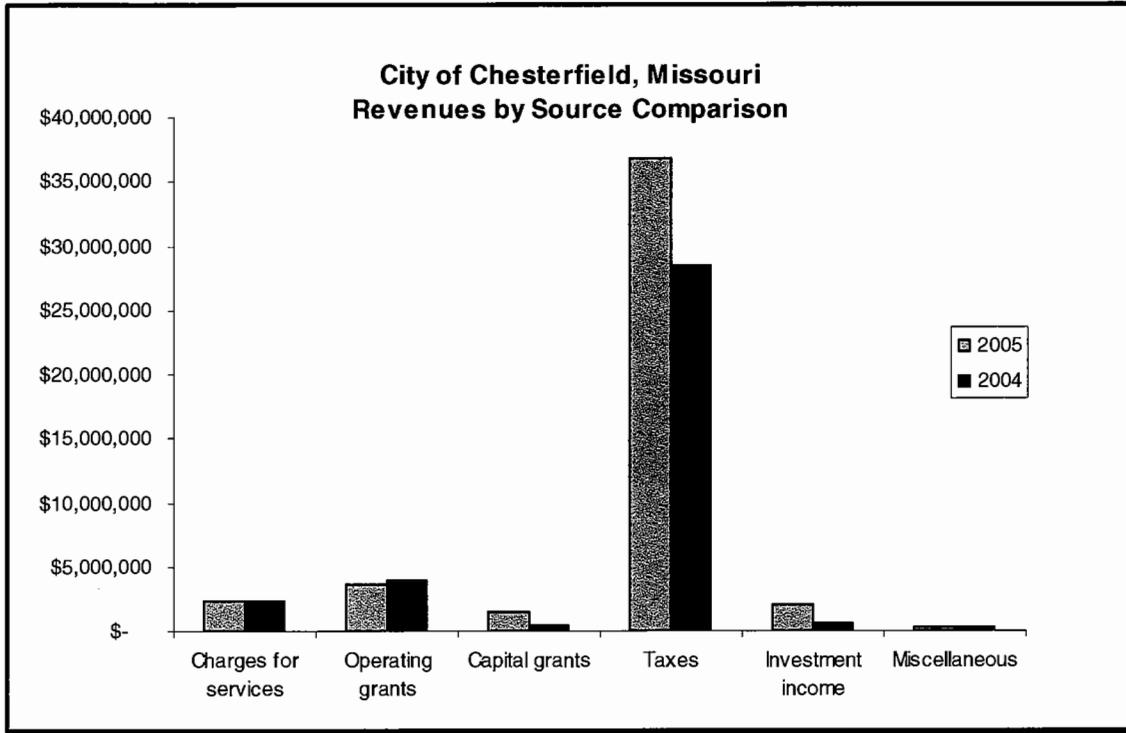
	<b>Governmental Activities</b>	
	<b>For the years</b>	
	<b>ended December 31</b>	
	<b>2005</b>	<b>2004</b>
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 2,393,896	2,382,363
Operating grants and contributions	3,623,959	4,005,610
Capital grants and contributions	1,464,064	365,850
General revenues:		
Taxes	36,795,332	28,490,375
Unrestricted interest earning	2,020,949	524,489
Miscellaneous	319,537	284,068
Total revenues	46,617,737	36,052,755
<b>EXPENSES</b>		
General government	2,820,464	2,732,076
Parks and recreation	1,200,554	1,819,602
Judicial	184,064	177,183
Planning	578,915	592,138
Public works	14,714,417	12,830,243
Public safety	6,877,264	6,694,462
Community development	65,848	139,090
Interest and fiscal charges	5,485,774	5,598,446
Total expenses	31,927,300	30,583,240
<b>CHANGE IN NET ASSETS</b>	14,690,437	5,469,515
<b>ENDING NET ASSETS</b>	\$ 114,937,321	100,246,884

**Changes in Net Assets**

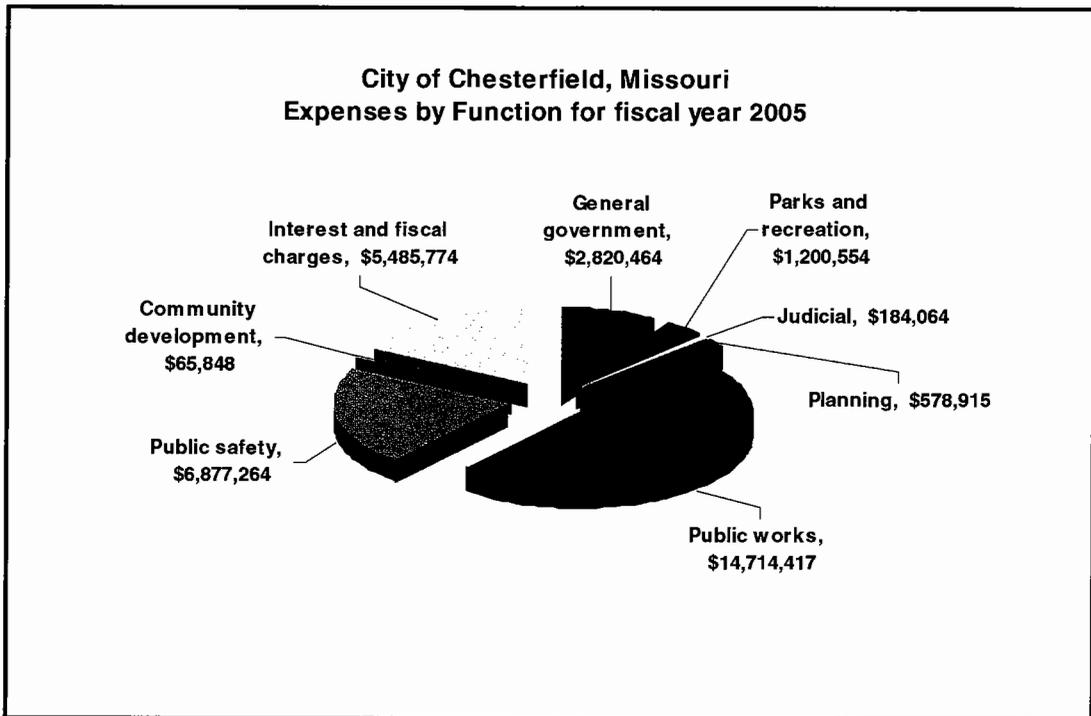
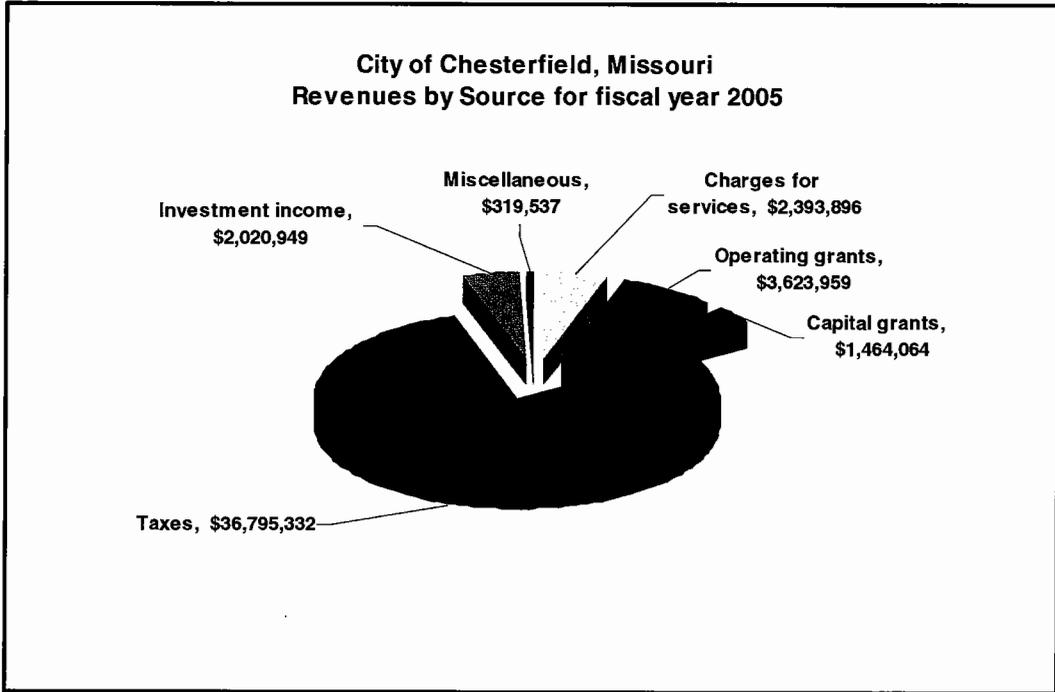
In 2005, the City's total revenue on a government-wide basis was \$46,617,737, an increase of \$10,564,982 as compared to 2004. This increase was primarily attributable to a new parks sales tax of \$3,422,207 that was effective April 1, 2005 and increased sales tax revenues in the Chesterfield Valley TIF District of \$1,729,548. Interest earned from investment also increased significantly, an increase of \$1,496,460 over 2004.

While the total revenues increased \$10,564,982 (29.3%) from last year, total expenses only increased by \$1,344,060 (4.4%) from last year. As a result, the change in net assets had increased significantly, \$14,690,437 (14.6%).

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## **Financial Analysis of the City's Funds**

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

### **Governmental Funds**

The focus of the City's governmental funds is to provide information on inflows and balances of available expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

#### *General Fund*

At the end of year 2005, the unreserved fund balance of the General Fund was \$11,996,698, while the total fund balance was \$12,271,965. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers out. Unreserved fund balance represents 71.9% of total General Fund expenditures and transfers out of \$16,691,281, while total fund balance represents 73.5% of total General Fund expenditures and transfers out.

The fund balance in the City's General Fund increased by \$1,089,526 (9.7%) from the prior year fund balance. The change of the current year's fund balances are mainly due to:

- Sales tax increased by \$316,395 entirely based on the volume and number of new businesses in the City.
- Utility gross receipts of gas increased \$212,000 over the previous year due significantly to the strength of natural gas. The price remained at historic highs.
- Interest from investments was up by \$195,385 due to the interest rate increases during the second half of 2005 and the City purchasing a number of short-term certificates of deposit that yielded relatively high interest.

#### *Other Major Governmental Funds*

Changes in fund balances for other major governmental funds can be described as follows:

- Chesterfield Valley Tax Increment Financing Fund decreased by \$360,641 (2.7%) from the fund balance from last year. This decrease was a result of the transfer of project reimbursements of \$415,292 to the General Fund. Additionally, the City had capital outlay of \$134,848 to improve Edison Avenue. At the end of December 31, 2005, the unreserved fund balance and total fund balance was \$12,689,775.
- Capital Improvement Sales Tax Trust Fund decreased by \$742,344 (48.4%). This decrease of almost one half of total fund balance was a result of a \$3,895,720 transfer out to Capital Project Fund for street and sidewalk replacements, and \$2,115,478 transfer out to other governmental major funds to pay for principal and interest for R & S Debt Service Funds.
- Parks Construction Fund ended the year 2005 with a unreserved fund balance of \$20,465,583. The largest portion of this amount was proceeds from issuing the Certificates of Participation Series 2005 for \$25,710,000 minus the purchase of land in the amount of \$3,596,163 for additional parks and construction for parks improvement.

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- Parks Sales Tax Fund ended the year 2005 with a unreserved fund balance of \$1,107,486. This ½-cent sales tax generated total revenue of \$3,422,207 in 2005. Parks sales tax was effective on April 1, 2005.
- TIF Bond Debt Service Fund ended the year 2005 with an unreserved fund balance of \$5,241,449 or a decrease of \$1,433,610 (21.5%) due to increased bond redemption from \$3,340,000 in 2004 to \$6,660,000 in 2005.

**Fiduciary Funds**

The City maintains Agency Funds for monies received and held for the benefit of others for the following purposes:

- Bond deposits held to ensure a defendant's appearance in court.
- Proceeds received in connection with a joint program sponsored by the City and the local explorer's post.
- Collection and release of the monies for future road way improvements to ensure completion of the projects.
- Collection and release of monies in connection with various permits issued for construction projects.

At the end of 2005, cash and cash equivalents had decreased \$296,029 (to \$1,504,107) from year 2004 due to normal activity.

**General Fund Budgetary Highlights**

Final results for any given year will generally differ from that year's adopted budget. The final revised budget of the City's General Fund for 2005 was \$15,719,021, which differs from the original adopted budget of \$15,442,600 by \$276,421. These supplemental appropriations are summarized as follows:

- \$85,000 increase to support legal services
- \$20,421 increase to support administration
- \$275,000 increase to support public works
- \$79,000 decrease in public safety
- \$25,000 decrease in planning

After budget transfers, the General Fund ended the year with an operating surplus of \$2,323,245. This surplus was \$756,484 (48.3%) more than the estimated amount of \$1,566,761 from the final revised budget as a result of management of budgetary expenditures. The only three positive variance for revenues were court fines and forfeitures, investment income, and miscellaneous. The remaining categories mostly had negative variances. As a result, the total revenues were \$31,802 (.2%) less than estimated amount of \$17,285,782.

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**Capital Assets**

The City has invested \$158,040,556 in a broad range of capital assets, including park facilities, roads, buildings, machinery and equipment, and automobiles and trucks. This amount represents a net increase for the current fiscal year (including additions and deductions) of \$7,412,808. In 2005, the City added:

<u>Capital Assets, Net of Depreciation</u>		
<u>December 31</u>		
	<u>2005</u>	<u>2004</u>
Land	\$ 18,214,751	14,242,781
Right-of-way	73,303,530	73,303,530
Buildings and other improvements	20,080,886	19,975,976
Machinery and equipment	1,809,225	1,812,376
Automobiles and trucks	1,567,695	1,310,735
Infrastructure (including construction-in-progress)	43,064,469	39,982,350
Total	<u>\$ 158,040,556</u>	<u>150,627,748</u>

Additional information on the City's capital assets can be found in Note 4 in the notes to the basic financial statements.

**Long-Term Debt**

At the end of December 2005, the City had outstanding long-term debt obligations for governmental activities in the amount of \$124,856,312 compared to \$92,495,903 in 2004. Of this amount, \$46,010,000 is general obligation bonds and \$35,711,312 is tax increment financing notes payable and bonds. Certificates of participation outstanding totaled \$43,135,000. The 35% increase in the City's long-term debt obligations is due to the City Crossover Refunding General Obligation Bonds (R & S I) Series 1997 and General Obligation Bonds (R & S II) Series 1999 and reissued \$17,760,000 of General Obligation Bonds Series 2005. In January 2005, the City issued \$25,710,000 principal amount of Certificates of Participation Series 2005, to provide funds to acquire land for parks and recreation. Additionally, the City issued \$914,395 to the Levee District Note Series 2002 that was endorsed in January, May, and September of 2005.

