



Comprehensive Annual Financial Report
For The Year Ending December 31, 2015



City of Chesterfield, Missouri
Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2015

Report prepared and submitted by the
Finance Department

City of Chesterfield, Missouri
Comprehensive Annual Report
Table of Contents
December 31, 2015

INTRODUCTORY SECTION - UNAUDITED	Page(s)
Letter of Transmittal	1 – 7
Certificate of Achievement for Excellence in Financial Reporting	8
Principal Officials	9
Management Team	10
 FINANCIAL SECTION	
Independent Auditor’s Report	11 – 13
Management’s Discussion and Analysis – Required Supplementary Information - unaudited	14 – 23
 Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	24
Statement of Activities	25
 Fund Financial Statements	
Balance Sheet – Governmental Funds	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Fiduciary Net Position – Fiduciary Funds	30
Notes to Basic Financial Statements	31 – 45

City of Chesterfield, Missouri
 Comprehensive Annual Report
 Table of Contents
 December 31, 2015

FINANCIAL SECTION (Continued)	Schedule	Page(s)
Budgetary Comparison Information – Required Supplementary Information (Unaudited):		
Budgetary Comparison Schedule – General Fund	1	46 – 47
Budgetary Comparison Schedule – Parks Sales Tax Fund – Special Revenue Major Fund	2	48
Notes to Budgetary Comparison Schedules		49 - 50
Combining and Individual Fund Financial Statements and Budgetary Comparison Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	3	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	4	52
Combining Balance Sheet – Nonmajor Debt Service Funds	5	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	6	54
Budgetary Comparison Schedules (Unaudited):		
Special Revenue Funds – Nonmajor:		
Police Forfeiture Fund	7	55
Sewer Lateral Fund	8	56
Chesterfield Valley Tax Increment Financing Fund	9	57
Debt Service Funds – Nonmajor:		
Parks 1998	10	58
City Hall	11	59
Parks Construction	12	60
R&S	13	61
Notes to Capital Projects Fund and Fiduciary Funds		62

City of Chesterfield, Missouri
 Comprehensive Annual Report
 Table of Contents
 December 31, 2015

FINANCIAL SECTION (Concluded)	Schedule	Page(s)
Budgetary Comparison Schedule – Capital Improvement Sales Tax Trust Fund – Capital Project Major Fund	14	63
Budgetary Comparison Schedule – Parks Construction Fund - Capital Projects Nonmajor Funds	15	64
Combining Statement of Fiduciary Net Position – Agency Funds	16	65
Combining Statement of Changes in Assets and Liabilities – Agency Funds	17	66
 STATISTICAL SECTION – UNAUDITED	 Table	 Page(s)
Notes to Statistical Section		67
Net Position by Component – Last Ten Fiscal Years	1	68
Changes in Net Position – Last Ten Fiscal Years	2	69
Fund Balances, Governmental Funds – Last Ten Fiscal Years	3	70
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	4	71
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	5	72
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	6	73
Principal Property Taxpayers – Current year and Nine Years Ago	7	74
Property Tax Levies and Collections – Last Ten Fiscal Years	8	75
Sales Tax Rates and Taxable Sales – Last Ten Fiscal Years	9	76
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	10	77
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	11	78
Direct and Overlapping Governmental Activities Debt	12	79
Legal Debt Margin Information – Last Ten Fiscal Years	13	80
Pledged-Revenue Coverage – Last Ten Fiscal Years	14	81

City of Chesterfield, Missouri
Comprehensive Annual Report
Table of Contents
December 31, 2015

STATISTICAL SECTION – UNAUDITED (Concluded)	Table	Page(s)
Demographic and Economic Statistics – Last Ten Calendar Years	15	82
Principal Employers – Current Year and Nine Years Ago	16	83
Full-time Equivalent City Government Employees By Functions/Programs – Last Ten Fiscal Years	17	84
Operating Indicators by Functions/Programs – Last Ten Fiscal Years	18	85
Capital Asset Statistics by Functions/Programs – Last Ten Fiscal Years	19	86

Introductory Section



690 Chesterfield Parkway W • Chesterfield, MO 63017 • 636-537-4000

June 8, 2016

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 (CAFR) of the City of Chesterfield, Missouri (the City) for the fiscal year ended December 31, 2015.

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 statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Daniel Jones & Associates, 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, 2015, 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 unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

City of Chesterfield, Missouri
Letter of Transmittal
December 31, 2015

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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

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 47,484 residents. The City enjoys a balance of residential neighborhoods and concentrated retail centers including a regional shopping center and one of the largest retail power centers in the county known as Chesterfield Commons.

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 that time. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and eight City Council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Administrator, City Attorney, 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.

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 Finance Director each year. At the direction of the City Administrator, the Finance Director uses those requests as the starting point for developing a rough draft of the proposed budget. The City Administrator then interacts with all Department Heads to review/discuss those initial requests and to review revenue projections with the Finance Director. The City Administrator is ultimately responsible for completing the proposed budget and forwarding same to the Mayor and City Council, for discussion and ultimate approval. 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. Department heads may make transfers of appropriations within a department for amounts up to twenty-five hundred dollars (\$2,500.00) with prior approval by the Finance Director. Transfers within departmental budgets ranging from twenty-five hundred dollars (\$2,500.00) to five thousand dollars (\$5,000.00) can be made with prior approval by the Finance Director and City Administrator. Transfers within departmental budgets over five thousand dollars (\$5,000.00) may be made only with prior approval of a majority of the City Council. 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 beginning on page 46 as required supplementary information. For governmental funds, other than the General Fund, with appropriated annual budgets, comparisons for major Special Revenue Funds are found in required supplementary information which begins on page 48, and comparisons for the budgeted nonmajor Special Revenue and Debt Service Funds are found in other supplementary information, which begins on page 55.

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

The City has a thriving business community and has established a business district convenient to both the City of St. Louis, Missouri to the east and St. Charles County to the west. Continuing improvements of I-64/Hwy-40 assure the City greater opportunity for growth, enhancing its accessibility to downtown St. Louis. Work is nearly finalized on the construction of the new Boone Bridge over the Missouri River and additional east and west-bound lanes from Chesterfield to I-270, helping to ease traffic flow in both directions. Our population of 47,777 (*American Community Survey July 2015 Estimate*), high median income of \$95,945 and average consumer spending of \$1.58 million within a five-mile radius (*Co-Star Analytics*) make Chesterfield attractive for retailers.

Chesterfield has become a destination for retail tourism, with the opening of two outlet centers in August of 2013 adding 700,000 sq. ft. of retail space and nearly 150 new stores. Over one-third of Chesterfield's business base is from retail stores. Shoppers are now visiting Chesterfield from a 150 mile radius, leading to an increase in sales at restaurants and hotels over the past year.

St. Louis Premium Outlets has submitted plans for an expansion of approximately 78,000 sq. ft.; however, they have not announced new tenants or a timeframe for this expansion. This center is located within the Blue Valley Development, with recent project additions including Burlington, Gander Mountain and Cavander's Boots and Western Wear and U-Gas Convenience Store & Car Wash (both under construction). Plans for a hotel in this development were also recently announced. Multiple infrastructure improvements in this development were funded by a 3/8 cent voter-approved Chesterfield Valley Transportation Development District (TDD), and a one percent Community Improvement District. These included improvements such as road widening, internal roadways and drainage systems, signalizations and realignment of a major intersection at Old Olive and Chesterfield Airport Road.

Taubman Prestige Outlets is currently about 60% occupied and has room for additional new construction growth as well. High profile tenants include Polo, J.Crew, Coach & Talbot's Outlets & a full-price H&M store. Club Fitness recently opened a full service gym at Taubman as well. Transportation improvements to this area are being funded by a 5/8 cent TDD.

The City is also home to Chesterfield Mall, one of the largest suburban shopping centers in the metropolitan St. Louis area, with a diverse mix of shops and restaurants in neighboring shopping centers, both north and south, along the Clarkson/Olive (Highway 340) corridor. Chesterfield Mall has over 1.9 million square feet of enclosed suburban shopping space, including three anchor stores (Dillard's, Macy's and Sears), and many other boutiques, shops, and services. American Girl is located here with their only Missouri store and also the Cheesecake Factory, which has the second highest total sales among the 170-plus restaurants in Chesterfield.

Having made a dramatic comeback from the Flood of 1993, the Chesterfield Valley, located in the City's western corridor, adjacent to I-64, expanded significantly since then, with additional retail, office, hotels, light industrial and warehouse facilities. Businesses in the Valley comprise 44% of licensed businesses within Chesterfield. The Valley is home to Spirit of St. Louis Airport, located on 1,500 acres and home to 150 different businesses, employing an estimated 4,000 people. Chesterfield Commons, known as the longest retail

City of Chesterfield, Missouri
Letter of Transmittal
December 31, 2015

center in the country, contains over 2 million square feet of retail space. Wal-Mart, Target, World Market, Lowe's, Chick-Fil-A, Sam's Club, Office Max, Michael's, HH Greg, Best Buy, Red Robin, LongHorn Steakhouse, Sybergs, Babies 'R Us, Red Lobster, St. Louis Bread Company, Olive Garden, Chesterfield Galaxy 14 Cine, The Home Depot, and many others are located in Chesterfield Commons.