The City's governmental activities debt is detailed below:

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	<b>Outstanding Long-term Debt Obligations</b>		
	<b>For the years</b>		<b>Percent</b>
	<b>ended December 31</b>		
	<b>2005</b>	<b>2004</b>	<b>Change</b>
Certificate of Participation Series 2002	\$ 1,845,000	2,000,000	(7.8%)
Certificate of Participation (Government Center) Series 2004	15,580,000	15,820,000	(1.5)
Certificate of Participation (Park) Series 2005	25,710,000	-	100.0
General Obligation Bonds (R & S) Series 1997	8,745,000	9,265,000	(5.6)
General Obligation Bonds (R & S) Series 1999	12,515,000	13,055,000	(4.1)
General Obligation Bonds (R & S) Series 2005	17,760,000	-	100.0
General Obligation Bonds (Park) Series 1998	6,990,000	7,520,000	(7.0)
Levee District Note (Phase III)	6,376,312	5,950,903	7.1
TIF Refunding and Improvement Bonds	29,335,000	38,885,000	(24.5)
<b>Total</b>	<b>\$ 124,856,312</b>	<b>92,495,903</b>	<b>35.0%</b>

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for fiscal year 2005 was \$154,831,199. The City's effective legal debt margin as of December 31, 2005 was \$109,895,902.

Additional information on the City's long-term debt can be found in Note 13 in the notes to the basic financial statements.

**Economic Factors and Next Year's Budget**

- The fiscal year 2006 annual budget for the General Fund is \$16,066,040, an increase of \$347,019 (2.2%) from the 2005 amended budget.
- The 2006 annual fund for Special Revenue TIF Fund is \$1,151,597 that also increases \$909,597 from 2005 budget. This increase is budgeted to cover the amount of TIF notes issued by the Levee District for completing the storm water projects.
- Capital Improvement Fund operating transfer out budget for 2006 is \$4,623,175. This amount is \$927,986 lower than 2005 budget due to a one time construction of Pathway on the Parkway that was completed in 2005 and totaled approximately \$1.6 million.
- Park sales tax revenues in 2005 exceeded expectations due to positive growth in the local economy. The 2006 sales tax projection is \$4,850,000, an increase of \$2,350,000 (94%) from the 2005 budget. This increase is based upon continued growth, the completion of renovations at the Chesterfield Mall, and a full year of revenues.

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**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance and Administration, 690 Chesterfield Parkway West, Chesterfield, MO 63017-0760.



**E** City of  
Chesterfield

*690 Chesterfield Parkway West  
Chesterfield, MO 63017  
[www.chesterfield.mo.us](http://www.chesterfield.mo.us)*

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## **Basic Financial Statements**

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**CITY OF CHESTERFIELD, MISSOURI**  
**Statement of Net Assets**  
**December 31, 2005**

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Chesterfield Community Development Corporation</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 47,536,596	28,649
Cash refunding escrow	17,909,868	-
Investments	7,016,721	-
Receivables, net	13,467,248	-
Deferred charges	1,620,280	-
Other assets	275,492	-
Capital assets not being depreciated	93,079,324	-
Capital assets, net of accumulated depreciation	64,961,232	-
Total assets	<u>245,866,761</u>	<u>28,649</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,491,924	-
Accrued salaries and other benefits	215,515	-
Accrued interest payable	1,560,057	-
Unearned revenue	869,665	-
Other liabilities	23,720	-
Long-term liabilities:		
Due within one year	6,365,318	-
Due in more than one year	120,403,241	-
Total liabilities	<u>130,929,440</u>	<u>-</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	106,461,560	-
Restricted:		
Debt service	831,382	-
Capital project	792,411	-
Parks improvement project	1,107,486	-
Tax increment financing projects	28,097,210	-
Sewer lateral repair project	780,418	-
Unrestricted deficit	(23,133,146)	28,649
Total net assets	<u>\$ 114,937,321</u>	<u>28,649</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Statement of Activities**  
**For the year ended December 31, 2005**

Functions/Programs	Program Revenues			Net Revenues (Expenses) and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Component Unit	
				Primary Governmental Activities	CCDC
<b>Primary Government</b>					
Governmental activities:					
General government	\$ 2,820,464	635,359	-	(2,185,105)	-
Parks and recreation	1,200,554	778,892	10,330	38,668	-
Judicial	184,064	852,979	-	668,915	-
Planning	578,915	24,219	-	(554,696)	-
Public works	14,714,417	63,105	3,288,092	(10,349,156)	-
Public safety	6,877,264	39,342	325,537	(6,512,385)	-
Community development	65,848	-	-	(65,848)	-
Interest and fiscal charges	5,485,774	-	-	(5,485,774)	-
Total governmental activities	\$ 31,927,300	2,393,896	3,623,959	(24,445,381)	-
<b>Component Unit</b>					
CCDC	\$ 229,409	24,076	30,744	-	(174,589)
General revenues and transfers:					
Taxes:					
Property taxes, levied for general purpose				10,360,988	-
Property taxes, levied for debt service				849,875	-
Sales and local use taxes				19,524,090	-
Gross receipts taxes (includes franchise tax)				5,473,216	-
Miscellaneous taxes (includes sewer lateral)				587,163	-
Gain on sale of capital assets				-	523
Unrestricted interest earnings				2,020,949	240
Miscellaneous				319,537	440
Support provided by City of Chesterfield, Missouri				-	69,545
Total general revenues and transfers				39,135,818	70,748
Changes in net assets				14,690,437	(103,841)
Net assets - beginning of year				100,246,884	132,490
Net assets - end of year				\$ 114,937,321	28,649

**CITY OF CHESTERFIELD, MISSOURI**  
Balance Sheet  
Governmental Funds  
December 31, 2005

	Major Funds										Nonmajor Funds			
	Chesterfield					Capital Improvement					R & S		Total	
	General	Valley Tax Increment Financing	Sales Tax Trust	Parks Construction	Parks Sales Tax	TIF Bond Debt Service	Parks Construction	Parks Sales Tax	TIF Bond Debt Service	R & S Debt Service	Capital Project	Other Governmental Funds	Governmental Funds	Total Governmental Funds
<b>ASSETS</b>														
Cash and cash equivalents - unrestricted	\$ 5,673,942	4,813,965	456,231	20,565,446	520,756	5,236,689	6,120	17,909,868	-	-	10,263,447	47,536,596	17,909,868	7,016,721
Cash refunding escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments - unrestricted	5,016,721	2,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Receivables:														
Municipal taxes	1,329,529	8,329,712	699,720	-	817,027	-	-	-	-	-	444,440	11,620,428	752,964	226,790
Intergovernmental	720,784	-	32,180	-	-	-	-	-	-	-	-	-	-	-
Interest	99,788	26,038	-	70,486	-	1,818	-	2,942	-	-	28,660	867,066	825,281	275,492
Other	697,179	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	536,635	288,646	-	-	-	-	-	-	-	-	-	-	-	-
Prepays	275,267	-	-	-	225	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 14,349,845</u>	<u>15,458,361</u>	<u>1,188,131</u>	<u>20,635,932</u>	<u>1,504,953</u>	<u>5,241,449</u>	<u>17,915,988</u>	<u>10,736,547</u>	<u>87,031,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>														
<b>Liabilities</b>														
Accounts payable	\$ 851,022	37,563	-	170,349	56,278	-	-	-	-	-	376,712	1,491,924	215,515	825,281
Accrued salaries and other benefits	215,515	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	273,646	-	395,720	-	128,739	-	-	-	-	-	27,176	3,776,622	23,265,228	24,695,583
Deferred revenue	713,977	2,731,023	-	-	212,450	-	-	-	-	-	119,172	23,720	-	-
Other liabilities	23,720	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>2,077,880</u>	<u>2,768,586</u>	<u>395,720</u>	<u>170,349</u>	<u>397,467</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,060</u>	<u>6,333,062</u>	<u>1,491,924</u>	<u>215,515</u>
<b>Fund balances</b>														
Reserved:														
Prepays	275,267	-	-	-	225	-	-	-	-	-	-	-	-	-
Unreserved, reported in:														
General Fund - designated for subsequent year expenditures	141,964	-	-	-	-	-	-	-	-	-	-	-	-	-
General Fund - undesignated	11,854,734	-	-	-	1,107,261	-	-	-	-	-	8,675,781	11,854,734	23,265,228	24,695,583
Special Revenue Funds	-	12,689,775	792,411	20,465,583	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	<u>12,271,965</u>	<u>12,689,775</u>	<u>792,411</u>	<u>20,465,583</u>	<u>1,107,486</u>	<u>5,241,449</u>	<u>17,915,988</u>	<u>10,213,487</u>	<u>87,031,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 14,349,845</u>	<u>15,458,361</u>	<u>1,188,131</u>	<u>20,635,932</u>	<u>1,504,953</u>	<u>5,241,449</u>	<u>17,915,988</u>	<u>10,736,547</u>	<u>87,031,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
**December 31, 2005**

Total fund balances - governmental funds - balance sheet	\$	80,698,144
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements. This is amount by which capital assets (\$213,895,467) exceeded accumulated depreciation (\$55,854,911) as of December 31, 2005.		158,040,556
Property taxes are assessed by the City, but are not collected as of December 31, 2005 and deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements.		2,850,196
Court fines receivable as of December 31, 2005 are deferred within the fund financial statements. This amount is recognized in the government-wide financial statements.		56,761
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as liabilities within the fund financial statements. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported on the government-wide statement of net assets. Also, during the year the City issued new debt and refunded some of its existing debt. Discounts, premiums, and bond issuance costs are reported in the governmental fund financial statements when the debt was issued, whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements. Balances as of December 31, 2005 are:		
Accrued compensated absences, vacation, and compensatory time-off		(557,915)
Accrued interest on outstanding debts as of year-end 2005		(1,560,057)
Bonds, notes payable, and lease obligations outstanding		(124,856,312)
Unamortized bond premium		(1,477,674)
Unamortized bond discount		123,342
Unamortized bond issuance cost for debts issued in the current year		634,533
Unamortized bond issuance cost for debts issued in the previous year		985,747
		985,747
Total net assets - governmental activities - statement of net assets	\$	114,937,321

**CITY OF CHESTERFIELD, MISSOURI**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended December 31, 2005**

	Major Funds										Nonmajor Funds	
	Chesterfield		Capital Improvement		Parks Construction	Parks Sales Tax	TIF Bond Debt Service	R & S Debt Service	Capital Project	Other Governmental Funds		Total Governmental Funds
	Valley Tax Increment Financing	Sales Tax Trust	Sales Tax	Trust								
<b>REVENUES</b>	<b>General</b>											
Municipal taxes	\$ 10,600,514	14,184,541	4,230,947	-	3,422,207	-	-	-	-	1,205,109	33,643,318	
Licenses and permits	1,276,560	-	-	-	-	-	-	-	-	-	1,276,560	
Intergovernmental	3,750,600	-	892,795	-	-	-	-	-	-	40,016	4,683,411	
Charges for services, net	129,755	-	-	-	778,846	-	-	-	-	-	908,601	
Court fines and forfeitures	876,978	-	-	-	-	-	-	-	-	-	876,978	
Investment income, net arbitrage	285,800	131,147	65,112	644,225	17,404	256,174	294,506	-	-	326,581	2,020,949	
Miscellaneous	333,773	17	80,000	-	460,376	-	-	-	-	-	874,166	
Total revenues	17,253,980	14,315,705	5,268,854	644,225	4,678,833	256,174	294,506	-	-	1,571,706	44,283,983	
<b>EXPENDITURES</b>												
Current:												
Legislative	66,930	-	-	-	-	-	-	-	-	-	66,930	
Administrative	2,234,826	-	-	-	-	-	-	-	-	-	2,234,826	
Police services	6,668,314	-	-	-	-	-	-	-	-	25,653	6,693,967	
Judicial	183,888	-	-	-	-	-	-	-	-	-	183,888	
Planning and zoning	568,524	-	-	-	-	-	-	-	-	-	568,524	
Public works	4,277,081	1,251,656	-	-	-	-	-	235,456	-	2,611,325	8,375,518	
Parks and recreation	-	-	-	1,669,925	1,999,367	-	-	-	-	-	3,669,292	
Capital outlay	931,172	-	-	4,311,286	651,930	-	-	4,382,344	-	1,794,454	12,071,186	
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest and fiscal charges	-	-	-	-	-	10,038,986	1,060,000	-	-	925,000	12,023,986	
Cost of issuance	-	-	-	-	-	1,795,362	1,375,997	-	-	2,015,077	5,186,436	
Total expenditures	14,930,735	1,251,656	-	5,981,211	2,651,297	11,834,348	2,618,437	4,617,800	-	488,691	671,131	
Excess (deficiency) of revenues over (under) expenditures	2,323,245	13,064,049	5,268,854	(5,336,986)	2,027,536	(11,578,174)	(2,323,931)	(4,617,800)	-	(6,288,494)	(7,461,701)	
<b>OTHER FINANCING SOURCES (USES)</b>												
Premium on refunding certificates of participation	-	-	-	90,000	-	-	-	-	-	491,198	581,198	
Premium on refunding general obligation bonds	-	-	-	-	-	-	-	-	-	-	364,440	
Certificates of participation issued	-	-	-	25,710,000	-	-	-	-	-	-	25,710,000	
General obligation bonds issued	-	-	-	-	-	-	-	-	-	-	17,760,000	
Tax increment financing notes issued	-	914,395	-	-	-	-	-	-	-	-	914,395	
Sale of capital assets	111,535	-	-	-	-	-	-	-	-	-	111,535	
Transfers in	415,292	-	-	2,569	-	-	-	-	-	-	417,861	
Transfers out	(1,760,346)	(14,338,485)	(6,011,198)	-	(920,050)	10,603,399	2,157,558	4,617,800	-	19,190,593	36,987,211	
Total other financing sources (uses), net	(1,233,719)	(13,424,090)	(6,011,198)	25,802,569	(920,050)	10,144,564	20,239,919	4,617,800	-	(13,456,018)	(36,987,211)	
Net change in fund balances	1,089,526	(360,041)	(742,344)	20,465,583	1,107,486	(1,433,610)	17,915,988	-	-	(62,721)	37,979,867	
Fund balances:												
Beginning of year	11,182,439	13,049,816	1,534,755	-	-	6,675,059	-	-	-	10,276,208	42,718,277	
End of year	\$ 12,271,965	12,689,775	792,411	20,465,583	1,107,486	5,241,449	17,915,988	-	-	10,213,487	80,698,144	

See accompanying notes to basic financial statements

**CITY OF CHESTERFIELD, MISSOURI**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the year ended December 31, 2005**

Net change in fund balances - governmental funds - statement of revenues, expenditures, and changes in fund balances		\$ 37,979,867
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets meeting the capitalization threshold is allocated over their estimated useful lives and recorded as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays, meeting the capitalization threshold in the current period.</p>		
	7,568,324	
The net effect of various miscellaneous transactions involving capital assets:		
Cost of vehicles sold - net of accumulated depreciation	(196,784)	
Contributed capital assets - infrastructure - right of way	<u>41,269</u>	(155,515)
Adjustment to revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund financial statements:		
Property taxes for TIF Fund	2,250,916	
Property taxes for Park Debt Service Fund	<u>65,524</u>	2,316,440
Court fines accounts receivable deferred is recognized as revenue in the statement of activities that do not provide current financial resources is not reported as revenue in the fund financial statements.		
		(23,699)
Bond proceeds are reported as financing sources in governmental funds financial statements and thus contribute to the net change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the liability in the statement of net assets.		
Debt issued during the current year:		
TIF Notes Phase III	(914,395)	
Crossover Refunding General Obligation Series 2005	(17,760,000)	
Certificate of Participation Series 2005	(25,710,000)	
Repayments during the current year:		
Levee District Note	488,986	
TIF Refunding and Improvement Bond	9,550,000	
Annual principal payments on bonds and certificates of participation	<u>1,985,000</u>	(32,360,409)
Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.		
This adjustment combines the net changes of the following:		
Accrued compensated absences	(60,726)	
Accrued interest on bonds	(264,911)	
Amortized bond discount	(10,279)	
Amortized bond issuance cost	(75,341)	
Amortized bond premium	34,435	
Premium on debt issuances, net of amortization	(892,282)	
Deferred bond issuance costs, net of amortization	<u>634,533</u>	<u>(634,571)</u>
Change in net assets - governmental activities - statement of activities		<u>\$ 14,690,437</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**December 31, 2005**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,504,107
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	244,037
Deposits held in escrow	1,260,070
Total liabilities	1,504,107
<b>NET ASSETS</b>	\$ -

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(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 U.S. 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.

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 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. The accompanying financial data presented for the CCDC reflect twelve months of activity ending June 30, 2005. Complete financial statements of the CCDC can be obtained from its administrative offices at 135 Chesterfield Industrial Boulevard, Chesterfield, Missouri 63005.

**(b) Government-wide and Fund Financial Statements**

The government-wide financial statements (e.g. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City and its component unit. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from the *component unit* for which the City is financially accountable.

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

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The City has determined that the General Fund, Chesterfield Valley Tax Increment Financing Fund, Capital Improvement Sales Tax Trust Fund, Parks Construction Fund, Parks Sales Tax Fund, TIF Bond Debt Service Fund, R & S Debt Service Fund, and Capital Project

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

Fund are major governmental funds. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds are reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements.

The fund financial statements of the City are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

**Governmental Fund Types**

Governmental funds are those through which most governmental functions are financed. The acquisition uses and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the City's governmental major funds:

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

**Chesterfield Valley Tax Increment Financing Fund** - The Chesterfield Valley Tax Increment Financing Fund is a Special Revenue Fund used to account for special revenues received from the Chesterfield TIF District, which are required to be segregated into a special allocation fund and designated for use in the TIF district only.

**Capital Improvement Sales Tax Trust Fund** - The Capital Improvement Sales Tax Trust Fund is a Special Revenue Fund used to account for special revenues received from the capital improvement sales tax that are specifically earmarked for capital improvements.

**Parks Construction Fund** - The Parks Construction Fund is used to account for financial resources to be used for the acquisition of park land or construction of park and recreation facilities.

**Parks Sales Tax Fund** - The Parks Sales Tax Fund is a Special Revenue Fund used to account for the accumulation of resources from the ½-cent sales tax passed in November 2004 and effective April 2005. All parks and recreation activity is tracked in this fund.

**TIF Bond Debt Service Fund** - The TIF Bond Debt Service Fund is a Debt Service Fund used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs on the TIF Refunding and Improvement Revenue Bonds Series 2002.

**R & S Debt Service Fund** - The R & S Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal and interest payment on the General Obligation Street and Sidewalk Bond issue Series 2005.

**Capital Project Fund** - The Capital Project Fund is used to account for financial resources designated for the acquisition or construction of major capital facilities or improvements.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds that account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes; Debt Service Funds that account for the accumulation of resources for and repayment of general obligation long-term debt principal, interest, and related costs; and Capital Project Funds that account for financial resources to be used for acquisition or construction of major capital facilities.

**Fiduciary Fund Type**

**Agency Funds** - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units. Agency Funds are accounted for and reported similar to a proprietary fund type. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of the Court Bond Fund, Explorer's Fund, Highway 40 Trust Fund, and Miscellaneous Escrow Fund.

**Discretely Presented Component Unit - Chesterfield Community Development Corporation**

The 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. In reporting its financial activity, CCDC applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as the following pronouncements issued on or after November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

In the government-wide financial statements, the City applies all applicable GASB pronouncements as well as the following private-sector pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: FASB Statements and Interpretations, APB Opinions, and ARBs of the Committee on Accounting Procedure.

**(c) *Measurement Focus and Basis of Accounting***

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. At year-end, entries are recorded for financial reporting purposes to reflect the modified accrual basis of accounting for governmental funds types. All fiduciary funds, including Agency Funds, use the accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

thereafter to be used to pay the liabilities of the current period. For the City, available is defined as expected to be received within sixty days of fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due (e.g. matured).

GASB 33 groups nonexchange transactions into the following four classes based upon principal characteristics: derived tax revenues, imposed nonexchange revenues, government-mandated nonexchange transactions, and voluntary nonexchange transactions.

The City recognizes assets from derived tax revenue transactions (such as sales and utilities gross receipt taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred revenues until the period of the exchange.

The City recognizes assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The City recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied. Imposed nonexchange revenues also include permits and court fines and forfeitures.

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

Charges for services in the governmental funds, which are exchange transactions and are, therefore, not subject to the provisions of GASB 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

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

**(d) Encumbrances**

Within the governmental fund financial statements, no fund balances have been reserved for outstanding encumbrances since appropriations lapse at year-end. Encumbrances are reappropriated in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents are comprised of the City's cash deposits with banks, petty cash funds, repurchase agreements, and money market mutual funds.

**(f) Investments**

Investments are recorded at fair value. Fair value of investments is based on quoted market prices.

**(g) Capital Assets**

Capital assets, which include buildings, other improvements, machinery and equipment, automobiles and trucks, and infrastructure (e.g., streets, side-walks, roads, bridges, and similar

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

items) are reported in the governmental activities column in the government-wide financial statements, net of accumulated depreciation. Capital assets are defined by the City as assets with an estimated useful life in excess of one year with an initial individual cost of \$5,000 or more. Infrastructure assets are defined as streets with a cost of at least \$250,000, sidewalks with a cost of at least \$50,000, land improvements with a cost of at least \$5,000, and all buildings, building improvements, and land.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. General infrastructure assets acquired prior to January 1, 2002 consist of the roads, bridges, and network assets that were acquired or that received substantial improvements and are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets (with the ½ year convention election applied in the first and last year), except for roads, which is computed using the composite method. The estimated useful lives of depreciable capital assets are as follows:

	<u>Years</u>
Buildings	40
Other improvements	10-25
Machinery and equipment	5-10
Automobiles and trucks	5-7
Infrastructure	15-30

**(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 that 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 entire accrued benefit liability related to the City's compensated absences in the amount of \$557,915 has been recorded in the government-wide financial statements.

**(i) *Capital Contributions***

Capital contributions within public works and parks and recreation represent government grants and other aid used to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement. Amounts received from other governments that are not restricted for capital purposes are reflected as intergovernmental revenue.

**(j) *Interfund Transactions***

In the fund financial statements, the City has the following types of transactions among funds:

***Transfers***

Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

**(k) *Unearned 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. This unearned revenue is recorded in the government-wide statements and as deferred revenue in the fund financial statements. Also included in the fund financial statements in deferred revenue are property tax revenues and court fines that are not collected within 60 days following the end of the current period and gross receipt taxes received from wireless telecommunication companies under protest.

**(l) *Reserved Fund Balances***

Within the governmental fund financial statements, reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriation or is legally segregated for a specific future use. Reserved fund balances at December 31, 2005 are comprised of prepaid assets.

**(m) *Long-term Liabilities***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

**(n) *Amortization***

In government-wide financial statements, bond premium and discounts are recorded as an increase or a reduction of the debt obligation and bond issuance costs are recorded as a deferred charge. Such amounts are amortized using the interest method or bonds outstanding method over the term of the related bonds.

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

**(o) *Use of Estimates***

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

**(2) *Cash and Investments***

During 2005, the City adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures, and Amendment of GASB Statement No. 3* (GASB 40). The adoption of GASB 40 modifies certain financial statement disclosure requirements. The new standard enhances the deposit and investment risk disclosures by updating the custodial credit risk disclosure requirements of GASB 3 and addressing other common risks, including concentrations of credit risk and interest rate risk. The implementation of GASB 40 had no effect on financial statement amounts.

State statutes authorize Missouri local governments to invest in obligations of the U.S. Treasury and U.S. government agencies, obligations of the State of Missouri, time certificates of deposit, and repurchase

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

agreements. Deposits in financial institutions must be collateralized by securities pledged to the City by these same institutions.

At December 31, 2005, the City's deposits were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

The following is a reconciliation of the City's deposit and investment balances at December 31, 2005:

	<u>Government-wide Statement of Net Assets</u>	<u>Fiduciary Funds Statement of Fiduciary Net Assets</u>	<u>Total</u>
Cash and cash equivalents	\$47,536,596	1,504,107	49,040,703
Cash refunding escrow	17,909,868	-	17,909,868
Investments	<u>7,016,721</u>	<u>-</u>	<u>7,016,721</u>
	<u>\$72,463,185</u>	<u>1,504,107</u>	<u>73,967,292</u>

***Interest Rate Risk***

The City seeks to minimize the risk that the fair value of securities in the portfolio will fall due to changes in general interest rates by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operation, thereby avoiding the need to sell securities on the open market prior to maturity.
2. Maintaining a sufficient balance in liquid funds to adequately cover forecasted cash requirements.

The City's goal is to match its investments with its anticipated cash flow requirements. No investments shall mature and become payable more than five years from the date of purchase. The investments of the City had the following maturities as of December 31, 2005:

	<u>Fair Market Value</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>
Primary government:			
Repurchase agreements	\$19,463,286	19,463,286	-
Money market	29,500,893	29,500,893	-
Collateralized certificates of deposit	6,509,271	6,509,271	-
Federal Farm Credit Bank	<u>507,450</u>	<u>-</u>	<u>507,450</u>
	<u>\$55,980,900</u>	<u>55,473,450</u>	<u>507,450</u>

The City seeks to minimize credit risk of loss due to the failure of the security issuer by:

1. Pre-qualifying the financial institutions, securities dealers, intermediaries, and advisors with which the City will do business.
2. Diversifying the portfolio so that potential losses on individual securities will be minimized.
3. Settling all purchase/sale transactions delivery versus payment.

According to the investment policy, any agency security purchased must be a senior debt and rated with the highest debt rating by Moody's Investor Services, Inc. and Standard and Poor's Corporation. The following table provides information on the credit ratings associated with the City's investments as of

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

December 31, 2005, excluding obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government.

	<u>Fair Market Value</u>	<u>Average Credit Quality (Moody's)</u>
Primary government:		
Federal Farm Credit Bank	\$ 507,450	Aaa
Collateralized certificates of deposit	6,509,271	N/A
Money market*	29,500,893	unrated
Repurchase agreements*	19,463,286	N/A

\*Collateralized by U.S. Treasury Securities or federal agency securities

***Concentration of Credit Risk***

The investment policy states that the City will diversify by security type and institution. Security types shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies are periodically reviewed and have been established as follows:

- U.S. Treasury Securities - up to 100% of total investments
- U.S. Agency Securities - no more than 60% of total investments
- Collateralized Certificates of Deposit - no more than 50% of total investments
- Collateralized Repurchase agreements - no more than 50% of total investments
- U.S. Agency Callable Securities - no more than 35% of total investments
- Commercial Paper - no more than 10% of total investments
- Bankers Acceptances - no more than 10% of total investments

In addition, investment in any single issuer of U.S. Agency Securities is limited to 40% of the total amount of all U.S. Agency Securities in the portfolio. Investment transactions with a single institution will be limited to 35% of the total portfolio.

	<u>Fair Market Value</u>	<u>Percent Of Total Cash And Investments</u>
Primary government:		
Federal Farm Credit Bank	\$ 507,450	0.7%
Collateralized certificates of deposit	6,509,231	9.0
Money market*	29,500,893	40.7
Repurchase agreements*	19,463,286	26.9

\*Collateralized by U.S. Treasury Securities or federal agency securities

***Custodial Credit Risk***

For deposits, custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the FDIC, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution.

For investments, custodial risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by pre-qualifying institutions with which the City places investments, diversifying the investment portfolio, and maintaining a standard of quality for investments.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(3) Receivables at December 31, 2005, Net of Allowances**

	<u>Municipal Taxes</u>	<u>Intergovern- mental</u>	<u>Interest</u>	<u>Other</u>	<u>Total Receivables</u>
<b>Governmental activities:</b>					
General Fund	\$ 1,329,529	720,784	99,788	697,179	2,847,280
Chesterfield Valley Tax Increment					
Financing Fund	8,329,712	-	26,038	-	8,355,750
Capital Improvement Sales Tax					
Trust Fund	699,720	32,180	-	-	731,900
Parks Construction	-	-	70,486	-	70,486
Parks Sales Tax	817,027	-	-	166,945	983,972
TIF Bond Debt Service Fund	-	-	1,818	2,942	4,760
Nonmajor Other Governmental Funds	444,440	-	28,660	-	473,100
Total governmental activities	<u>\$ 11,620,428</u>	<u>752,964</u>	<u>226,790</u>	<u>867,066</u>	<u>13,467,248</u>

All amounts are scheduled for collection during the subsequent fiscal year.