Businesses in the Valley generate \$7.4 million in sales tax, including \$1.6 million from the new outlet malls, for the Parks Sales Tax Fund and Capital Improvement Fund for the City of Chesterfield and an estimated additional \$2 million in utility taxes and associated fees. Additionally, the Valley generates \$7.9 million in sales tax that goes in the County's sales tax pool that is distributed to cities based on their population. Chesterfield received approximately 6.5% (\$513K) of that \$7.9 million back in 2015. Another \$15.0 million and \$33.7 million is generated and distributed directly to Saint Louis County and the State of Missouri, respectively.

A Tax Increment Financing District, established just after the Flood of 1993 provided funding for multiple infrastructure improvement projects, including the construction of a 500-Year Levee, completely surrounding/protecting the Valley, along with the Boone's Crossing overpass, on I-64, Edison Avenue, from Long Road to Baxter Road and numerous projects to improve interior drainage. The current levee is approximately eight feet higher than its predecessor and up to triple its thickness. Annie Gunn's, located in the eastern portion of the Chesterfield Valley, a landmark restaurant whose sales is enhanced by both the Smokehouse Market located next door and a very successful catering business, has the highest total sales of all restaurants in Chesterfield. In fact, 6 of the TOP 10 highest grossing restaurants are located within the Valley.

Based on current projections, there is available land for growth primarily north of I-64/Highway 40, the western end of the Valley and in our urban core area. The City's assessed valuation of \$1,784,196,261 as of January 1, 2015, resulted in an increase of 283% from \$465,549,049 as of January 1, 1988, the time of the City's incorporation.

Chesterfield's unemployment has remained fairly constant over the past year, ending in February 2016 at 3.2%, lower than the same time last year. This compares favorably to St. Louis MSA (Missouri part) which is 4.6%. Chesterfield has a diverse economy with 52.1% of jobs being in the services sector, including health care; 12.3% in finance related jobs, 11% in retail and 10% in manufacturing.

Chesterfield is also among the top places for office locations within the St. Louis region, having an office vacancy rate of 11.2%, compared to 7.6% in the Clayton/Mid-County office submarket and 20.2% in the St. Louis City office market. Numerous significant office expansions have occurred or are underway in Chesterfield, with the expansion next to City Hall of the world headquarters of Reinsurance Group of America (RGA), the largest reinsurance company in the world. Capital investment on the project was \$146.8 million and they took occupancy of the building in October 2014 with 1200 employees with plans to add another 300 over the next five years.

Edgewell Personal Care Products (a subsidiary of Energizer), Pfizer and Centene also have a large presence in Chesterfield. Other major office expansions include:

- Monsanto – Expansion of their Research & Development Headquarters, located in Chesterfield's Urban Core, with a \$400 million expansion to add greenhouses, research labs & conference center. The Company has 1,100 employees in Chesterfield and is adding 675 jobs over three years.

City of Chesterfield, Missouri
Letter of Transmittal
December 31, 2015

- MiTek – Existing Chesterfield business that expanded to the Urban Core Area, which opened in October 2015. This \$16 million project, will add 125 new jobs over the next five years, (166 existing). MiTek is the world leader in supplying engineered connector products (roofing trusses, etc.) The facility will house their growing core business segments including their software development group, engineering group and related administration/executive groups.

Medical

St. Luke's Hospital, a 493-bed, nonprofit hospital in operation since 1975, is a mainstay in Chesterfield's economy and the largest employer. St. Luke's is a specialty hospital offering medical and surgical care in 60 specialty areas such as cardiovascular care and surgery, cancer care, neurosurgery and neurology, orthopedics, maternity and other women's health, general medicine, outpatient services, pediatrics and comprehensive surgical services. They recently partnered with the Cleveland Clinic for heart health services and they are the only Missouri hospital recognized as one of America's 50 best hospitals by HealthGrades (2007-2015), ranking among the top one percent in the nation based on superior clinical quality. St. Luke's is currently constructing a \$40 million - 160,000 sf expansion to its outpatient care center on its West campus in Chesterfield.

Mercy also has a large presence in Chesterfield, including the newly constructed \$50 million Virtual Care Center (VCC), providing telehealth services. The VCC is the command center for the nation's largest electronic intensive care unit and other telehealth services, including telestroke, Nurse On-Call and physician teleconsults. Other plans on this site include expansion and consolidation of Mercy's office headquarters and an outpatient center. The City is also served by Mercy Rehabilitation Hospital which is a 90-bed hospital providing both inpatient and outpatient rehabilitation services.

Senior Living Facilities

The City has several skilled nursing and residential care facilities, including, Surrey Place, Brooking Park, Sunrise, and Friendship Village with many of those expanding currently. A new 95-bed, 3-story center, The Sheridan Assisted Living is planned in our Urban Core at a project cost of \$24.5 million. Another senior care project is also in the early planning stages in center city at Wild Horse Creek and Baxter Roads.

While Chesterfield currently has 10 hotels offering 1,396 rooms, Marriott Courtyard is planning to construct a new 4-story property in the Chesterfield Valley with 112 rooms, along with a Holiday Inn Express and another hotel property yet to be branded in the Blue Valley Development. Chesterfield's growing retail and sports tourism industries are driving the additional growth in hotels and prospective hotel interests.

Housing remains strong in Chesterfield, as McBride & Sons Homes is now developing the Arbors at Kehr's Mill and Arbors at Wilmas Farm, featuring luxury homes from \$650,000 to \$1.5 million. Other major residential developments include the Manor at Schoettler Grove, Falling Leaves Estates II and Bur Oaks, which together represent over 100 new homes. Additionally, two high-end multi-family developments are in for planning & zoning review that will broaden the housing choices in Chesterfield as it's been nearly 30 years since there's been a new multi-family development.

Due to the requirement that Chesterfield remain a member of the St. Louis County Sales Tax Pool (distribution based on population), rather than a point-of-sale city, as is our desire, the City will see a slight increase in sales tax revenues, due to our population growth and retail tourism. However, that increase in sales tax revenues pales by comparison to the projected revenues we would receive, as a point-of-sale city.

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, which were refunded in 2007. In addition, the sales tax will be used to fund major street and sidewalk improvements in the future.

The City continues to explore options based on a residents' survey concerning park improvements. Some recommendations from the study included exploring opportunities to partner with St. Louis County, Missouri and private providers of recreational services to acquire open space in the City, and provide walking paths and an outdoor amphitheatre and lake in the Central Park. In response to these efforts, voters passed a ½-cent sales tax for parks that took effect in April 2005. The City has purchased park land, constructed amenities, such as the new Chesterfield Amphitheater, and has funded recreation-based programs with the resources from this sales tax.

In November 2005, voters in Chesterfield Valley approved the creation of a Transportation Development District (TDD), which levies an additional ⅜-cent sales tax in that area. The sales tax took effect in March 2006. In November 2006, the TDD issued \$22,450,000 bonds with the average rate from 3.75% to 4.125%. The TDD will fund over \$25 million in 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; roadway construction on Chesterfield Airport Road at Spirit of St. Louis Boulevard; levee trail; Long Road overpass; Wild Horse Creek re-alignment; and area improvements at Olive and Chesterfield Airport Roads.

Debt Administration

At year-end, the City had seven debt issues outstanding. These \$8,910,000 in certificates of participation related to the City Hall, \$7,340,000 in general obligation bonds for streets and sidewalks, \$18,190,000 in certificates of participation for Parks from 2005, and \$11,360,000 in certificates of participation for park and recreation improvements from 2008 and 2012.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (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, 2014. This was the 26th consecutive year the City has received this prestigious award. 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 Program's requirements and we are submitting it to the GFOA to determine its eligibility for another Certificate of Achievement.

City of Chesterfield, Missouri
Letter of Transmittal
December 31, 2015

In addition, the City received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 2015. This was the 25th 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 contributions were invaluable.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "m. Geisel".

Mike O. Geisel
Co-Interim City Administrator



Government Finance Officers Association

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, 2014

Executive Director/CEO

Principal Officials

MAYOR

Bob Nation

COUNCIL MEMBERS

Ward 1:

Barry Flachsbart

Barbara McGuinness

Ward 2:

Bridget Nations

Guy Tilman

Ward 3:

Dan Hurt

Randy Logan

Ward 4:

Bruce DeGroot

Tom DeCampi

INTERIM CITY ADMINISTRATORS

Police Chief:

Ray Johnson

Director of Public Services:

Michael O. Geisel

INTERIM CITY ATTORNEY

Chris Graville

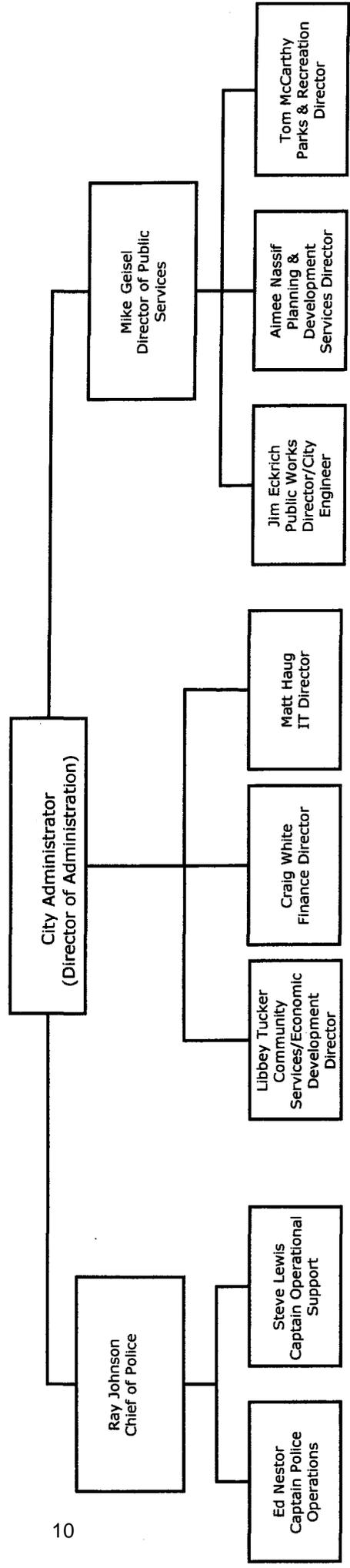
JUDGE

Richard K. Brunk

PROSECUTING ATTORNEY

Tim Engelmeyer

MANAGEMENT TEAM



Financial Section



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Chesterfield, Missouri (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis and budgetary comparison information on pages 14-23 and 46-48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Chesterfield's internal control over financial reporting and compliance.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

June 8, 2016

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

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, 2015. 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 \$194,532,927. The City has unrestricted net position totaling \$14,340,700.
- General revenues for governmental activities were \$29,016,323, which included \$28,719,773 (99.0%) in sales, gross receipts, and sewer lateral taxes.
- Net expense from the various functions of governmental activities was \$19,674,608. General government was \$2,583,173 (13.1%), public works was \$733,531 (3.7%), public safety was \$10,276,958 (52.3%), parks was \$3,956,348 (20.1%), planning was \$899,668 (4.6%), and community development was \$217,160 (1.1%).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$19,669,006, a decrease of \$1,085,064 in comparison with the prior year. Approximately 54.4% of this total amount or \$10,698,047 is available for spending at the City's discretion. Much of the decrease is due to one-time projects paid out of fund reserves such as replacement of City Hall's HVAC system and forward funding of GO Bonds debt service.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,717,788 (55.8%) of total General Fund expenditures.
- The City's total debt decreased by \$5,390,000 (10.5%) during the current fiscal year due to normal payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of 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 the government-wide financial statements exclude fiduciary fund activities.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. 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 can be found on pages 24 and 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 funds 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 government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds 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 funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Parks Sales Tax Fund, and the Capital Improvement Sales Tax Trust 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.

The City adopts an annual appropriated budget for its General Fund, Parks Sales Tax Fund, Capital Improvement Sales Tax Trust Fund, Police Forfeiture Fund, Sewer Lateral Special Revenue Fund, Chesterfield Valley Tax Increment Financing Special Revenue Fund, Parks 1998 Debt Service Fund, 2002 Debt Service Fund, City Hall Debt Service Fund, Parks Construction Debt Service Fund, R & S Debt Service Fund, and Parks Construction Capital Projects Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

The governmental funds 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 position 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 45 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 46 through 50 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 51 through 54 of this report.

Government-wide Financial Analysis – Financial Analysis of the City as a Whole

The City presents its financial statements under the 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 position may serve over time as a useful indicator of a government's financial position. In the case of the City, the net position of \$194,532,927 increased in 2015 by approximately 5.0% as compared to the previous year.

At the end of 2015, the City had positive balances in all three categories of net position.

The largest portion of the City's net position, \$175,832,360 in 2015 (an increase of approximately 6.3% from 2014), 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. Approximately \$5,202,000 (24.3%) of the increase was a result of donated streets, easements and right-of-ways. The City 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.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

	Governmental Activities	
	December 31	
	2015	2014
Assets		
Current and other assets	\$ 22,504,710	\$ 23,965,634
Capital assets, not depreciated	119,689,044	120,800,330
Capital assets, net	102,837,323	96,648,455
Total assets	245,031,077	241,414,419
Deferred Outflows of Resources	1,170,314	1,395,313
Liabilities		
Long-term liabilities	48,753,776	54,266,783
Other liabilities	2,914,688	3,351,737
Total liabilities	51,668,464	57,618,520
Net position		
Net investment in capital assets	175,832,360	165,439,709
Restricted	4,359,867	3,124,606
Unrestricted	14,340,700	16,626,897
Total net position	\$194,532,927	\$185,191,212

An additional portion of the City's net position, \$4,359,867 in 2015, 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. This balance increased by \$1,235,261 (39.5%) in 2015 primarily as a result of an increase in the capital improvement sales tax fund. The restricted portion of net position from capital projects is related to a sales tax for capital projects whose uses are restricted by legislation. This balance will fluctuate on an annual basis due to the timing of projects.

The remaining category of the City's net position represents an *unrestricted net position* balance of \$14,340,700 in 2015, which may be used to meet the City's ongoing obligations to citizens and creditors. There was a decrease of 13.7% in unrestricted net position in 2015. The decrease was primarily due to the one-time projects paid with the City's Fund Reserves.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

Governmental Activities

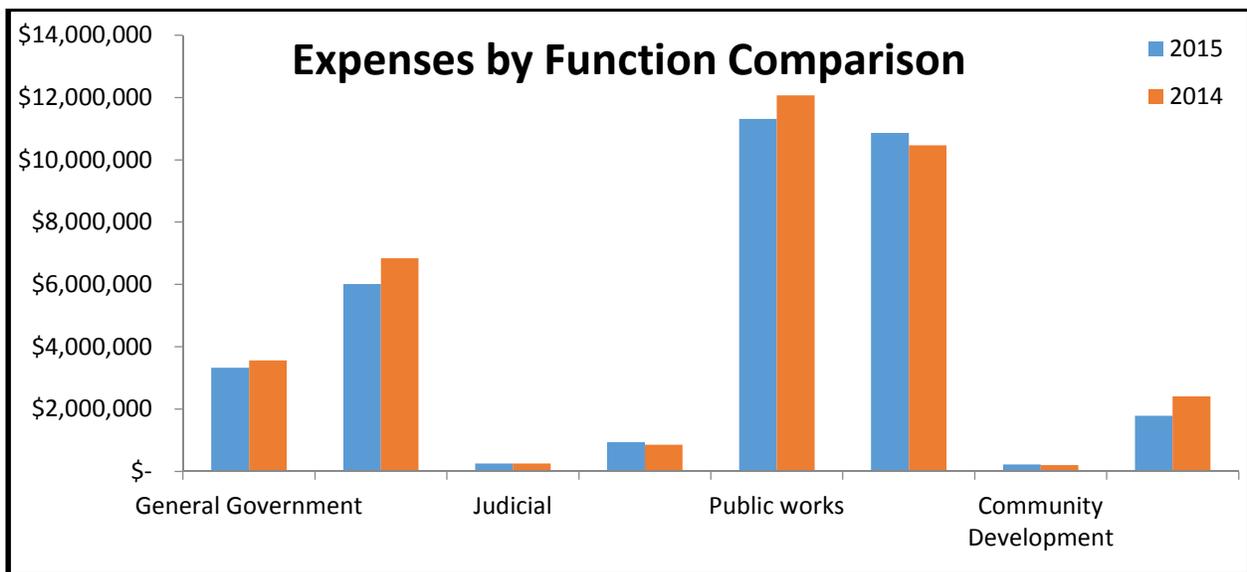
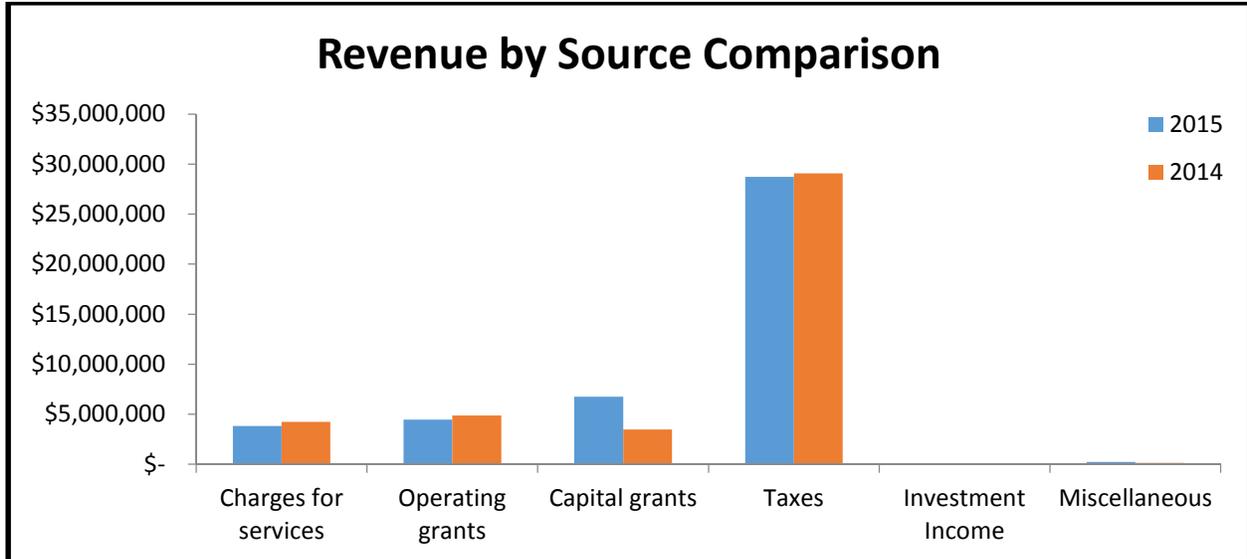
Governmental activities increased the City's net position by \$9,341,715. Key elements of this are as follows:

	Governmental Activities	
	For the years	
	ended December 31	
	2015	2014
Revenues		
Program revenues:		
Charges for services	\$ 3,837,969	\$ 4,228,313
Operating grants and contributions	4,460,450	4,871,779
Capital grants and contributions	6,751,617	3,462,945
General revenues:		
Taxes	28,723,645	29,084,938
Investment income	47,685	61,357
Miscellaneous	244,993	123,577
Total revenues	44,066,359	41,832,909
Expenses		
General government	3,329,980	3,564,356
Parks and recreation	6,017,571	6,843,588
Judicial	253,116	247,843
Planning	934,239	852,903
Public works	11,318,138	12,073,599
Public safety	10,864,250	10,465,006
Community development	219,393	203,830
Interest and fiscal charges	1,787,957	2,404,560
Total expenses	34,724,644	36,655,685
Changes in net position	9,341,715	5,177,224
Net position - beginning of year	185,191,212	180,013,988
Net position - end of year	\$194,532,927	\$185,191,212

Changes in Net Position

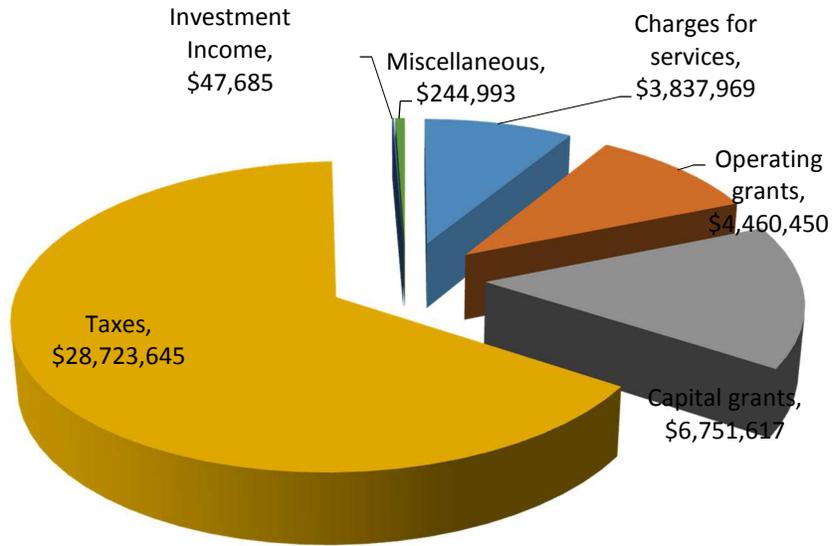
In 2015, the City's total revenues on a government-wide basis were \$44,066,359, an increase of \$2,233,450 as compared to 2014. This increase was largely due to the increase in contributed capital assets consisting of streets and right-of-ways. Total capital grants and contributions increased by \$3,288,672. Tax revenues decreased as phone utility taxes continue to decline. Other revenue sources were generally inline with the prior year. Total 2015 expenses of \$34,724,644 were largely in line with prior years and only decreased by \$1,931,041 (5.2%). As a result of the current year activity, the change in net position had an increase of \$9,341,715.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

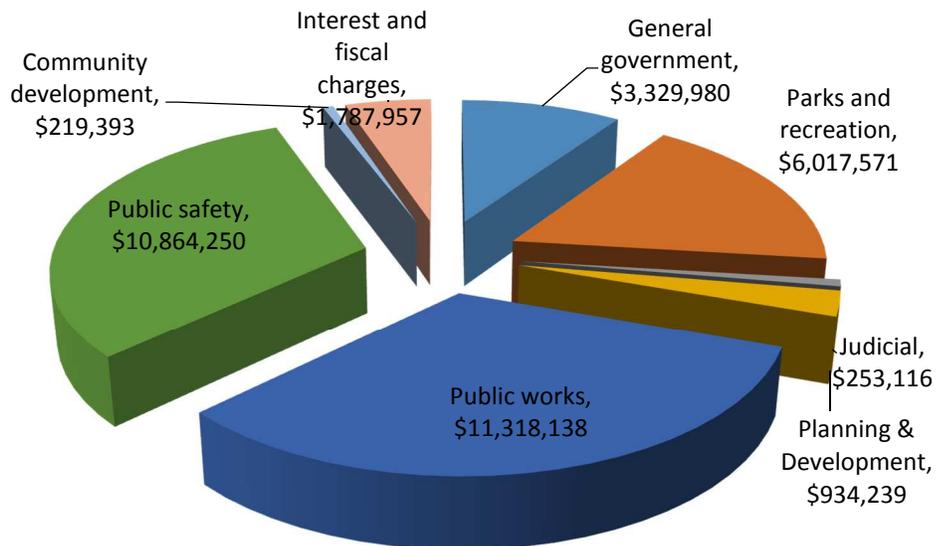


City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

Revenue by Source for Fiscal Year 2015



Expenses by function for Fiscal Year 2015



City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

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, unassigned 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 2015, the unassigned fund balance of the General Fund was \$10,717,788, while the total fund balance was \$12,581,029. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 45.9% of total General Fund expenditures and transfers out of \$23,336,036, while total fund balance represents 53.9% of total General Fund expenditures and transfers out.

The fund balance in the City's General Fund decreased by \$1,767,155 (12.3%) from the prior year fund balance compared to a \$409,933 (2.9%) increase in 2014. This decrease was due to one-time projects paid out of Fund Reserves.

Other Major Governmental Funds

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

- Parks Sales Tax Fund ended 2015 with fund balance of \$2,870,583, a decrease of \$64,642 (2.2%) from the prior year. This slight decrease was due to a combination of factors including the timing of grant revenues and increase in expenditures and debt service payments. Total revenues increased \$447,242 (5.1%). The Fund transferred \$2,866,706 to other funds for debt service expenditures and other expenditures.
- Capital Improvement Sales Tax Trust Fund ended the year with fund balance of \$3,283,353, an increase of 90.1% from the prior year. This increase was primarily due to the timing of planned projects. The Trust Fund transferred \$1,937,989 to other funds for debt service expenditures.

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

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

- Collection and release of monies in connection with various permits issued for construction projects

At the end of 2015, cash and cash equivalents had decreased \$1,858,606 (to \$1,562,062) from 2014 due to several construction related projects escrows being released in 2015.

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 expenditures for 2015 was \$20,194,101, which differs from the original adopted budget of \$20,219,416 by \$25,315. The change in budget was a result of encumbrances that rolled forward from the FY2015 budget to the FY2016 budget.

After transfers, the General Fund ended the year with an operating increase of \$2,193,263 and net decrease in fund balance of \$1,767,155. The net decrease in fund balance was due to one-time projects approved during 2015. Overall, the change in fund balance was favorable to the budgeted decrease of \$2,281,340 by \$514,185 as a result of management of budgetary expenditures and the timing of capital projects. Most revenue categories performed close to budget.

Capital Assets

The City has invested \$222,526,367 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 \$5,077,582. In 2015, the City's capital asset detail was as follows:

	Capital Assets, Net of Depreciation	
	December 31	
	2015	2014
Land	\$ 33,227,743	\$ 33,227,743
Art	85,000	-
Right-of-way	84,759,469	84,065,419
Buildings and other improvements	39,470,682	40,155,651
Machinery and equipment	1,673,951	1,677,448
Automobiles and trucks	1,857,111	2,095,222
Infrastructure (including construction-in progress)	<u>61,452,411</u>	<u>56,227,302</u>
Total	<u>\$ 222,526,367</u>	<u>\$ 217,448,785</u>

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

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2015
(Unaudited)

Long-Term Debt

At the end of December 2015, the City had outstanding long-term debt obligations for governmental activities in the amount of \$45,800,000 compared to \$51,190,000 in 2014. Of this amount, \$7,340,000 is general obligation bonds. Capital lease obligations outstanding totaled \$38,460,000. The 10.5% or \$5,390,000 decrease in the City's long-term debt obligations is primarily due to regular debt payments.