**(4) Capital Assets**

The following is a summary of changes in capital assets - governmental activities for the year ended December 31, 2005:

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

	<b>Balance December 31 2004</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfers</b>	<b>Balance December 31 2005</b>
<b>Governmental activities:</b>					
<i>Capital assets not being depreciated:</i>					
Land	\$ 14,242,781	3,971,970	-	-	18,214,751
Right-of-way	73,303,530	-	-	-	73,303,530
Construction in progress	41,752	1,561,043	-	(41,752)	1,561,043
Total capital assets not being depreciated	<b>87,588,063</b>	<b>5,533,013</b>	<b>-</b>	<b>(41,752)</b>	<b>93,079,324</b>
<i>Capital assets being depreciated:</i>					
Buildings	15,002,337	-	-	-	15,002,337
Other improvements	9,171,507	916,582	-	-	10,088,089
Machinery and equipment	3,223,779	462,963	259,039	-	3,427,703
Automobiles and trucks	3,064,699	775,755	453,869	-	3,386,585
Infrastructure	86,027,635	4,137,851	1,295,809	41,752	88,911,429
Total capital assets being depreciated	<b>116,489,957</b>	<b>6,293,151</b>	<b>2,008,717</b>	<b>41,752</b>	<b>120,816,143</b>
<i>Less- Accumulated depreciation for:</i>					
Buildings	1,637,020	375,308	-	-	2,012,328
Other improvements	2,560,848	436,364	-	-	2,997,212
Machinery and equipment	1,411,403	326,491	119,416	-	1,618,478
Automobiles and trucks	1,753,964	461,633	396,707	-	1,818,890
Infrastructure	46,087,037	2,616,775	1,295,809	-	47,408,003
Total accumulated depreciation	<b>53,450,272</b>	<b>4,216,571</b>	<b>1,811,932</b>	<b>-</b>	<b>55,854,911</b>
Total capital assets being depreciated, net	<b>63,039,685</b>	<b>2,076,580</b>	<b>196,785</b>	<b>41,752</b>	<b>64,961,232</b>
Governmental activities capital assets, net	<b>\$ 150,627,748</b>	<b>7,609,593</b>	<b>196,785</b>	<b>-</b>	<b>158,040,556</b>

Within the statement of activities, depreciation expense is charged to functions of the primary government as follows:

Governmental activities:	
General government	\$ 490,801
Parks and recreation	416,436
Planning	6,020
Public works	3,147,726
Public safety	155,588
Total depreciation expense, governmental activities	<b>\$ 4,216,571</b>

**(5) Accounts Payable**

The City's outstanding accounts payable at year-end was entirely attributable to direct payments to vendors.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(6) Net Asset**

**(a) Unrestricted Net Asset Deficit**

The government-wide statement of net assets reflects an unrestricted net asset deficit of (\$23,133,146). This total is comprised of \$12,578,166 in unrestricted net assets from operations and (\$35,711,312) in unrestricted net assets deficit resulting from the issuance of TIF Refunding and Improvement Revenue Bonds Series 2002 (TIF bonds), which refunded TIF notes previously issued in cooperation with the Monarch-Chesterfield Levee District for the construction of a 500-year levee in the redevelopment area. The Monarch-Chesterfield Levee District is a separate and distinct entity under GASB 14 and owns and operates the levee independently from the City.

The City's responsibility to repay the TIF bonds extends only to the incremental revenues generated by the TIF district. The TIF bonds are a special limited obligation of the City and are not used in calculating the City's debt limit.

**(b) Restricted Net Asset**

The government-wide statement of net assets reports \$31,608,907 of restricted net assets, all of which is restricted by enabling legislation.

**(7) 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 January 1 following the due date. The City's tax rate was levied at \$.06 per \$100 of assessed valuation and is for retirement of general obligation bonds payable.

Taxes levied for 2005 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 on the fund financial statements and recognized as revenue in the government-wide financial statements. The 2004 levy was due and collectible within the City's fiscal year ended December 31, 2005.

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 municipal taxes receivable in the accompanying fund financial statements.

**(8) Risk Management**

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

The City, along with various other local governments, participates in an insurance trust for workers' compensation and for general liability matters (St. Louis Area Insurance Trust (SLAIT)). The purpose of this trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment 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 trust; however, the City is contingently liable to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed. The City's 2005 premium payments to the trust was \$220,722.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
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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.

**(9) 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 accordance with the provisions of GASB 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the assets and liabilities of the deferred compensation plan are not included in the accompanying basic financial statements.

**(10) Retirement Plan**

In 1989, the City established a money purchase retirement plan (a defined contribution plan). 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 are fully vested after five years of credited service. The City's contribution for 2005 was \$670,458 or 8% of covered payroll less any forfeitures from terminated nonvested employees.

Total covered payroll for the year was \$8,352,303 or 88% of the total City payroll of \$9,521,908.

**(11) Interfund Balances**

Individual fund interfund receivable and payable balances as of December 31, 2005 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Improvement Sales Tax Trust Fund	\$ 395,720
General Fund	Parks Sales Tax Fund	128,739
General Fund	Nonmajor Governmental Funds	12,176
Chesterfield Valley TIF Fund	General Fund	273,646
Chesterfield Valley TIF Fund	Nonmajor Governmental Funds	15,000
		\$ 825,281

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2006.

**(12) 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, 2005 are as follows:

2006	\$ 26,665
2007	10,542
	\$ 37,207

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(13) Long-Term Liabilities**

The following is a summary of the changes in long-term liabilities for the year ended December 31, 2005:

	Balance December 31 2004	Additions	Reductions	Balance December 31 2005	Amounts Due Within One Year
Compensated absences	\$ 497,189	696,479	635,753	557,915	278,958
General obligation bonds	29,840,000	17,760,000	1,590,000	46,010,000	1,660,000
Plus - issuance premium	-	364,440	24,296	340,144	-
Certificates of participation	17,820,000	25,710,000	395,000	43,135,000	915,000
Plus - issuance premium	619,827	581,198	63,495	1,137,530	-
Taxes increment financing notes payable	5,950,903	914,395	488,986	6,376,312	531,360
TIF refunding and improvement bonds	38,885,000	-	9,550,000	29,335,000	2,980,000
Less - issuance discount	(133,621)	-	(10,279)	(123,342)	-
Total	\$ 93,479,298	46,026,512	12,737,251	126,768,559	6,365,318

Compensated absences are generally liquidated by the General Fund.

***General Obligation Bonds Payable***

In February 2005, the City issued \$17,760,000 in General Obligation Refunding Bonds Series 2005 for a crossover refunding for a portion of General Obligation Bonds Series 1997 and a portion of General Obligation Bonds 1999 that had \$9,265,000 and \$13,055,000 outstanding, respectively. The Series 2005 bonds bear interest ranging from 3% to 5% and are repaid through a Debt Service Fund. The net proceeds of the Series 2005 issue were deposited into an irrevocable trust with an escrow agent to provide debt service payments of the Series 2005 bonds to the "crossover" date of February 15, 2007 for the General Obligation Bonds Series 1997 and February 15, 2009 for the General Obligation Bonds Series 1999 and to provide for the \$17,760,000 called principal of the bonds on those dates. A crossover refunding does not result in the defeasance of debt prior to the crossover date because the asset placed in the irrevocable escrow are not used solely for satisfying scheduled payments on the defeased debt. As a result, the fund's balance and investments in the Debt Service Fund at December 31, 2005 includes the proceeds which will be used to defease a portion of the principal balance outstanding on February 15, 2007 and February 15, 2009, respectively, of the bonds.

The 2005 crossover refunding of the portion of the 1997 and 1999 bonds will reduce the total debt service payments by approximately \$1,144,404 to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$876,780.

In May 1999, the City issued \$15,125,000 in General Obligation Bonds Series 1999 in order to finance capital expenditures within the City. The Series 1999 bonds bear interest ranging from 4.2% to 6% and are repaid through a Debt Service Fund.

In May 1998, the City issued \$10,215,000 in General Obligation Refunding Bonds Series 1998, the proceeds of which were used to advance refund \$10,140,000 of outstanding Series 1995 General Obligation Bonds. The Series 1998 bonds bear interest ranging from 4.3% to 7.3% and are repaid through a Debt Service Fund. The net proceeds of the Series 1998 bonds plus an additional \$801,487 of City monies were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the \$10,140,000 principal of the Series 1995 bonds. As a result, the Series 1995 bonds are considered defeased and the liability for these bonds has been removed from the basic financial statements.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

In February 1997, the City issued \$14,230,000 in General Obligation Bonds Series 1997, the proceeds of which are to be used for 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, 2005 are as follows:

	<b>General Obligation Bonds</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2006	\$ 1,660,000	2,005,825	3,665,825
2007	1,735,000	1,928,735	3,663,735
2008	2,410,000	1,838,620	4,248,620
2009	2,555,000	1,734,386	4,289,386
2010	3,355,000	1,612,878	4,967,878
2011-2015	19,245,000	5,709,945	24,954,945
2016-2019	15,050,000	1,425,156	16,475,156
	\$ 46,010,000	16,255,545	62,265,545

***Certificates of Participation***

In January 2005, the City issued \$25,710,000 in Certificates of Participation (Series 2005) which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated January 1, 2005 between the City and Wells Fargo Bank (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 park land and parks and recreation amenities. The base rentals constitute rent for the land and amenities pursuant to the lease. The Certificates of Participation bear interest from 3% to 5% and will be repaid through the revenues generated by the ½-cent sales tax for parks passed by voters in November 2004. This sales tax has taken effect on April 1, 2005.

In August 2004, the City advanced refunded the Certificates of Participation (Series 2000) which had an outstanding principal amount of \$16,495,000 at that time. The City simultaneously issued the Certificates of Participation (Series 2004) in the amount of \$15,820,000, depositing the proceeds and the funds currently in the reserve fund with the escrow agent (UMB Bank, N.A., Kansas City, Missouri). The Certificates of Participation bear interest from 3% to 5% and are repaid by General Fund operating revenues.

In November 2002, the City issued \$2,325,000 in Certificates of Participation (Series 2002), which the City and the trustee, BNY Trust Company of Missouri, have entered into a base lease, pursuant to which the City, as lessor, has leased to the Trustee, as lessee, the real estate on which the City's maintenance facility is located, together with all improvements now or to be situated thereon for rent. The Series 2002 Certificates of Participation have been delivered and sold for the purpose of providing funds, together with other funds of the City, to pay the costs of: 1) refunding \$2,235,000 outstanding principal amount of Certificates of Participation Series 1995, which were issued to provide funds to acquire and construct a new maintenance facility for the City, 2) funding a Debt Service Reserve Fund for the Certificates, and 3) paying the costs of delivering the Certificates. The Certificates of Participation bear interest from 2% to 4.2% and are repaid through a transfer of General Fund operating revenues to a Debt Service Fund.

The annual principal and interest requirements to maturity of the Certificates of Participation as of December 31, 2005 are as follows:

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

	<b>Certificates of Participation</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2006	\$ 915,000	1,855,132	2,770,132
2007	980,000	1,828,272	2,808,272
2008	1,080,000	1,798,232	2,878,232
2009	1,190,000	1,763,650	2,953,650
2010	1,610,000	1,719,350	3,329,350
2011-2015	10,230,000	7,595,139	17,825,139
2016-2020	13,750,000	5,135,774	18,885,774
2021-2022	13,380,000	1,656,244	15,036,344
	<u>\$ 43,135,000</u>	<u>23,351,892</u>	<u>66,486,892</u>

***Tax Increment Financing Notes Payable and TIF Refunding and Improvement Revenue Bonds***

In 2002, the City issued Series 2002 Tax Increment Financing (TIF) Notes in cooperation with the Monarch-Chesterfield Levee District (Levee District) for the purpose of paying a portion of the redevelopment project costs in connection with the "Chesterfield Valley Tax Increment Financing District Redevelopment Plan" (Redevelopment Plan). The Levee District assumed ownership of the levee redevelopment project and the City's projects costs are intended to provide for the general health, safety, and welfare of that portion of the City affected by the Monarch-Chesterfield Levee. The TIF notes are considered a special limited obligation of the City and have been issued to the Levee District. The City will make principal and interest payments on the TIF notes to the Levee District based on incremental payments in lieu of taxes attributable to the project site.

In 2002, the City also issued \$50,945,000 in TIF Refunding and Improvement Revenue Bonds pursuant to the Act and Trust Indenture dated April 1, 2002 between the City and Wells Fargo Bank, Kansas City, Missouri, as trustee, for the purpose of providing funds to: 1) refund prior outstanding TIF notes, 2) reimburse THF (the development company) for certain costs incurred and to be incurred in accordance with the THF redevelopment agreement, 3) finance the City project, 4) fund a Debt Service Reserve Fund for the bonds, and 5) pay costs of issuance of the Series 2002 Bonds. The City will make principal and interest payments on the TIF bonds based on incremental payments in lieu of taxes (PILOTs) and economic activity tax (EATs) generated within the redevelopment area.

The composition of the City's TIF notes payable is as follows:

	<u>Balance December 31 2004</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31 2005</u>
Levee District TIF notes payable:				
Series 2002, tax increment revenue notes, interest rate 6.041%, payable through August 15, 2017	\$ <u>5,950,903</u>	<u>914,395</u>	<u>488,986</u>	<u>6,376,312</u>

Since annual repayment amounts for the Levee District TIF notes will be determined based upon future revenues, a schedule of debt service requirements to maturity cannot be established.

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

The annual principal and interest requirements to maturity of the TIF Refunding and Improvement Revenue Bonds as of December 31, 2005 are as follows:

<u>TIF Refunding and Improvement Bonds</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2006	\$ 2,980,000	1,126,484	4,106,484
2007	3,085,000	1,024,071	4,109,071
2008	3,195,000	910,976	4,105,976
2009	3,320,000	787,544	4,107,544
2010	3,455,000	654,119	4,109,119
2011	3,595,000	510,872	4,105,872
2012-2016	9,705,000	577,013	10,282,013
	<u>\$ 29,335,000</u>	<u>5,591,079</u>	<u>34,926,079</u>

**(14) Interfund Transfers**

Individual fund transfers for the year ended December 31, 2005 are as follows:

		<u>Transfer From</u>							
		General Fund	Chesterfield Valley Tax Increment Financing Fund	Capital Improvement Sales Tax Trust Fund	Park Sales Tax Fund	TIF Bond Debt Service Fund	R & S Debt Service Fund	Other Governmental Funds	Total
<b>Transfer To</b>	General Fund	\$ -	415,292	-	-	-	-	-	415,292
	Capital Project Fund	764,160	-	3,853,640	-	-	-	-	4,617,800
	R & S Debt Service Fund	-	-	2,157,558	-	-	-	-	2,157,558
	TIF Bond Debt Service Fund	-	-	-	-	-	-	10,603,399	10,603,399
	Parks Construction Fund	-	-	-	-	-	-	2,569	2,569
	Other Governmental Funds	996,386	13,923,193	-	920,050	458,835	42,079	2,850,050	19,190,593
		<u>\$ 1,760,546</u>	<u>14,388,485</u>	<u>6,011,198</u>	<u>920,050</u>	<u>458,835</u>	<u>42,079</u>	<u>13,456,018</u>	<u>36,987,211</u>

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

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(15) 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.