The City's governmental activities debt is detailed below:

	Outstanding Long-term Debt Obligations		
	December 31		Percent Change
	2015	2014	
Certificate of Participation (Government Center) Series 2004	\$ 8,910,000	\$ 9,955,000	(10.5)
Certificates of Participation (Parks) Series 2013	18,190,000	19,335,000	(5.9)
Certificates of Participation (Parks) Series 2008	3,490,000	3,690,000	(5.4)
Certificates of Participation (Parks) Series 2014	7,870,000	8,200,000	(4.0)
General Obligation Bonds (R & S) Series 2005	-	9,125,000	(100.0)
General Obligation Bonds (R & S) Series 2015	7,340,000	-	100.0
General Obligation Bonds (Parks) Series 2008	-	885,000	(100.0)
Total	<u>\$ 45,800,000</u>	<u>\$ 51,190,000</u>	(10.5)

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 2015 was \$187,049,000.

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 2016 annual budget for General Fund expenditures is \$19,880,755, a decrease of \$313,346 (1.6%) from the 2015 amended budget. The slight decrease is a result of usual activity.
- Capital Improvement Fund expense budget for 2016 is \$10,700,522, an increase of \$4,344,561 from the 2015 amended budget. The decrease is due to the timing of large capital projects.
- Park Sales Tax Fund expense budget for 2016 is \$6,151,301, a decrease of \$394,833 from the 2015 amended budget.

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 Finance Director, 690 Chesterfield Parkway West, Chesterfield, MO 63017-0760.

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CITY OF CHESTERFIELD, MISSOURI
Statement of Net Position
As of December 31, 2015

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 15,717,765
Receivables, net	6,230,804
Other assets	556,141
Capital assets not being depreciated	119,689,044
Capital assets, net of accumulated depreciation	<u>102,837,323</u>
Total assets	<u>245,031,077</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on bond refunding	<u>1,170,314</u>
LIABILITIES	
Accounts payable and accrued liabilities	940,697
Accrued salaries and other benefits	268,728
Accrued interest payable	319,074
Unearned revenue	649,904
Other liabilities	736,285
Long-term liabilities:	
Due within one year	5,428,595
Due in more than one year	<u>43,325,181</u>
Total liabilities	<u>51,668,464</u>
NET POSITION	
Net investment in capital assets	175,832,360
Restricted for:	
Debt service	2,852
Capital project	3,451,895
Public safety	284,241
Sewer lateral repair project	620,879
Unrestricted	<u>14,340,700</u>
Total Net Position	<u>\$ 194,532,927</u>

CITY OF CHESTERFIELD, MISSOURI
Statement of Activities
For the year ended December 31, 2015

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net Revenues (Expenses) and Change in Net Position Governmental Activities</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Primary Government					
Governmental activities:					
General government	\$ 3,329,980	\$ 746,807	\$ -	\$ -	\$ (2,583,173)
Parks and recreation	6,017,571	1,794,837	266,386	-	(3,956,348)
Judicial	253,116	1,033,303	-	-	780,187
Planning	934,239	34,571	-	-	(899,668)
Public works	11,318,138	179,612	3,653,378	6,751,617	(733,531)
Public safety	10,864,250	46,606	540,686	-	(10,276,958)
Community development	219,393	2,233	-	-	(217,160)
Interest and fiscal charges	1,787,957	-	-	-	(1,787,957)
Total governmental activities	<u>\$ 34,724,644</u>	<u>\$ 3,837,969</u>	<u>\$ 4,460,450</u>	<u>\$ 6,751,617</u>	<u>(19,674,608)</u>
General revenues:					
Taxes:					
Property taxes, levied for debt service					3,872
Sales and local use taxes:					
Parks and capital management					13,174,269
Intergovernmental - pooled sales tax					6,976,044
Gross receipts taxes (includes franchise tax)					8,001,265
Miscellaneous taxes (includes sewer lateral)					568,195
Unrestricted interest earnings					47,685
Miscellaneous					244,993
Total general revenues					<u>29,016,323</u>
Change in net position					9,341,715
Net position - beginning of year					<u>185,191,212</u>
Net position - end of year					<u>\$ 194,532,927</u>

CITY OF CHESTERFIELD, MISSOURI
Balance Sheet
Governmental Funds
As of December 31, 2015

	<u>Major Funds</u>			<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Parks Sales Tax</u>	<u>Capital Improvement Sales Tax Trust</u>	<u>Other Governmental Funds</u>	
ASSETS					
Cash and investments	\$ 10,355,654	\$ 2,122,497	\$ 2,296,152	\$ 943,462	\$ 15,717,765
Receivables:					
Municipal taxes	1,573,263	1,243,774	1,057,208	120,077	3,994,322
Intergovernmental	947,463	-	556,352	-	1,503,815
Interest	8,804	-	-	-	8,804
Other	723,863	-	-	-	723,863
Due from other funds	388,464	85,546	-	3,744	477,754
Prepays	554,291	-	-	1,850	556,141
Total assets	<u>\$ 14,551,802</u>	<u>\$ 3,451,817</u>	<u>\$ 3,909,712</u>	<u>\$ 1,069,133</u>	<u>\$ 22,982,464</u>
 LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued liabilities	\$ 477,795	\$ 130,515	\$ 324,966	\$ 7,421	\$ 940,697
Accrued salaries and other benefits	222,442	42,532	3,754	-	268,728
Due to other funds	3,744	368,414	-	105,596	477,754
Deferred revenue	828,146	39,773	-	22,075	889,994
Other liabilities	438,646	-	297,639	-	736,285
Total liabilities	<u>1,970,773</u>	<u>581,234</u>	<u>626,359</u>	<u>135,092</u>	<u>3,313,458</u>
Fund balances					
Nonspendable:					
Prepays	554,291	-	-	1,850	556,141
Restricted for:					
Public Safety	129,015	-	-	155,226	284,241
Sewer Lateral	-	-	-	620,879	620,879
Capital Projects	-	-	3,283,353	-	3,283,353
Committed to:					
Capital Projects	1,179,935	-	-	174,825	1,354,760
Parks	-	974,330	-	-	974,330
Assigned to:					
Debt Service	-	-	-	1,002	1,002
Parks	-	1,896,253	-	-	1,896,253
Unassigned	10,717,788	-	-	(19,741)	10,698,047
Total fund balances	<u>12,581,029</u>	<u>2,870,583</u>	<u>3,283,353</u>	<u>934,041</u>	<u>19,669,006</u>
Total liabilities and fund balances	<u>\$ 14,551,802</u>	<u>\$ 3,451,817</u>	<u>\$ 3,909,712</u>	<u>\$ 1,069,133</u>	<u>\$ 22,982,464</u>

CITY OF CHESTERFIELD, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2015

Total fund balances - governmental funds \$ 19,669,006

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds financial statements. This is the amount by which capital assets (\$319,375,506) exceeded accumulated depreciation (\$96,849,139) as of December 31, 2015. 222,526,367

Property taxes are assessed by the City, but not collected as of December 31, 2015, and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 22,075

Court fines receivable as of December 31, 2015, are deferred within the governmental funds financial statements. This amount is recognized in the government-wide financial statements. 218,015

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 governmental funds financial statements. Interest on long-term debt is not accrued in the 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 position. Discounts, premiums, and bond issuance costs are reported in the governmental funds financial statements when 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, 2015, are:

Accrued compensated absences, vacation, and compensatory time-off	(889,455)
Accrued interest on outstanding debt	(319,074)
Bonds, notes payable, and lease obligations outstanding	(45,800,000)
Unamortized bond premium	(2,064,321)
Deferred charges from defeasance of debt	1,170,314
	1,170,314

Total net position of governmental activities \$ 194,532,927

CITY OF CHESTERFIELD, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2015

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Parks Sales Tax	Capital Improvement Sales Tax Trust	Other Governmental Funds	
REVENUES					
Municipal taxes	\$ 14,190,808	\$ 7,121,200	\$ 6,053,069	\$ 471,974	\$ 27,837,051
Licenses and permits	1,533,307	-	-	-	1,533,307
Intergovernmental	4,218,864	266,386	1,549,141	116,261	6,150,652
Charges for services, net	111,711	1,794,837	-	-	1,906,548
Court fines and forfeitures	1,065,157	-	-	-	1,065,157
Investment income, net arbitrage	47,586	55	-	45	47,686
Miscellaneous	236,677	65,720	78,291	56,685	437,373
Total revenues	21,404,110	9,248,198	7,680,501	644,965	38,977,774
EXPENDITURES					
Current:					
Legislative	68,671	-	-	-	68,671
Administrative	3,063,014	-	-	-	3,063,014
Police services	9,083,319	-	-	17,500	9,100,819
Judicial	252,978	-	-	-	252,978
Planning and zoning	914,187	-	-	-	914,187
Public works	5,415,471	-	238,275	441,020	6,094,766
Parks and recreation	-	5,480,929	-	339,772	5,820,701
Capital outlay	413,207	1,065,205	6,117,686	41,154	7,637,252
Debt service:					
Principal	-	-	-	3,605,000	3,605,000
Interest and fiscal charges	-	-	-	1,769,542	1,769,542
Bond issuance costs	-	-	-	96,460	96,460
Total expenditures	19,210,847	6,546,134	6,355,961	6,310,448	38,423,390
Excess (deficiency) of revenues over (under) expenditures	2,193,263	2,702,064	1,324,540	(5,665,483)	554,384
OTHER FINANCING SOURCES (USES)					
Issuance of refunding bonds	-	-	-	7,340,000	7,340,000
Payments to refunded bond escrow agent	-	-	-	(9,316,637)	(9,316,637)
Premium on issuance of refunding bonds	-	-	-	224,704	224,704
Transfers in	52,286	100,000	2,170,000	6,660,066	8,982,352
Transfers out	(4,125,189)	(2,866,706)	(1,937,989)	(52,468)	(8,982,352)
Sale of capital assets	112,485	-	-	-	112,485
Total other financing sources (uses), net	(3,960,418)	(2,766,706)	232,011	4,855,665	(1,639,448)
Net change in fund balances	(1,767,155)	(64,642)	1,556,551	(809,818)	(1,085,064)
Fund balances:					
Beginning of year	14,348,184	2,935,225	1,726,802	1,743,859	20,754,070
End of year	\$ 12,581,029	\$ 2,870,583	\$ 3,283,353	\$ 934,041	\$ 19,669,006