**(16) 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 (IDA) of the City of Chesterfield, Missouri". However, it is registered to conduct business as the "Chesterfield Community Development Corporation". The CCDC is a public corporation organized to promote and solicit industrial and economic projects within Chesterfield. An IDA acts as a conduit for purposes of qualifying industrial development bonds as tax-exempt under provisions of Section 103 of the Internal Revenue Code. In order to finance a project, an IDA issues its bonds, the proceeds of which are loaned to acquire the real property and improvements and/or the equipment comprising the project. Concerning each project, an IDA assigns all rights, title, and interest to a trustee for the benefit of the bond purchaser, and it does not acquire any beneficial interest in any project. In the event of default, an IDA is not liable for payment of the bonds. Accordingly, neither the assets of the projects nor the bonds payable are reflected in the accompanying financial statements.

**(b) Measurement Focus and Basis of Accounting**

The CCDC derives most of its revenues from an appropriation from the City and is considered to be an Enterprise Fund. Accordingly, the CCDC presents its financial statements using the economic resources measurement focus and accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenues and expenses are categorized as either operating or nonoperating. Nonoperating activity includes the interest income. All other activities are considered operating.

In its accounting and financial reporting, the CCDC follows the pronouncements of GASB. In addition, the CCDC follows the pronouncements of all applicable FASB Statements and Interpretations, APB Opinions, and ARBs of the Committee on Accounting Procedure issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The CCDC has elected not to apply pronouncements issued by the FASB after November 30, 1989.

**(c) Cash and Cash Equivalents**

The bank balance of cash and cash equivalents at June 30, 2005 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 U.S. Treasury, agencies, and instrumentalities; obligations of the State of Missouri; certain commercial paper; and bank repurchase agreements.

	<b>June 30</b>
	<b>2005</b>
	<hr/>
Checking account	\$ <u>28,649</u>

**City of Chesterfield, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2005**

**(d) Conduit Debt Obligations**

Various forms of tax-exempt and taxable indebtedness issued by CCDC have been loaned to qualified borrowers who 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 bonds at December 31, 2005 was approximately \$44,270,000.

**(e) Deferred Compensation Plan**

CCDC established a deferred compensation plan on March 27, 1996 under Internal Revenue Code Section 457. Contributions to the plan are made through employee-elected salary deferrals and employer contributions of 8% (5% prior to July 1, 2002) of eligible wages. The CCDC contributed \$8,425 for the year ended June 30, 2005. Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries.

**(f) Capital Assets**

CCDC's property and equipment are carried at cost, less accumulated depreciation. Capital assets purchased with an original value of \$500 or more are capitalized. Depreciation is computed using principally accelerated methods for equipment and the straight line method for leasehold improvements, using asset lives as follows:

	<u>Years</u>
Computer equipment	5
Furniture and fixtures	5-7
Leasehold improvements	39

The following represents a summary of changes in CCDC's capital assets for the year ended June 30, 2005:

	<b>Balance June 30 2004</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30 2005</b>
<i>Capital assets being depreciated:</i>				
Computer equipment and furniture and fixtures	\$ 32,105	-	(32,105)	-
Leasehold improvements	5,171	-	(5,171)	-
	37,276	-	(37,276)	-
<i>Less - Accumulated depreciation for:</i>				
Computer equipment and furniture and fixtures	29,115	-	(29,115)	-
Leasehold improvements	507	-	(507)	-
	29,622	-	(29,622)	-
	\$ 7,654	-	(7,654)	-

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## **Required Supplementary Information**

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**CITY OF CHESTERFIELD, MISSOURI**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the year ended December 31, 2005**

**Schedule 1**

	<b>Original Budget</b>	<b>Final Revised Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Municipal taxes:				
Utility gross receipts	\$ 4,591,217	4,691,217	4,569,353	(121,864)
Sales taxes	6,050,993	6,050,993	6,031,161	(19,832)
Total municipal taxes	10,642,210	10,742,210	10,600,514	(141,696)
Licenses and permits	1,182,350	1,217,350	1,276,560	59,210
Intergovernmental:				
Motor fuel and vehicle sales taxes	2,011,997	2,011,997	1,918,824	(93,173)
Cigarette tax	180,000	180,000	166,407	(13,593)
Road and bridge tax	1,525,000	1,525,000	1,379,848	(145,152)
Grants and other	301,225	301,225	285,521	(15,704)
Total intergovernmental	4,018,222	4,018,222	3,750,600	(267,622)
Charges for services:				
Inspection and subdivision fees	70,000	70,000	73,164	3,164
Zoning applications	10,000	10,000	14,160	4,160
Police reports	15,000	15,000	7,617	(7,383)
False alarms	35,000	35,000	31,725	(3,275)
Other charges	3,000	3,000	3,089	89
Total charges for services	133,000	133,000	129,755	(3,245)
Court fines and forfeitures	840,000	840,000	876,978	36,978
Investment income	250,000	250,000	285,800	35,800
Miscellaneous	85,000	85,000	333,773	248,773
Total revenues	17,150,782	17,285,782	17,253,980	(31,802)
<b>EXPENDITURES</b>	15,442,600	15,719,021	14,930,735	788,286
Excess of revenues over expenditures	1,708,182	1,566,761	2,323,245	756,484
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	150,000	150,000	111,535	(38,465)
Transfers in	-	-	415,292	415,292
Transfers out	(1,710,318)	(1,710,318)	(1,760,546)	(50,228)
Total other financing sources (uses), net	(1,560,318)	(1,560,318)	(1,233,719)	326,599
Net change in fund balance	\$ 147,864	6,443	1,089,526	1,083,083

(Continued)

**CITY OF CHESTERFIELD, MISSOURI**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the year ended December 31, 2005**

**Schedule 1**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual Other Expenditures</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General government:</b>				
Legislative - Mayor's Office and City Council:				
Personal services	\$ 64,798	64,798	64,356	442
Contractual services	3,165	3,165	2,215	950
Commodities	1,000	1,000	359	641
Total legislative	<u>68,963</u>	<u>68,963</u>	<u>66,930</u>	<u>2,033</u>
Administrative:				
City clerk:				
Personal services	213,599	213,599	206,949	6,650
Contractual services	31,075	31,075	25,442	5,633
Commodities	2,500	2,500	2,386	114
Legal services:				
Contractual services	247,400	332,400	346,528	(14,128)
City Administrator:				
Personal services	203,992	208,992	205,445	3,547
Contractual services	5,050	6,050	6,212	(162)
Community development				
Personal services	-	58,500	57,717	783
Contractual services	-	2,250	3,104	(854)
Commodities	-	1,300	3,002	(1,702)
Finance:				
Personal services	377,617	377,617	361,149	16,468
Contractual services	90,579	87,629	85,138	2,491
Commodities	4,000	4,000	682	3,318
Central services:				
Contractual services	655,713	592,663	535,467	57,196
Commodities	59,000	59,000	58,076	924
Information systems:				
Personal services	271,413	220,413	204,681	15,732
Contractual services	43,300	89,300	76,895	12,405
Commodities	63,700	63,700	55,953	7,747
Capital outlay	6,000	29,000	27,440	1,560
Total administrative	<u>2,274,938</u>	<u>2,379,988</u>	<u>2,262,266</u>	<u>117,722</u>
Police services:				
Personal services	6,455,312	6,362,312	6,178,919	183,393
Contractual services	342,914	345,365	334,304	11,061
Commodities	172,925	189,845	155,091	34,754
Capital outlay	219,000	214,000	225,306	(11,306)
Total police services	<u>7,190,151</u>	<u>7,111,522</u>	<u>6,893,620</u>	<u>217,902</u>
Judicial:				
Personal services	147,878	147,878	142,464	5,414
Contractual services	43,026	43,026	39,917	3,109
Commodities	3,500	3,500	1,507	1,993
Total judicial	<u>194,404</u>	<u>194,404</u>	<u>183,888</u>	<u>10,516</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the year ended December 31, 2005**

**Schedule 1**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual Other Expenditures</u>	<u>Variance with Final Budget Positive (Negative)</u>
Planning and zoning:				
Personal services	608,818	583,818	544,199	39,619
Contractual services	78,005	78,005	21,754	56,251
Commodities	2,494	2,494	2,571	(77)
Total planning and zoning	<u>689,317</u>	<u>664,317</u>	<u>568,524</u>	<u>95,793</u>
Public works:				
Administration and engineering:				
Personal services	1,061,460	1,061,460	1,006,345	55,115
Contractual services	139,180	139,180	101,677	37,503
Commodities	22,600	22,600	19,542	3,058
Capital outlay	18,000	92,820	68,323	24,497
Street and sewer maintenance:				
Personal services	1,284,596	1,284,596	1,190,502	94,094
Contractual services	423,393	423,393	367,669	55,724
Commodities	412,135	412,135	392,707	19,428
Capital outlay	408,480	574,195	563,423	10,772
Vehicle maintenance:				
Personal services	289,163	289,163	266,102	23,061
Contractual services	188,365	163,365	137,274	26,091
Commodities	223,000	223,000	270,784	(47,784)
Capital outlay	-	59,465	46,680	12,785
Building maintenance:				
Personal services	265,655	265,655	226,159	39,496
Contractual services	232,300	232,300	248,937	(16,637)
Commodities	41,500	41,500	39,909	1,591
Street lighting - contractual services				
Contractual services	12,500	12,500	9,474	3,026
Commodities	2,500	2,500	-	2,500
Total public works	<u>5,024,827</u>	<u>5,299,827</u>	<u>4,955,507</u>	<u>344,320</u>
Total expenditures	<u>\$ 15,442,600</u>	<u>15,719,021</u>	<u>14,930,735</u>	<u>788,286</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Chesterfield Valley Tax Increment Financing Fund - Special Revenue Major Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

**Schedule 2**

	<b>Original Budget</b>	<b>Final Revised Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Municipal taxes:				
Property taxes	\$ 8,250,000	8,250,000	8,099,493	(150,507)
Utility gross receipts	229,000	229,000	245,273	16,273
Sales taxes	3,800,000	5,000,000	5,839,775	839,775
Total municipal taxes	12,279,000	13,479,000	14,184,541	705,541
Investment income	40,000	115,000	131,147	16,147
Miscellaneous	25,000	275,000	17	(274,983)
Total revenues	12,344,000	13,869,000	14,315,705	446,705
<b>EXPENDITURES</b>				
Public works	1,223,167	242,000	1,251,656	(1,009,656)
Excess (deficiency) of revenues over (under) expenditures	11,120,833	13,627,000	13,064,049	(562,951)
<b>OTHER FINANCING SOURCES (USES)</b>				
Tax increment financing notes issued	-	-	914,395	914,395
Transfers out	6,418,001	(11,418,001)	(14,338,485)	(2,920,484)
Total other financing sources (uses), net	6,418,001	(11,418,001)	(13,424,090)	(2,006,089)
Net change in fund balance	\$ 17,538,834	2,208,999	(360,041)	(2,569,040)

**CITY OF CHESTERFIELD, MISSOURI**  
**Capital Improvement Sales Tax Trust Fund - Special Revenue Major Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

**Schedule 3**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Municipal taxes:				
Sales taxes	\$ 4,100,000	4,300,000	4,230,947	(69,053)
Intergovernmental	1,011,161	1,211,161	892,795	(318,366)
Investment income	25,000	40,000	65,112	25,112
Miscellaneous	-	-	80,000	80,000
Total revenues	<u>5,136,161</u>	<u>5,551,161</u>	<u>5,268,854</u>	<u>(282,307)</u>
<b>EXPENDITURES</b>				
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	5,136,161	5,551,161	5,268,854	(282,307)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(4,524,711)	(4,524,711)	(6,011,198)	(1,486,487)
Net change in fund balance	<u>\$ 611,450</u>	<u>1,026,450</u>	<u>(742,344)</u>	<u>1,204,180</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Parks Sales Tax Fund - Special Revenue Major Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

**Schedule 4**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Municipal taxes:				
Sales taxes	\$ 2,332,000	2,332,000	3,422,207	1,090,207
Park charges and fees	686,993	840,993	778,846	(62,147)
Investment income	-	10,000	17,404	7,404
Miscellaneous	15,000	215,000	460,376	245,376
Total revenues	<u>3,033,993</u>	<u>3,397,993</u>	<u>4,678,833</u>	<u>1,280,840</u>
<b>EXPENDITURES</b>				
Parks and recreation	1,866,393	1,922,073	1,999,367	(77,294)
Capital outlay	161,687	178,037	651,930	(473,893)
Total expenditures	<u>2,028,080</u>	<u>2,100,110</u>	<u>2,651,297</u>	<u>(551,187)</u>
Excess (deficiency) of revenues over (under) expenditures	1,005,913	1,297,883	2,027,536	729,653
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(11,418,001)	(920,050)	10,497,951
Net change in fund balance	<u>\$ 1,005,913</u>	<u>(10,120,118)</u>	<u>1,107,486</u>	<u>11,227,604</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget to Actual**  
**For the Year Ended December 31, 2005**

**EXPLANATION OF BUDGETARY PROCESS**

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, TIF Bond Special Revenue Fund, all Debt Service Funds (except the Parks 2005), and the Capital Project Fund. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. The Council follows the procedures outlined below in establishing the budgetary data:

1. During or before the last week of November, 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, estimated revenue of the fund for the budget year, and the means of financing them.
2. On December 1, the City Administrator presents proposed budget at a Public Hearing prior to regularly scheduled City Council meeting.

The budget is adopted at regular City Council meeting by resolution.

3. 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.
4. 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.
5. All appropriations lapse at year-end, outstanding encumbrances are reappropriated in the subsequent fiscal year budget to provide for the liquidation of the prior commitments.

The legal level of budgetary control for the General Fund's original adopted annual budget is defined as the budgeted appropriation amount at the object level of expenditures (personnel services, contractual services, commodities, and capital outlay) for a program within a department of the General Fund.

Subsequent transfers within the General Fund's budget may be made as follows:

- a) Heads of departments may make transfers between the object levels of expenditures for a program within a department of the General Fund 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 between the object levels of expenditures for a program within a department of the General Fund in an amount from \$2,500 to \$5,000 with the prior approval of the Director of Finance and Administration and the City Administrator.
- c) Approval of a majority of the City Council is required for transfers in an amount over \$5,000.

The legal level of budgetary control for the original adopted annual budget for the Chesterfield Valley Tax Increment Financing Special Revenue Fund, Parks Sales Tax Special Revenue Fund, Capital Improvement Sales Tax Trust Special Revenue Fund, all Debt Service

**CITY OF CHESTERFIELD, MISSOURI**  
**Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget to Actual**  
**For the Year Ended December 31, 2005**

Funds, and the Capital Project Fund is defined as the budgeted appropriation amount at the department level.

The City's budget preparation is based upon the basis of U.S. generally accepted accounting principles (GAAP). The only exception is compensated absences that are expected to be liquidated with expendable available financial resources which are accrued as earned by employees (GAAP), as opposed to being expended when paid (budget). In addition, gains or losses on investments, depreciation, and amortization are not considered budgetary accounts and are excluded from the budgeting system.

**EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended December 31, 2005, expenditures exceeded appropriations in the Parks Sales Tax Fund and Chesterfield Valley Tax Increment Financing Fund.



*690 Chesterfield Parkway West  
Chesterfield, MO 63017  
[www.chesterfield.mo.us](http://www.chesterfield.mo.us)*

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## **Other Supplementary Information**

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## **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:

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.

Sewer Lateral - This fund is used to account for special revenues received which are specifically earmarked for expenditures for repairs to residential sanitary sewer laterals.

TIF Bond Revenue - This fund is used to account for the special revenues received from the City's Refunding and Improvement Bonds, which are required to be segregated into a Special Allocation Fund and designated for use in the TIF district only. These bonds refunded all prior outstanding TIF notes.

## **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:

Parks 1998 - 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 1998 which advance refunded the General Obligation Bond issue, Series 1995.

Public Works Facility 1995 and 2002 - 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 and 2002.

City Hall - This fund is used to account for the accumulation of resources and payment of principal and interest on Government Center Certificates of Participation issued in fiscal year 2000.

Parks 2005 - This fund is used to account for the accumulative of resources and payment of principal and interest and the Certificates of Participation 2005.

**CITY OF CHESTERFIELD, MISSOURI**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 For the year ended December 31, 2005

Schedule 5

	Nonmajor Special Revenue Funds				Total Special Revenue	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	Police Forfeiture	Sewer Lateral	TIF Bond Revenue				
<b>ASSETS</b>							
Cash and cash equivalents	\$ 52,105	739,547	8,165,811	8,957,463	1,305,984	10,263,447	
Receivables:							
Municipal taxes	-	94,054	-	94,054	350,386	444,440	
Interest	-	-	27,891	27,891	769	28,660	
Total assets	\$ 52,105	833,601	8,193,702	9,079,408	1,657,139	10,736,547	
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	45,223	331,228	376,451	261	376,712	
Due to other funds	-	7,960	19,216	27,176	-	27,176	
Deferred revenue	-	-	-	-	119,172	119,172	
Total liabilities	-	53,183	350,444	403,627	119,433	523,060	
<b>Fund balances</b>							
Unreserved, reported in:							
Special Revenue Funds	52,105	780,418	7,843,258	8,675,781	-	8,675,781	
Debt Service Funds	-	-	-	-	1,537,706	1,537,706	
Total fund balances	\$ 52,105	780,418	7,843,258	8,675,781	1,537,706	10,213,487	
Total liabilities and fund balances	\$ 52,105	833,601	8,193,702	9,079,408	1,657,139	10,736,547	

**CITY OF CHESTERFIELD, MISSOURI**

**Schedule 6**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Governmental Funds**

For the year ended December 31, 2005

	Nonmajor Special Revenue Funds				Total Special Revenue	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
	Police Forfeiture	Sewer Lateral	TIF Bond Revenue				
<b>REVENUES</b>							
Municipal taxes	-	420,758	-	-	420,758	784,351	1,205,109
Intergovernmental	40,016	-	-	-	40,016	-	40,016
Investment income	-	14,701	290,244	304,945	304,945	21,636	326,581
Total revenues	40,016	435,459	290,244	765,719	765,719	805,987	1,571,706
<b>EXPENDITURES</b>							
Current:							
Police services	25,653	-	-	-	25,653	-	25,653
Public works	-	234,856	2,376,469	2,611,325	2,611,325	-	2,611,325
Capital outlay	16,716	-	1,777,738	1,794,454	1,794,454	-	1,794,454
Debt service:							
Principal	-	-	-	-	-	925,000	925,000
Interest and fiscal charges	-	-	-	-	-	2,015,077	2,015,077
Cost of issuance	-	-	-	-	-	488,691	488,691
Total expenditures	42,369	234,856	4,154,207	4,431,432	4,431,432	3,428,768	7,860,200
Excess (deficiency) of revenues over (under) expenditures	(2,353)	200,603	(3,863,963)	(3,665,713)	(3,665,713)	(2,622,781)	(6,288,494)
<b>OTHER FINANCING SOURCES (USES)</b>							
Premium on refunding certificates of participation	-	-	-	-	-	491,198	491,198
Transfers in	-	-	17,228,431	17,228,431	17,228,431	1,962,162	19,190,593
Transfers out	-	-	(13,449,801)	(13,449,801)	(13,449,801)	(6,217)	(13,456,018)
Total other financing sources (uses), net	-	-	3,778,630	3,778,630	3,778,630	2,447,143	6,225,773
Net change in fund balances	(2,353)	200,603	(85,333)	112,917	112,917	(175,638)	(62,721)
<b>Fund balances:</b>							
Beginning of year	54,458	579,815	7,928,591	8,562,864	8,562,864	1,713,344	10,276,208
End of year	52,105	780,418	7,843,258	8,675,781	8,675,781	1,537,706	10,213,487

**CITY OF CHESTERFIELD, MISSOURI**  
**TIF Bond Revenue - Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Interest on investments	\$ 25,000	25,000	290,244	265,244
<b>EXPENDITURES</b>				
Public works	50,000	1,031,167	2,376,469	(1,345,302)
Capital outlay	-	-	1,777,738	(1,777,738)
Total expenditures	<u>50,000</u>	<u>1,031,167</u>	<u>4,154,207</u>	<u>(3,123,040)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,000)</u>	<u>(1,006,167)</u>	<u>(3,863,963)</u>	<u>(2,857,796)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,500,000	6,500,000	17,228,431	10,728,431
Transfers out	-	-	(13,449,801)	(13,449,801)
Total other financing sources (uses)	<u>1,500,000</u>	<u>6,500,000</u>	<u>3,778,630</u>	<u>(2,721,370)</u>
Net change in fund balances	<u>\$ 1,475,000</u>	<u>5,493,833</u>	<u>(85,333)</u>	<u>(5,579,166)</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**December 31, 2005**

	<u>Parks 1998</u>	<u>Public Works Facility 1995 and 2002</u>	<u>City Hall</u>	<u>Parks 2005</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,068,584	236,435	90	875	1,305,984
Receivables:					
Municipal taxes	350,386	-	-	-	350,386
Interest	-	769	-	-	769
Total assets	<u>\$ 1,418,970</u>	<u>237,204</u>	<u>90</u>	<u>875</u>	<u>1,657,139</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	261	-	-	261
Deferred revenue	119,172	-	-	-	119,172
Total liabilities	<u>119,172</u>	<u>261</u>	<u>-</u>	<u>-</u>	<u>119,433</u>
<b>Fund balances</b>	<u>1,299,798</u>	<u>236,943</u>	<u>90</u>	<u>875</u>	<u>1,537,706</u>
Total liabilities and fund balances	<u>\$ 1,418,970</u>	<u>237,204</u>	<u>90</u>	<u>875</u>	<u>1,657,139</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**For the year ended December 31, 2005**

	<u>Parks 1998</u>	<u>Public Works Facility 1995 and 2002</u>	<u>City Hall</u>	<u>Parks 2005</u>	<u>Total</u>
<b>REVENUES</b>					
Municipal taxes	\$ 784,351	-	-	-	784,351
Investment income	19,237	5,577	(4,116)	938	21,636
Total revenues	<u>803,588</u>	<u>5,577</u>	<u>(4,116)</u>	<u>938</u>	<u>805,987</u>
<b>EXPENDITURES</b>					
Debt service:					
Principal	530,000	155,000	240,000	-	925,000
Interest and fiscal charges	347,425	69,015	678,590	920,047	2,015,077
Cost of issuance	-	-	-	488,691	488,691
Total expenditures	<u>877,425</u>	<u>224,015</u>	<u>918,590</u>	<u>1,408,738</u>	<u>3,428,768</u>
Deficiency of revenues under expenditures	<u>(73,837)</u>	<u>(218,438)</u>	<u>(922,706)</u>	<u>(1,407,800)</u>	<u>(2,622,781)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Premium on refunding certificates of participation	-	-	-	491,198	491,198
Transfers in	-	224,950	817,166	920,046	1,962,162
Transfers out	-	(3,648)	-	(2,569)	(6,217)
Total other financing sources (uses)	<u>-</u>	<u>221,302</u>	<u>817,166</u>	<u>1,408,675</u>	<u>2,447,143</u>
Net change in fund balances	<u>(73,837)</u>	<u>2,864</u>	<u>(105,540)</u>	<u>875</u>	<u>(175,638)</u>
Fund balances:					
Beginning of year	<u>1,373,635</u>	<u>234,079</u>	<u>105,630</u>	<u>-</u>	<u>1,713,344</u>
End of year	<u>\$ 1,299,798</u>	<u>236,943</u>	<u>90</u>	<u>875</u>	<u>1,537,706</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Parks 1998 - Nonmajor Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 744,025	784,351	40,326
Interest on investments	8,000	19,237	11,237
Total revenues	<u>752,025</u>	<u>803,588</u>	<u>51,563</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	530,000	530,000	-
Interest and other charges	349,925	347,425	2,500
Total expenditures	<u>879,925</u>	<u>877,425</u>	<u>2,500</u>
Net change in fund balances	<u>\$ (127,900)</u>	<u>(73,837)</u>	<u>49,063</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Public Works Facility 1995 and 2002 - Nonmajor Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>	<u>\$ 100</u>	<u>5,577</u>	<u>5,477</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	170,000	155,000	15,000
Interest and other charges	<u>77,063</u>	<u>69,015</u>	<u>8,048</u>
Total expenditures	<u>247,063</u>	<u>224,015</u>	<u>23,048</u>
Deficiency of revenues under expenditures	<u>(246,963)</u>	<u>(218,438)</u>	<u>28,525</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	247,063	224,950	(22,113)
Transfers out	<u>-</u>	<u>(3,648)</u>	<u>(3,648)</u>
Total other financing sources	<u>247,063</u>	<u>221,302</u>	<u>(25,761)</u>
Net change in fund balances	<u>\$ 100</u>	<u>2,864</u>	<u>2,764</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**City Hall - Nonmajor Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>	\$ 500	(4,116)	(4,616)
<b>EXPENDITURES</b>			
Debt service:			
Principal	250,000	240,000	10,000
Interest and other charges	571,090	678,590	(107,500)
Total expenditures	<u>821,090</u>	<u>918,590</u>	<u>(97,500)</u>
Excess (deficiency) of revenues over (under) expenditures	(820,590)	(922,706)	(102,116)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	821,090	817,166	(3,924)
Net change in fund balances	<u>\$ 500</u>	<u>(105,540)</u>	<u>(106,040)</u>

## **Capital Project Major Fund**

Capital Project Funds are used to account for financial resources to be used for acquisition or construction of major capital facilities.

## **Debt Service Major Fund**

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.

## **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.

### **Agency Funds**

Court 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.

Highway 40 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.

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.

**CITY OF CHESTERFIELD, MISSOURI**  
**Capital Project Fund - Capital Project Major Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended December 31, 2005**

Schedule 13

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Public works	303,873	303,873	235,456	68,417
Capital outlay	<u>2,881,000</u>	<u>4,181,000</u>	<u>4,382,344</u>	<u>(201,344)</u>
Total expenditures	<u>3,184,873</u>	<u>4,484,873</u>	<u>4,617,800</u>	<u>(132,927)</u>
Excess (deficiency) of revenues over (under) expenditures	(3,184,873)	(4,484,873)	(4,617,800)	(132,927)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>3,184,873</u>	<u>4,484,873</u>	<u>4,617,800</u>	<u>132,927</u>
Net change in fund balances	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**TIF Bond Debt Service Fund - Major Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Investment income	\$ 6,000	256,174	250,174
<b>EXPENDITURES</b>			
Debt service:			
Principal	3,347,762	10,038,986	(6,691,224)
Interest and other charges	2,164,050	1,795,362	368,688
Total expenditures	<u>5,511,812</u>	<u>11,834,348</u>	<u>(6,322,536)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,505,812)</u>	<u>(11,578,174)</u>	<u>(6,072,362)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	4,918,031	10,603,399	5,685,368
Transfer out	-	(458,835)	(458,835)
Total other financing sources	<u>4,918,031</u>	<u>10,144,564</u>	<u>5,226,533</u>
Net change in fund balances	<u>\$ (587,781)</u>	<u>(1,433,610)</u>	<u>(845,829)</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**R & S Debt Service Fund - Major Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual**  
**For the year ended December 31, 2005**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Investment income	\$ -	294,506	294,506
<b>EXPENDITURES</b>			
Debt service:			
Principal	1,060,000	1,060,000	-
Interest and fiscal charges	1,059,838	1,375,997	(316,159)
Cost of issuance	-	182,440	(182,440)
Total expenditures	<u>2,119,838</u>	<u>2,618,437</u>	<u>(498,599)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,119,838)</u>	<u>(2,323,931)</u>	<u>(204,093)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on refunding general obligation bonds	-	364,440	364,440
General obligation bonds issued	-	17,760,000	17,760,000
Transfers in	2,119,838	2,157,558	37,720
Transfers out	-	(42,079)	(42,079)
Total other financing sources	<u>2,119,838</u>	<u>20,239,919</u>	<u>18,120,081</u>
Net change in fund balances	<u>\$ -</u>	<u>17,915,988</u>	<u>17,915,988</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Combining Statement of Fiduciary Net Assets**  
**Agency Funds**  
**December 31, 2005**

**Schedule 16**

	<u>Court Bond Fund</u>	<u>Explorer's Fund</u>	<u>Highway 40 Trust Fund</u>	<u>Miscellaneous Escrow Fund</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 75,684	11,224	232,813	1,184,386	1,504,107
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	-	11,224	232,813	-	244,037
Deposits held in escrow	75,684	-	-	1,184,386	1,260,070
Total liabilities	<u>75,684</u>	<u>11,224</u>	<u>232,813</u>	<u>1,184,386</u>	<u>1,504,107</u>
<b>NET ASSETS</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CITY OF CHESTERFIELD, MISSOURI**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**For the year ended December 31, 2005**

	Balance December 31 2004	Additions	Deductions	Balance December 31 2005
<b>Court Bond Fund</b>				
Assets - cash and cash equivalents	\$ 79,641	18,945	22,902	75,684
Liabilities - deposits held in escrow	\$ 79,641	18,945	22,902	75,684
<b>Explorer's Fund</b>				
Assets - cash and cash equivalents	\$ 9,331	2,500	607	11,224
Liabilities - accounts payable	\$ 9,331	2,500	607	11,224
<b>Highway 40 Trust Fund</b>				
Assets - cash and cash equivalents	\$ 226,604	115,006,407	115,000,198	232,813
Liabilities - trust fund payable	\$ 226,604	115,006,407	115,000,198	232,813
<b>Miscellaneous Escrow Fund</b>				
Assets - cash and cash equivalents	\$ 1,484,560	386,347	686,521	1,184,386
Liabilities - deposits held in escrow	\$ 1,484,560	386,347	686,521	1,184,386
<b>Total - All Agency Funds</b>				
Assets - cash and cash equivalents	\$ 1,800,136	115,414,199	115,710,228	1,504,107
Liabilities:				
Accounts payable	\$ 235,935	115,008,907	115,000,805	244,037
Deposits held in escrow	1,564,201	405,292	709,423	1,260,070
Total liabilities	\$ 1,800,136	115,414,199	115,710,228	1,504,107



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## Statistical Section

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**CITY OF CHESTERFIELD, MISSOURI**  
**Net Assets by Component**  
**Last Four Fiscal Years**

<u>Functions/Programs</u>	<u>December 31</u>			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental activities:				
Invested in capital assets, net of related debt	\$ 98,156,258	100,479,329	102,724,442	106,461,560
Restricted	32,087,452	30,772,578	30,719,989	31,608,907
Unrestricted	<u>(39,180,430)</u>	<u>(36,474,538)</u>	<u>(33,197,547)</u>	<u>(23,133,146)</u>
Total governmental activities net assets	<u>\$ 91,063,280</u>	<u>94,777,369</u>	<u>100,246,884</u>	<u>114,937,321</u>

Source: Basic financial statements

2002 was the year GASB Statement 34 was implemented.