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, 2015

Net change in fund balances - governmental funds \$ (1,085,064)

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

The 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 capital outlays over the capitalization threshold totaling \$7,678,868 was less than depreciation (\$7,636,106) in the current period. 42,762

The net effect of various miscellaneous transactions involving capital assets:

Disposal of assets	\$ (167,656)	
Contributed capital assets	<u>5,202,476</u>	5,034,820

Court fines revenue in the statement of activities that do not provide current financial resources is not reported as revenues in the governmental funds financial statements. (58,718)

Bond proceeds are reported as financing sources in the governmental funds financial statements and thus contribute to the net change in fund balance. In the statement of net position, 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 position.

Annual principal payments on bonds and certificates of participation	3,605,000
Premium on issuance of bonds	(224,704)
Payments to refunded bond escrow agent	9,316,637
Proceeds from bond refunding	<u>(7,340,000)</u>

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	(27,061)
Accrued interest on bonds	(71,729)
Amortized deferred charges from defeasance of debt	(103,519)
Amortized bond premium	<u>253,291</u>

Change in net position of governmental activities \$ 9,341,715

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(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, planning, and development.

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*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14* and GASB Statement No. 61, *The Financial Reporting Entity – Omnibus*. The requirements for inclusion of component units are based primarily upon whether the City's governing body is considered financially accountable for the potential component units. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on, the City. Based on this criteria, the City has determined that its financial reporting entity consists of the City (primary government) and no other reporting units.

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

The government-wide financial statements (e.g., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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 business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 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, Parks Sales Tax Fund and Capital Improvement Sales Tax Trust 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 position for governmental activities as shown on the statement of net position. The net change in fund balances for all governmental funds is reconciled to the total change in net position 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:

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

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.

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 parks sales tax passed in November 2004 and is effective April 2005. All parks and recreation activity is tracked in this fund.

Capital Improvement Sales Tax Trust Fund - The Capital Improvement Sales Tax Trust Fund is a Capital Improvement Fund used to account for revenues received from the capital improvement sales tax that are restricted for capital improvements.

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 and Debt Service Funds that account for the accumulation of resources for and repayment of general obligation long-term debt principal, interest, and related costs.

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 similarly 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.

(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 funds 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 fund 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 thereafter to be used to pay the liabilities of the current period. For the City, available is defined as expected to be received within 60

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

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 unearned 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 for 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.

The City does not maintain inventory cost records. Inventory is deemed immaterial and is accounted for using the purchase method in which supplies are charged to expenditures when purchased.

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 unearned 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 funds financial statements, no fund balances have been restricted 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 comprise 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.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(g) Capital Assets

Capital assets, which include buildings, other improvements, machinery and equipment, automobiles and trucks, and infrastructure (e.g., streets, sidewalks, roads, bridges, and similar 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 are 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 \$889,455 has been recorded in the government-wide financial statements.

(i) Capital Contributions

Capital contributions within public works 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.

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(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 revenue is recorded in the government-wide statements and fund financial statements as unearned revenue. Unearned revenue in the fund financial statements also includes 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) *Governmental Fund Balance Classification and Policies*

The City's policy is to report the fund balance in the following categories, when applicable, listed from the most restrictive to the least restrictive:

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

Restricted -- The portion of fund balance that is constrained to specific purposes through constitutional provisions or by enabling legislation.

Committed -- The portion of fund balance with constraints or limitations by formal action of the City Council, the highest level of decision-making authority.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose, as determined by the City Council or by a City official to which the governing City Council delegates the authority.

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

City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. For assigned fund balance, the City Council is authorized to assign amounts to a specific purpose. The authorization to assign fund balance has also been delegated to the Finance & Administration Committee. When both resources are available, the City will spend the most restricted amounts before the least restricted.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unassigned fund balance of not less than 40% of annual operating expenditures and transfers out for the year.

The Parks 1998 Nonmajor Debt Service Fund has a negative fund balance of \$19,741.

(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 position.

(n) *Amortization*

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

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.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(o) Net Position and Deferred Outflows of Resources

Deferred Outflow of Resources – In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. The separate financial statement element represents a consumption of net position that applies to a future period or periods and will not be recognized as an outflow of resources until then. The City of Chesterfield has a deferred loss on refunding reported in the statement of net position. A deferred loss on refunding is the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. This item has been reported as deferred outflows on the government-wide statement of net position.

Deferred Inflow of Resources – In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and will not be recognized as an inflow of resources until then.

Net Position

Net Position is classified as follows:

Net Investment in Capital Assets – the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted Expendable – the component of net position that reports the difference between assets and liabilities of certain programs whose use is subject to externally imposed stipulations that can be fulfilled by actions of the City of Chesterfield.

Unrestricted – the difference between the assets and liabilities that do not meet the definition of “restricted” or “net investment in capital assets.”

(p) 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

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

The following is a reconciliation of the City’s deposit and investment balances at December 31, 2015:

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Fiduciary Net Position	Total
Cash and cash equivalents	\$ 10,836,562	\$ 1,562,062	\$ 12,398,624
Certificates of deposit	738,056	-	738,056
Money market mutual funds	194,582	-	194,582
US Agency Securities	3,948,565	-	3,948,565
	<u>\$ 15,717,765</u>	<u>\$ 1,562,062</u>	<u>\$ 17,279,827</u>

Interest Rate Risk

The City's investment policy 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 operations, 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 primary government had the following maturities as of December 31, 2015:

	Fair Market Value	No Maturity	1-5 Years
Primary Government			
Certificates of deposit	\$ 738,056	-	\$ 738,056
Money market	194,582	194,582	-
U.S. Agency Securities	3,948,565	-	3,948,565
Grand total investments	<u>\$ 4,881,203</u>	<u>\$ 194,582</u>	<u>\$ 4,686,621</u>

Credit Risk

The City's investment policy seeks to minimize credit risk, the 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 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 December 31, 2015, excluding obligations of the United States government or obligations explicitly guaranteed by the United States government.

	Fair Market Value	Average Credit Quality (Moody's)
U.S. Agency Securities	\$ 3,948,565	Aaa
Money market mutual funds*	194,582	Unrated

*Collateralized by United States Treasury or Agency securities

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

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.

	Fair Market Value	Percent of Total Investments
U.S. Agency Securities	\$ 3,948,565	80.9%
Money market mutual funds	194,582	4.0%
Certificates of deposit	738,056	15.1%

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 Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution.

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. 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.

(3) Receivables, Net of Allowances

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

	Municipal Taxes	Intergovern- mental	Interest	Other	Total Receivables
Governmental Activities					
General Fund	\$ 1,573,263	\$ 947,463	\$ 8,804	\$ 723,863	\$ 3,253,393
Parks Sales Tax Fund	1,243,774	-	-	-	1,243,774
Capital Improvement Sales Tax Trust Fund	1,057,208	556,352	-	-	1,613,560
Nonmajor other governmental Funds	120,077	-	-	-	120,077
Total governmental activities	<u>\$ 3,994,322</u>	<u>\$ 1,503,815</u>	<u>\$ 8,804</u>	<u>\$ 723,863</u>	<u>\$ 6,230,804</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(4) Capital Assets

The following is a summary of changes in capital assets - governmental activities for the year ended December 31, 2015:

	<u>Balance December 31, 2014</u>	<u>Transfers And Additions</u>	<u>Transfers And Retirements</u>	<u>Balance December 31, 2015</u>
Governmental Activities				
<i>Capital assets not being depreciated:</i>				
Land	\$ 33,227,743	\$ -	\$ -	\$ 33,227,743
Art	-	85,000	-	85,000
Right-of-way	84,065,419	694,050	-	84,759,469
Construction in progress	3,507,168	6,346,118	(8,236,454)	1,616,832
Total capital assets not being depreciated	<u>120,800,330</u>	<u>7,125,168</u>	<u>(8,236,454)</u>	<u>119,689,044</u>
<i>Capital assets being depreciated:</i>				
Buildings	26,567,350	575,433	-	27,142,783
Other improvements	32,907,362	807,152	-	33,714,514
Machinery and equipment	5,897,459	420,293	(361,493)	5,956,259
Automobiles and trucks	4,975,279	479,098	(773,485)	4,680,892
Infrastructure	118,267,343	11,710,654	(1,785,983)	128,192,014
Total capital assets being depreciated	<u>188,614,793</u>	<u>13,992,630</u>	<u>(2,920,961)</u>	<u>199,686,462</u>
<i>Less - Accumulated depreciation for:</i>				
Buildings	6,781,898	671,627	-	7,453,525
Other improvements	12,537,163	1,395,927	-	13,933,090
Machinery and equipment	4,220,011	383,756	(321,459)	4,282,308
Automobiles and trucks	2,880,057	589,587	(645,863)	2,823,781
Infrastructure	65,547,209	4,595,209	(1,785,983)	68,356,435
Total accumulated depreciation	<u>91,966,338</u>	<u>7,636,106</u>	<u>(2,753,305)</u>	<u>96,849,139</u>
Total capital assets being depreciated, net	<u>96,648,455</u>	<u>6,356,524</u>	<u>(167,656)</u>	<u>102,837,323</u>
Governmental activities - capital assets, net	<u>\$ 217,448,785</u>	<u>\$ 13,481,692</u>	<u>\$ (8,404,110)</u>	<u>\$ 222,526,367</u>

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

Governmental Activities	
General government	\$ 416,591
Parks and recreation	1,756,974
Planning	13,629
Public works	5,269,003
Public safety	179,909
Total depreciation expense, governmental activities	<u>\$ 7,636,106</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(5) Accounts Payable

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

(6) Restricted Net Position

The government-wide statement of net position reports \$4,359,867 of restricted net position, of which \$4,357,015 is restricted by enabling legislation.

(7) Property Taxes

Through the 2014 fiscal year, the City levied a property tax for the retirement of general obligation bonds. The City's property tax was 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 were billed in November, due and collectible on December 31, and delinquent after December 31. Liens were placed on property for delinquent taxes on January 1 following the due date. The City decreased its levied tax rate from \$0.06 per \$100 of assessed valuation to \$0.03 per \$100 of assessed valuation from 2008 through 2014.

Taxes levied for 2014 were 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 unpaid levy of \$22,384 remains due as of December 31, 2015.

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 2015 premium payments to the trust were \$464,604.

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.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(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

The City contributes to the City of Chesterfield Missouri 401(a) Retirement Plan, a defined contribution pension plan, for all eligible full time employees. All full time employees are eligible to participate in the Plan after they have completed one year of service and attained the age of 18. The Plan is administered by Mass Mutual (formerly Hartford Investment.)

Benefit terms for the Plan are established and may be amended by the City Council. Per City ordinance, the City contributes an amount equal to 8% of compensation of eligible participants. For the year ended December 31, 2015, the City recognized pension expense of \$1,020,391.

Employees become vested in City contributions and earnings on City contributions after completion of 5 years of credited service with the City. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to offset contributions from the City. For the year ended December 31, 2015, there were no forfeitures.

(11) Interfund Balances

Individual fund interfund receivable and payable balances as of December 31, 2015, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 20,050
General Fund	Park Sales Tax	368,414
Park Sales Tax	Nonmajor Governmental Funds	85,546
Nonmajor Governmental Funds	General Fund	3,744
		<u>\$ 477,754</u>

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, 2016.

(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, 2015, are as follows:

2016	\$ 10,362
2017	4,419
2018	2,630
	<u>\$ 17,411</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(13) Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended December 31, 2015:

	Balance			Balance	Amounts
	December 31,	Additions	Reductions	December 31,	Due Within
	2014			2015	One Year
Compensated absences	\$ 862,394	\$ 1,211,198	\$ (1,184,137)	\$ 889,455	\$ 808,595
General obligation bonds	10,010,000	7,340,000	(10,010,000)	7,340,000	1,740,000
Plus - Issuance premium	123,533	224,704	(168,474)	179,763	-
Certificates of participation	41,180,000	-	(2,720,000)	38,460,000	2,880,000
Plus - Issuance premium	2,090,856	-	(206,298)	1,884,558	-
Total	\$ 54,266,783	\$ 8,775,902	\$ (14,288,909)	\$ 48,753,776	\$ 5,428,595

Compensated absences are generally liquidated by the General Fund.

General Obligation Bonds Payable

In February 2008, the City issued \$5,255,000 in General Obligation Refunding Bonds Series 2008, the proceeds of which were used to advance refund \$5,245,000 of outstanding Series 1998 General Obligation Bonds. The bonds bear interest ranging from 2.95% to 3.5% and are repaid through a Debt Service Fund. The net proceeds of the Series 2008 bonds plus an additional \$88,646 of City monies were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the \$5,245,000 principal of the Series 1998 bonds. As a result, the Series 1998 bonds are considered defeased and the liability for these bonds has been removed from the basic financial statements. The City decreased its aggregated debt service payments by \$368,292 over 7 years, which resulted in economic gain (difference between the present values of the old and new debt service payments) of \$356,707.

In January 2015, the City issued \$7,340,000 in General Obligation Refunding Bonds Series 2015, the proceeds of which were used to advance refund \$9,125,000 of outstanding Series 2005 General Obligation Bonds. The bonds bear interest of 2% and are repaid through a Debt Service Fund. The net proceeds of the Series 2015 bonds plus an additional \$1,851,638 of City monies were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the \$9,125,000 principal of the Series 2005 bonds. As a result, the Series 2005 bonds are considered defeased and the liability for these bonds has been removed from the basic financial statements. The City decreased its aggregated debt service payments by \$552,722 over 5 years, which resulted in economic gain (difference between the present values of the old and new debt service payments) of \$541,791.

The annual principal and interest requirements to maturity of the General Obligation Bonds as of December 31, 2015, are as follows:

December 31	General Obligation Bonds		
	Principal	Interest	Totals
2016	\$ 1,740,000	\$ 129,400	\$ 1,869,400
2017	1,795,000	94,050	1,889,050
2018	1,880,000	57,300	1,937,300
2019	1,925,000	19,250	1,944,250
	\$ 7,340,000	\$ 300,000	\$ 7,640,000

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

Certificates of Participation

In September 2014, the City issued \$8,600,000 in Certificates of Participation (Series 2014) with interest rates ranging from 2% to 3.25% to advance refund Certificates of Participation (Series 2009A and Series 2009B). The Certificates are scheduled to mature at various dates through December 2031. As a result of the refunding, the City decreased its total debt service requirements by \$719,556 which resulted in an economic gain of \$593,471. The refunded certificates were issued to finance the City's renovation and improvement of the City's Central Park and the Chesterfield Valley Athletic Complex. The certificates of participation are repaid by Parks Sales Tax Fund operating revenues.

In November 2013, the City had advanced refunding on the Certificates of Participation (Series 2005), which had an outstanding principal amount of \$21,275,000 at that time. The City simultaneously issued the Certificates of Participation (Series 2013) in the amount of \$20,360,000, depositing the proceeds and the funds currently in the reserve fund with the Escrow Agent (BOKF, N.A., Kansas City, Missouri). The certificates of participation bear interest from 2% to 5% and are repaid by General Fund operating revenues.

In December 2008, the City issued \$4,720,000 in Certificates of Participation (Series 2008), which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated December 1, 2012, 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 renovation and improvement of the City's Central Park and the Chesterfield Valley Athletic Complex. The base rentals constitute rent for the land pursuant to the lease. The certificates of participation bear interest ranging from 3.25% to 5.375% and will be repaid by the Parks Sales Tax Fund operating revenues.

In August 2004, the City had advanced refunding on 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.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

The annual principal and interest requirements to maturity of the certificates of participation as of December 31, 2015, are as follows:

<u>December 31</u>	<u>Certificates of Participation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 2,880,000	\$ 1,557,408	\$ 4,437,408
2017	3,110,000	1,445,270	4,555,270
2018	3,310,000	1,324,882	4,634,882
2019	3,555,000	1,179,672	4,734,672
2020	3,810,000	1,022,372	4,832,372
2021 - 2025	16,810,000	2,693,618	19,503,618
2026 - 2030	4,255,000	566,292	4,821,292
2031	730,000	21,900	751,900
	<u>\$ 38,460,000</u>	<u>\$ 9,811,414</u>	<u>\$ 48,271,414</u>

(14) Interfund Transfers

Individual fund transfers for the year ended December 31, 2015, are as follows:

<u>Transfers To</u>	<u>Transfers From</u>				<u>Total</u>
	<u>General Fund</u>	<u>Parks Sales Tax Fund</u>	<u>Capital Improvement Sales Tax Trust Fund</u>	<u>Other Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$ -	\$ -	\$ 52,286	\$ 52,286
Capital Improvement Sales Tax Trust Fund	2,170,000	-	-	-	2,170,000
Parks Sales Tax Fund	100,000	-	-	-	100,000
Other nonmajor governmental funds	1,855,189	2,866,706	1,937,989	182	6,660,066
	<u>\$ 4,125,189</u>	<u>\$ 2,866,706</u>	<u>\$ 1,937,989</u>	<u>\$ 52,468</u>	<u>\$ 8,982,352</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.