Table 2

**CITY OF CHESTERFIELD, MISSOURI**  
**Changes in Net Assets**  
**Last Four Fiscal Years**

	For the year ended December 31			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>EXPENSES</b>				
Primary Government				
Governmental activities:				
General government	\$ 2,779,184	2,596,258	2,732,076	2,820,464
Public safety	6,733,157	6,540,437	6,694,462	6,877,264
Public works	16,058,649	14,763,996	12,830,243	14,714,417
Planning	629,707	588,615	592,138	578,915
Parks and recreation	1,733,646	1,759,887	1,819,602	1,200,554
Community development	177,757	179,090	139,090	65,848
Judicial	173,865	169,118	177,183	184,064
Interest on long-term debt	6,604,298	4,594,305	5,598,446	5,485,774
Total primary government expenses	<u>34,890,263</u>	<u>31,191,706</u>	<u>30,583,240</u>	<u>31,927,300</u>
<b>PROGRAM REVENUES</b>				
Primary Government				
Governmental activities:				
Charges for services:				
General government	496,784	541,361	621,344	635,359
Parks and recreation	419,918	420,887	459,308	778,892
Judicial	836,305	809,258	833,990	852,979
Planning	26,129	20,850	27,332	24,219
Public works	450,323	314,534	391,134	63,105
Public safety	161,588	63,924	49,255	39,342
Operating grants and contributions	378,601	4,901,639	4,005,610	3,623,959
Capital grants and contributions	28,119	1,396,652	365,850	1,464,064
Total primary government program revenues	<u>2,797,767</u>	<u>8,469,105</u>	<u>6,753,823</u>	<u>7,481,919</u>
<b>Net Revenues (Expenses)</b>				
Total primary government net expense	<u>(32,092,496)</u>	<u>(22,722,601)</u>	<u>(23,829,417)</u>	<u>(24,445,381)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Primary Government				
Governmental activities:				
Taxes:				
Property taxes	7,181,111	7,184,039	9,074,627	11,210,863
Gross receipts tax (includes franchise tax)	4,789,699	4,985,577	5,013,234	5,473,216
Sales taxes	12,621,361	12,961,633	13,764,998	19,524,090
Sewer lateral	402,731	549,249	465,261	420,758
Investment earnings	1,022,026	486,186	524,489	2,020,949
Miscellaneous	4,755,027	270,006	456,323	485,942
Total primary government	<u>30,771,955</u>	<u>26,436,690</u>	<u>29,298,932</u>	<u>39,135,818</u>
<b>Changes in Net Assets</b>				
Total primary government	<u>\$ (1,320,541)</u>	<u>3,714,089</u>	<u>5,469,515</u>	<u>14,690,437</u>

Source: Basic financial statements

2002 was the year GASB Statement 34 was implemented.

Table 3

**CITY OF CHESTERFIELD, MISSOURI**  
**Fund Balances, Governmental Funds**  
**Last Four Fiscal Years**

	December 31			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005 (1)(2)</u>
General Fund:				
Reserved	\$ 277,809	314,738	364,560	275,267
Unreserved	12,072,726	11,244,722	10,817,879	11,996,698
Total General Fund	<u>\$ 12,350,535</u>	<u>11,559,460</u>	<u>11,182,439</u>	<u>12,271,965</u>
All other governmental funds:				
Reserved	\$ -	-	-	225
Unreserved, reported in:				
Special Revenue Funds	22,317,105	21,811,714	23,147,435	23,265,228
Capital Projects Funds	3,452	-	-	20,465,583
Debt Service Funds	9,513,950	9,751,696	8,388,403	24,695,143
Total all other governmental funds	<u>\$ 31,834,507</u>	<u>31,563,410</u>	<u>31,535,838</u>	<u>68,426,179</u>

Source: Basic financial statements.

- (1) In 2005, the City issued certificates of participation for parks. The proceeds were deposited in the Parks Construction Fund and the Capital Project Fund. This presented the substantial increase in unreserved fund balance for Capital Projects Funds.
- (2) In 2005, the City crossover-refunded the general obligation bonds for streets and sidewalks. The proceeds from bonds series 2005 was presented as cash refunding escrow.

Table 4

**CITY OF CHESTERFIELD, MISSOURI**  
**Changes in Fund Balances, Governmental Funds**  
**Last Four Fiscal Years**

	For the year ended December 31			
	2002	2003	2004	2005
<b>REVENUES</b>				
Municipal taxes	\$ 23,810,751	26,088,776	27,821,141	33,643,318
Licenses and permits	1,052,996	1,115,271	1,223,489	1,276,560
Intergovernmental	3,717,677	5,454,920	4,347,485	4,683,411
Charges for services, net	589,478	557,289	593,756	908,601
Court fines and forfeitures	836,305	751,382	811,406	876,978
Investment income, net arbitrage	987,111	346,057	524,489	2,020,949
Miscellaneous	398,475	482,723	319,757	874,166
Total revenues	<u>31,392,793</u>	<u>34,796,418</u>	<u>35,641,523</u>	<u>44,283,983</u>
<b>EXPENDITURES</b>				
Government	2,447,091	2,291,412	2,300,146	2,301,756
Police services	6,393,749	6,411,744	6,494,154	6,693,967
Judicial	172,506	170,479	176,164	183,888
Planning and zoning	616,432	578,545	587,488	568,524
Public works	10,738,816	9,158,419	8,967,526	8,375,518
Parks and recreation	1,237,505	1,251,006	1,417,304	3,669,292
Capital outlay	7,243,084	6,161,779	4,312,287	12,071,186
Debt service:				
Principal	7,187,714	8,048,468	8,523,797	12,023,986
Interest and fiscal charges	2,780,020	4,525,739	5,688,028	5,186,436
Cost of issuance	906,064	-	344,757	671,131
Total expenditures	<u>39,722,981</u>	<u>38,597,591</u>	<u>38,811,651</u>	<u>51,745,684</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,330,188)</u>	<u>(3,801,173)</u>	<u>(3,170,128)</u>	<u>(7,461,701)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from borrowing	6,520,494	2,629,417	18,540,298	44,384,395
Proceeds from refunding	50,780,542	-	654,262	945,638
Sale of capital assets	177,094	109,584	65,975	111,535
Payments to escrow agent	(39,065,314)	-	(16,495,000)	-
Transfers in	13,053,101	29,354,033	28,962,676	36,987,211
Transfers out	(13,053,101)	(29,354,033)	(28,962,676)	(36,987,211)
Total other financing source (uses)	<u>18,412,816</u>	<u>2,739,001</u>	<u>2,765,535</u>	<u>45,441,568</u>
Net change in fund balances	<u>\$ 10,082,628</u>	<u>(1,062,172)</u>	<u>(404,593)</u>	<u>37,979,867</u>
Debt service as a percentage of noncapital expenditures	33.48 %	38.77 %	42.19 %	45.07 %

Source: Revenues from governmental funds and expenditures from required supplementary information

Table 5

**CITY OF CHESTERFIELD, MISSOURI**  
**Assessed Value and Actual Value of Taxable Property**  
 Last Ten Fiscal Years  
 (dollars in thousands)

Fiscal Year	Real Property				Railroad and Utilities	Total Taxable Assessed Total	Total Direct Tax Rate
	Residential Property	Commercial Property	Agricultural Property	Personal Property			
1996	\$ 676,796	\$ -	\$ -	\$ 160,550	\$ 16,131	\$ 853,477	0.13
1997	737,720	-	-	171,773	14,472	923,965	0.13
1998	761,919	-	-	181,320	14,492	957,731	0.13
1999	839,087	-	-	193,552	14,431	1,047,070	0.13
2000	896,862	-	-	225,781	15,328	1,137,971	0.10
2001	1,023,122	-	-	235,079	17,702	1,275,903	0.06
2002	1,047,229	-	-	242,743	18,849	1,308,821	0.06
2003	813,951	296,483	1,657	232,851	14,350	1,359,292	0.06
2004	830,445	301,374	1,656	230,121	14,332	1,377,928	0.06
2005	933,248	352,577	1,622	246,081	14,784	1,548,312	0.06

## Notes:

- (1) Assessments are determined by the Assessor of St. Louis County 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 1/3%. 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 participates in the county-wide sales tax sharing pool, therefore, sales tax is not the City's own source revenue.

**CITY OF CHESTERFIELD, MISSOURI**  
**Direct and Overlapping Property Tax Rates**  
 (Per \$100 of Assessed Value)  
 Last Ten Fiscal Years

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Taxes levied on all property in the City in the City of Chesterfield:										
City of Chesterfield	\$ 0.130	0.130	0.130	0.130	0.100	0.060	0.060	0.060	0.060	0.060
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
St. Louis County	0.580	0.580	0.580	0.580	0.580	0.580	0.580	0.580	0.580	0.558
Special School District	0.630	0.620	0.640	0.620	0.623	0.835	0.849	0.864	0.905	0.840
St. Louis Community College	0.240	0.240	0.240	0.240	0.240	0.230	0.232	0.231	0.237	0.223
St. Louis County Library	0.140	0.140	0.140	0.140	0.140	0.140	0.140	0.140	0.150	0.150
Metropolitan St. Louis Sewer District (Extension)	0.020	0.020	0.020	0.020	0.020	0.019	0.019	0.019	0.019	0.019
Metropolitan Zoological Park and Museum District	0.232	0.232	0.232	0.227	0.232	0.222	0.222	0.226	0.276	0.265
Sheltered Workshop	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.082
<b>Total</b>	<b>\$ 2.087</b>	<b>2.077</b>	<b>2.097</b>	<b>2.072</b>	<b>2.050</b>	<b>2.201</b>	<b>2.217</b>	<b>2.235</b>	<b>2.342</b>	<b>2.227</b>
School districts (2):										
Parkway	3.440	3.760	3.640	3.660	3.590	3.603	3.455	3.511	3.692	3.709
Rockwood	4.540	4.540	4.490	4.520	4.480	4.525	4.421	4.439	4.633	4.507
Fire protection districts (3):										
Metro West	1.030	1.040	1.030	1.030	1.030	1.021	0.972	0.997	1.098	1.028
Chesterfield	1.060	1.000	1.030	1.040	1.020	1.019	0.995	0.979	1.067	1.061

## Notes:

- (1) The City levied property tax in 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

Table 7

**CITY OF CHESTERFIELD, MISSOURI**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**(dollars in thousands)**

Taxpayer	2005			1996		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
THF Chesterfield	\$ 38,954	1	2.52%	\$ -	-	-
Pfizer	34,902	2	2.25%	n/a	1	n/a
WEA Chesterfield LLC	19,786	3	1.28%	-	-	-
FSP Timberlake Corp.	17,355	4	1.12%	-	-	-
Ameren UE	12,415	5	0.80%	n/a	3	n/a
Dierbergs FourSeasons/Chesterfield Village	7,725	6	0.50%	-	-	-
St. Lukes Episcopalian Presbyterian Hospital	7,472	7	0.48%	n/a	4	n/a
Capitol Land Company	7,340	8	0.47%	-	-	-
Baxter Crossing LLC	7,220	9	0.47%	-	-	-
Scott Family Properties	6,520	10	0.42%	-	-	-
St. Louis West JT Vent.	-	-	-	n/a	2	n/a
May Department Stores	-	-	-	n/a	5	n/a
Caplaco Inc.	-	-	-	n/a	6	n/a
Dillard's Department Stores	-	-	-	n/a	7	n/a
Wild Horse JT Vent.	-	-	-	n/a	8	n/a
Corporate Plaza Mgt.	-	-	-	n/a	9	n/a
Scott Joe H. Sr. Trt.	-	-	-	n/a	10	n/a
Total	\$ 159,689		10.31%	\$ -		-

Source: St. Louis County Department of Collection

Note: The assessed values of the principal taxpayers for 1996 are not available at this time.

Table 8

**CITY OF CHESTERFIELD, MISSOURI**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

Fiscal Year Ended December 31	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1996(1)	\$ 1,585	\$ 1,498	94.5 %	\$ 63	\$ 1,561	98.5 %
1997	1,891	1,769	93.5	79	1,848	97.7
1998	2,187	1,937	88.6	141	2,078	95.0
1999	3,302	2,806	85.0	144	2,950	89.3
2000	5,425	4,925	90.8	380	5,305	97.8
2001	7,069	6,451	91.3	152	6,603	93.4
2002	7,257	6,556	90.3	(3)	6,553	90.3
2003	8,169	7,740	94.7	613	8,352	102.2
2004	9,160	8,657	94.5	534	9,190	100.3
2005	12,158	8,786	72.3	164	8,950	73.6

Note: (1) 1996 was the second year that the City of Chesterfield had a property tax levy.

**CITY OF CHESTERFIELD, MISSOURI**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities										Percentage of Personal Income (4)	Per Capita
	General Obligation Bonds (2)	Tax Increment Notes	Tax Increment Bonds	Lease Revenue Bonds (3)	Less Reserve for Debt Service	Total Primary Government						
1996	\$ 10,735	\$ 2,600	\$ -	\$ 2,865	\$ (1,135)	\$ 15,065					1.27 %	\$ 356
1997	24,680	2,473	-	2,775	(1,490)	28,438					2.40	672
1998	23,125	3,403	-	2,680	(1,072)	28,136					2.37	665
1999	36,405	31,179	-	2,575	(1,473)	68,686					3.75	1,623
2000	35,470	33,758	-	20,035	(1,766)	87,497					4.32	2,067
2001	34,175	34,710	-	19,920	(1,680)	87,125					4.30	1,862
2002	32,805	1,100	50,791	19,575	(1,570)	102,701					5.26	2,194
2003	31,365	3,571	45,020	19,050	(1,416)	97,590					4.81	2,085
2004	29,840	5,951	38,885	18,440	(1,374)	91,742					4.35	1,960
2005	46,010	6,376	29,335	43,135	(1,075)	123,781					5.72	2,645

- Notes: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(2) In 2005, the City issued a crossover refunding bonds of \$17,760,000 for street and sidewalks.  
(3) In 2005, the City issued certificates of participation of \$25,710,000 for parks.  
(4) See Table 14 for personal income and population data.

**CITY OF CHESTERFIELD, MISSOURI**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten fiscal Years**  
(dollars in thousands, except per capita)

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>			<u>Percentage of Actual Taxable Value of Property (2)</u>	<u>Per Capita (3)</u>
	<u>General Obligation Bonds</u>	<u>Redevelopment Bonds</u>	<u>Total</u>		
1996	\$ 10,735	\$ -	\$ 10,735	1.26 %	\$ 254
1997	24,680	-	24,680	2.67	583
1998	23,125	-	23,125	2.41	546
1999	36,405	-	36,405	3.48	860
2000	35,470	-	35,470	3.12	838
2001	34,175	-	34,175	2.68	730
2002	32,805	50,791	83,596	6.39	1,786
2003	31,365	45,020	76,385	5.62	1,632
2004	29,840	38,885	68,725	4.99	1,468
2005	46,010	35,995	82,005	5.30	1,752

- Notes: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(2) See Table 5 for property value data.  
(3) See Table 14 for population data.

**CITY OF CHESTERFIELD, MISSOURI**  
**Net Assets By Component**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2005**  
**(dollars in thousands)**

**Table 11**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
St. Louis County	\$ 98,505	7.05	6,945
Parkway School District (1)	132,317,349	24.58	32,523,604
Rockwood School District (1)	170,704,733	17.35	29,617,271
Monarch Fire Protection District (1)	3,875,000	73.47	2,846,963
Metro-West Fire Protection District	6,025,000	72.90	4,392,225
Subtotal, overlapping debt			<u>69,387,008</u>
City direct debt	\$ 46,010	100.00%	46,010
Total direct and overlapping debt			<u><u>\$ 69,433,018</u></u>

Notes: (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 46,802

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

**CITY OF CHESTERFIELD, MISSOURI**  
**Legal Debt Margin Information**  
 Last Ten Fiscal Years  
 (dollars in thousands)

	December 31									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Debt limit	\$ 85,348	92,396	95,773	104,707	113,797	127,590	130,882	135,929	137,792	154,831
Total net debt applicable to limit	75,748	69,207	73,720	34,932	80,094	32,495	34,375	29,949	28,466	44,935
Legal debt margin	\$ 9,600	23,189	22,053	69,775	33,703	95,095	96,507	105,980	109,326	109,896
Total net debt applicable to the limit as a percentage of debt limit	88.75 %	74.90	76.97	33.36	70.38	25.47	26.26	22.03	20.66	29.02

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

**CITY OF CHESTERFIELD, MISSOURI**  
**Pledged-Revenue Coverage**  
**Last Four Fiscal Years**

Fiscal Year	TIF Refunding and Improvement Bonds (1)					Park Sales Tax Bonds (2)							
	TIF Sales Tax	TIF Property Tax	Less Operating Expense	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage	Park Sales Tax	Less Operating Expense	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2002	\$ 3,068,751	5,813,966	1,030,281	7,852,436	-	939,762	8.36	-	-	-	-	-	-
2003	3,623,110	7,648,644	1,741,524	9,530,230	5,925,000	1,930,577	1.21	-	-	-	-	-	-
2004	4,110,227	8,362,410	2,792,932	9,679,705	6,135,000	1,834,414	1.21	-	-	-	-	-	-
2005	5,839,775	8,099,493	4,154,206	9,785,062	9,550,000	1,814,049	0.86	3,422,207	1,838,647	1,583,560	-	920,046	1.72

Note: Details regarding the City's outstanding debt can be found in the notes to the financial Statements. Operating expenses do not include interest, depreciation, or amortization expenses.

(1) TIF Revenue Bonds are backed by sales and property taxes in the Chesterfield Valley.

(2) Park sales tax bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued (1/2-cent) applied to the increase in retail sales in the City.

Table 14

**CITY OF CHESTERFIELD, MISSOURI**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	School Enrollment		Unemployment Rate
				Parkway School District	Rockwood School District	
1996	42,325	\$ 1,185,904	\$ 28,019	21,406	21,658	4.6 %
1997	42,325	1,185,904	28,019	21,240	21,782	4.2
1998	42,325	1,185,904	28,019	20,661	21,553	4.2
1999	42,325	1,832,165	43,288	20,542	21,114	3.5
2000	42,325	2,025,965	47,867	20,193	21,034	3.5
2001	46,802	2,025,965	43,288	19,849	20,924	4.6
2002	46,802	1,951,550	41,698	19,657	20,511	5.4
2003	46,802	2,030,832	43,392	19,304	20,063	5.8
2004	46,802	2,110,817	45,101	18,904	19,725	5.9
2005	46,802	2,165,698	46,274	18,273	19,583	5.5

Source: Population and per capita personal income data for the City using the U.S. Census Bureau data for the area and Bureau of Economic Analysis for St. Louis County.

School enrollment information provided by Parkway and Rockwood School Districts.

Unemployment rate using U.S. Department of Labor, Bureau of Labor Statistics.

Note: Per capita personal income for year 2005 using consumer price index for midwest state as a percent change from 2004.

Table 15

**CITY OF CHESTERFIELD, MISSOURI**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>2005</u>			<u>1996</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pfizer	1,700	1	4.45 %	1,325	1	6.64 %
Premium Retail Services, Inc.	1,600	2	4.18	-		-
The Finish Line	1,519	3	3.97	-		-
McBride & Son Managements Co.	530	4	1.39	272	7	1.36
Amdocs, Inc.	500	5	1.31	-		-
Reinsurance Group of America Inc.	464	6	1.21	-		-
Rose International	450	7	1.18	-		-
Taylor-Morley, Inc.	351	8	0.92	-		-
Famous- Barr	342	9	0.89	270	8	1.35
Doubletree Hotel & Conference Ctr.	330	10	0.86	275	6	1.38
Mark Andy Inc.	-		-	469	2	2.35
Roosevelt Bank	-		-	415	3	2.08
Mallinckrodt	-		-	342	4	1.71
Cooper Automotive	-		-	300	5	1.50
The Prudential	-		-	198	9	0.99
Wiltel, Inc.	-		-	126	10	0.63
Total	<u>7,786</u>		<u>20.36 %</u>	<u>3,992</u>		<u>19.99 %</u>

Source: Business License database from Finance Division

**CITY OF CHESTERFIELD, MISSOURI**  
**Full-time Equivalent City Government Employees by Function/Program**  
 Last Ten Fiscal Years

Function/ Program	Full-time Equivalent Employees as of December 31									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
General government:										
Elected officials	9	9	9	9	8	9	9	9	9	9
City Administrator	2	2	2	2	2	2	2	2	2	2
Community development	-	-	-	-	-	-	-	-	-	-
Customer service	2	2	4	4	3	4	5	4	4	5
Finance	5	4	4	5	6	6	6	6	6	6
Information systems	3	4	4	3	2	4	4	4	3	3
Court	3	3	2	2	3	3	3	3	3	3
Planning	9	12	11	10	9	11	11	10	11	9
Police:										
Officers	70	73	78	83	86	86	84	86	80	79
Civilians	5	3	8	9	9	9	10	10	10	9
Public works:										
Engineering	12	13	13	13	16	14	16	16	16	15
Street maintenance	23	32	41	31	36	38	35	36	31	27
Vehicle maintenance	4	4	4	5	5	5	5	5	5	5
Building maintenance	-	-	-	-	-	1	6	6	6	6
Parks and recreation	4	3	3	8	10	11	12	12	18	22
Total	<u>151</u>	<u>164</u>	<u>183</u>	<u>184</u>	<u>195</u>	<u>203</u>	<u>208</u>	<u>209</u>	<u>204</u>	<u>202</u>

Source: Payroll Report, Finance Department

**CITY OF CHESTERFIELD, MISSOURI**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/ Program	Fiscal Year									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Police:</b>										
Adult arrests	1,196	1,258	1,353	1,530	1,430	1,422	1,258	1,268	1,071	1,146
Juvenile arrests	436	308	352	360	341	474	418	378	277	343
Parking violations	595	462	724	1,075	661	477	449	429	475	420
Traffic violations	8,612	6,886	8,418	9,373	10,451	10,226	9,935	8,409	8,499	9,104
Non-traffic ordinance violations	918	947	1,383	1,709	1,624	1,689	1,585	1,636	1,580	1,158
<b>Public works:</b>										
Street work orders completed	57	49	236	194	121	121	49	79	106	526
Sidewalk work orders completed	88	231	244	96	165	1,105	160	471	418	145
Tree trimming work orders completed	393	223	566	309	482	485	428	584	724	647
Storm sewer repairs	66	205	144	103	73	91	91	64	58	34
Sewer lateral repairs (1)	-	-	-	-	-	90	88	84	65	63
Handicap accessible sidewalk ramps installed	36	42	29	10	-	39	10	44	21	15
<b>Parks and recreation:</b>										
Athletic field rental hours (3)	-	-	-	-	3,225	6,228	8,109	9,909	10,195	12,365
Aquatic Center admissions (4)	-	-	29,278	35,838	37,268	40,844	40,551	29,275	28,977	38,439
<b>Planning:</b>										
Zoning approvals for construction	1,100	1,035	1,143	1,321	1,428	1,204	1,277	1,609	1,392	1,471
Building permits for new construction	712	652	846	836	938	849	867	1,024	985	981
Building permits for alterations/additions	2,051	2,113	2,799	2,977	3,261	3,010	3,163	4,093	4,176	4,416
<b>Finance and administration:</b>										
Business licenses issued	1,389	1,444	1,425	1,508	1,503	1,608	1,479	1,723	2,189	2,010
Vending licenses issued	766	817	864	814	879	943	931	901	978	1,005
Liquor licenses issued	171	153	139	170	178	200	95	212	237	117
Solicitor licenses issued	36	26	32	28	30	30	36	37	32	26

Notes: (1) The Sewer Lateral program was not in effect until January 1, 2001.

(2) In the year 2000, CDBG funds normally used for the installation of handicap accessible sidewalk ramps were used to make the City of Chesterfield Athletic Complex handicap accessible.

(3) The City of Chesterfield Athletic Complex was not open until 2000.

(4) The City of Chesterfield Aquatic Center was not open until 1998.

Sources: City of Chesterfield Annual Reports (1996-2005), City of Chesterfield Annual Budgets (1996-2005), various City departments

**CITY OF CHESTERFIELD, MISSOURI**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/ Program	Fiscal Year																																																																																																																																																																			
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005																																																																																																																																																										
Police:											Stations	1	1	1	1	1	1	1	1	1	1	Sectors	6	6	6	6	6	6	6	6	6	6	Marked patrol units	26	26	26	26	26	26	26	27	30	30	Public works:											Streets (miles)	130	150	150	150	150	150	161	161	161	161	Streetlights	10	10	10	10	10	10	10	10	10	10	Parks and recreation:											Acreage	-	-	200	200	200	200	200	200	200	254	Playgrounds	-	-	-	1	1	2	3	3	3	3	Baseball/softball diamonds	-	-	-	4	12	12	14	24	24	25	Soccer fields	-	-	-	7	7	7	7	7	7	9	Football fields	-	-	-	-	-	-	-	-	-	2	Athletic Complex	-	-	-	1	1	1	1	1	1	1	Aquatic Center	-	-	1	1	1	1	1	1	1	1
Stations	1	1	1	1	1	1	1	1	1	1	Sectors	6	6	6	6	6	6	6	6	6	6	Marked patrol units	26	26	26	26	26	26	26	27	30	30	Public works:											Streets (miles)	130	150	150	150	150	150	161	161	161	161	Streetlights	10	10	10	10	10	10	10	10	10	10	Parks and recreation:											Acreage	-	-	200	200	200	200	200	200	200	254	Playgrounds	-	-	-	1	1	2	3	3	3	3	Baseball/softball diamonds	-	-	-	4	12	12	14	24	24	25	Soccer fields	-	-	-	7	7	7	7	7	7	9	Football fields	-	-	-	-	-	-	-	-	-	2	Athletic Complex	-	-	-	1	1	1	1	1	1	1	Aquatic Center	-	-	1	1	1	1	1	1	1	1											
Sectors	6	6	6	6	6	6	6	6	6	6	Marked patrol units	26	26	26	26	26	26	26	27	30	30	Public works:											Streets (miles)	130	150	150	150	150	150	161	161	161	161	Streetlights	10	10	10	10	10	10	10	10	10	10	Parks and recreation:											Acreage	-	-	200	200	200	200	200	200	200	254	Playgrounds	-	-	-	1	1	2	3	3	3	3	Baseball/softball diamonds	-	-	-	4	12	12	14	24	24	25	Soccer fields	-	-	-	7	7	7	7	7	7	9	Football fields	-	-	-	-	-	-	-	-	-	2	Athletic Complex	-	-	-	1	1	1	1	1	1	1	Aquatic Center	-	-	1	1	1	1	1	1	1	1																						
Marked patrol units	26	26	26	26	26	26	26	27	30	30	Public works:											Streets (miles)	130	150	150	150	150	150	161	161	161	161	Streetlights	10	10	10	10	10	10	10	10	10	10	Parks and recreation:											Acreage	-	-	200	200	200	200	200	200	200	254	Playgrounds	-	-	-	1	1	2	3	3	3	3	Baseball/softball diamonds	-	-	-	4	12	12	14	24	24	25	Soccer fields	-	-	-	7	7	7	7	7	7	9	Football fields	-	-	-	-	-	-	-	-	-	2	Athletic Complex	-	-	-	1	1	1	1	1	1	1	Aquatic Center	-	-	1	1	1	1	1	1	1	1																																	
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Note: No capital asset indicators are available for the Planning or Finance and Administration functions.

Source: City of Chesterfield Annual Reports (1996-2005), City of Chesterfield Annual Budgets (1996-2005), various City departments