(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.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2015

(16) Pledged Revenues

The City has pledged a portion of future parks sales tax revenues to repay \$20,360,000 in certificates of participation originally issued in December 2005 to finance park improvements throughout the City. The 2005 issue was advanced refunded in 2013. The certificates are payable solely from the sales taxes generated by a 1/2 cent parks sales tax. These taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$22,654,606 payable through December 2025. For the current year, principal and interest paid and total sales tax revenues were \$1,906,326 and \$7,121,200, respectively.

(17) Section 479.350.1 RSMo Requirements

Under Senate Bill 5, the State of Missouri requires all municipalities to provide an accounting of annual general operating revenue from fines, bond forfeitures and court costs for minor traffic violations, since the Bill went into law on August 28, 2015, in the municipality's annual financial report. The purpose of the bill is to make sure municipalities are not generating more than 12.5% of their operating revenue from fines, bond forfeitures and court costs for minor traffic violations. The City of Chesterfield's revenues from fines, bond forfeitures and court costs for minor traffic violations since August 28, 2015, were 1.4% of operating revenues and 0.8% of total revenues.

(18) Subsequent Events

In April 2016, the City issued \$3,000,000 in Refunding Certificates of Participation Series 2016, the proceeds of which were used to advance refund \$2,865,000 of outstanding Series 2008 Certificates of Participation. The Certificates bear interest ranging from 0.75% to 3% and are repaid through a Debt Service Fund. The net proceeds of the Series 2016 Certificates provide for all future debt service payments on the principal of the Series 2008 bonds. As a result, the Series 2008 bonds are considered defeased and the liability for these bonds has been removed from the basic financial statements. The City decreased its aggregated debt service payments by \$369,954 over 13 years, which resulted in economic gain (difference between the present values of the old and new debt service payments) of \$332,430.

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Required Supplementary Information

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule - General Fund
For the year ended December 31, 2015

Schedule 1

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Municipal taxes:				
Utility gross receipts	\$ 7,651,022	\$ 7,651,022	\$ 7,214,764	\$ (436,258)
Sales taxes	6,911,844	6,911,844	6,976,044	64,200
Total municipal taxes	<u>14,562,866</u>	<u>14,562,866</u>	<u>14,190,808</u>	<u>(372,058)</u>
Licenses and permits	<u>1,573,888</u>	<u>1,573,888</u>	<u>1,533,307</u>	<u>(40,581)</u>
Intergovernmental:				
Motor fuel and vehicle sales taxes	1,787,307	1,787,307	1,860,917	73,610
Cigarette tax	119,915	119,915	141,060	21,145
Road and bridge tax	1,784,932	1,784,932	1,792,462	7,530
Grants and other	504,039	504,039	424,425	(79,614)
Total intergovernmental	<u>4,196,193</u>	<u>4,196,193</u>	<u>4,218,864</u>	<u>22,671</u>
Charges for services:				
Inspection and subdivision fees	27,984	27,984	33,325	5,341
Zoning applications	10,000	10,000	20,857	10,857
Police reports	7,500	7,500	7,614	114
False alarms	24,000	24,000	24,275	275
Other charges	24,233	24,233	25,640	1,407
Total charges for services	<u>93,717</u>	<u>93,717</u>	<u>111,711</u>	<u>17,994</u>
Court fines and forfeitures	<u>1,238,558</u>	<u>1,238,558</u>	<u>1,065,157</u>	<u>(173,401)</u>
Investment income	<u>18,000</u>	<u>18,000</u>	<u>47,586</u>	<u>29,586</u>
Miscellaneous	<u>33,496</u>	<u>144,281</u>	<u>236,677</u>	<u>92,396</u>
Total revenues	<u>21,716,718</u>	<u>21,827,503</u>	<u>21,404,110</u>	<u>(423,393)</u>
EXPENDITURES	<u>20,219,416</u>	<u>20,194,101</u>	<u>19,210,847</u>	<u>(983,254)</u>
Excess of revenues over expenditures	<u>1,497,302</u>	<u>1,633,402</u>	<u>2,193,263</u>	<u>559,861</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	58,100	58,100	52,286	(5,814)
Transfers out	(1,521,438)	(4,122,842)	(4,125,189)	(2,347)
Sale of capital assets	150,000	150,000	112,485	(37,515)
Total other financing sources (uses), net	<u>(1,313,338)</u>	<u>(3,914,742)</u>	<u>(3,960,418)</u>	<u>(45,676)</u>
Net change in fund balance	<u>\$ 183,964</u>	<u>\$ (2,281,340)</u>	<u>\$ (1,767,155)</u>	<u>\$ 514,185</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule - General Fund
For the year ended December 31, 2015

Schedule 1

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
EXPENDITURES				
General government:				
Legislative - Mayor's Office and City Council	\$ 78,799	\$ 78,799	\$ 68,671	\$ 10,128
Administrative:				
City clerk	220,101	226,213	213,458	12,755
City Administrator	309,623	309,623	307,191	2,432
Economic development	237,934	237,934	221,219	16,715
Finance	485,783	485,783	469,520	16,263
Central services	1,285,130	1,315,446	1,264,109	51,337
Information systems	670,441	671,629	627,434	44,195
Total administrative	<u>3,209,012</u>	<u>3,246,628</u>	<u>3,102,931</u>	<u>143,697</u>
Police services	<u>9,606,474</u>	<u>9,600,749</u>	<u>9,323,353</u>	<u>277,396</u>
Judicial	<u>258,144</u>	<u>258,144</u>	<u>252,978</u>	<u>5,166</u>
Planning and zoning	<u>963,161</u>	<u>963,161</u>	<u>914,187</u>	<u>48,974</u>
Public works:				
Administration and engineering	1,023,356	1,021,491	998,370	23,121
Street and sewer maintenance	3,198,261	3,025,885	2,741,739	284,146
Vehicle maintenance	1,013,759	1,013,309	825,614	187,695
Building maintenance	839,950	957,435	957,351	84
Street lighting	28,500	28,500	25,653	2,847
Total public works	<u>6,103,826</u>	<u>6,046,620</u>	<u>5,548,727</u>	<u>497,893</u>
Total expenditures	<u>\$ 20,219,416</u>	<u>\$ 20,194,101</u>	<u>\$ 19,210,847</u>	<u>\$ 983,254</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Parks Sales Tax Fund - Special Revenue Major Fund
For the year ended December 31, 2015

Schedule 2

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Municipal taxes:				
Sales taxes	\$ 7,488,514	\$ 7,488,514	\$ 7,121,200	\$ (367,314)
Intergovernmental	231,469	535,048	266,386	(268,662)
Park charges and fees	1,528,850	1,623,850	1,794,837	170,987
Investment income	-	-	55	55
Miscellaneous	100,200	155,097	65,720	(89,377)
Total revenues	9,349,033	9,802,509	9,248,198	(554,311)
EXPENDITURES				
Parks and recreation	5,528,325	5,625,231	5,480,929	144,302
Capital outlay	432,600	1,201,433	1,065,205	136,228
Total expenditures	5,960,925	6,826,664	6,546,134	280,530
Excess of revenues over expenditures	3,388,108	2,975,845	2,702,064	(273,781)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	100,000	100,000	-
Transfers out	(2,867,307)	(2,867,307)	(2,866,706)	601
Total other financing sources (uses), net	(2,867,307)	(2,767,307)	(2,766,706)	601
Net change in fund balance	\$ 520,801	\$ 208,538	\$ (64,642)	\$ (273,180)

CITY OF CHESTERFIELD, MISSOURI
Notes to Budgetary Comparison Schedules
For the year ended December 31, 2015

EXPLANATION OF BUDGETARY PROCESS

The City prepares and legally adopts an annual budget for the General Fund, the Parks Sales Tax Fund, the Capital Improvement Sales Tax Trust Fund, the Police Forfeiture Fund, the Sewer Lateral Fund, the Chesterfield Valley Tax Increment Financing Fund, all Debt Service Funds, and all Capital Project Funds. 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. During or before December 31, the City Administrator presents the proposed budget at a Public Hearing prior to a regularly scheduled City Council meeting. The budget is adopted at a 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 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 City's original adopted annual budget is defined as the budgeted division level of each department.

Subsequent transfers within each fund's budget may be made as follows:

- a) Heads of departments may make transfers between Fund divisions in an amount up to \$2,500 with the prior approval of the Finance Director.
- b) Heads of departments may make transfers between Fund divisions in an amount from \$2,500 to \$5,000 with the prior approval of the Finance Director and the City Administrator.
- c) Approval of a majority of the City Council is required for transfers in an amount over \$5,000.

Other Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS

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.

Chesterfield Valley Tax Increment Financing - This fund is used to account for financial resources to be used for infrastructure and transportation projects in the Chesterfield Valley.

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 2008, which advance refunded the General Obligation Bond issue, Series 1998.

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 Construction - This fund is used to account for the accumulation of resources and payment of principal and interest on the 2013, 2008, 2009A & B, and 2014 Certificates of Participation.

R&S - This fund (Road and Sidewalk Fund) is used to account for the accumulation of resources for and the payment of general long-term debt principal and interest payments on the General Obligation Street and Sidewalk Bond issue Series 2005.

CITY OF CHESTERFIELD, MISSOURI
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2015

Schedule 3

	Nonmajor Special Revenue Funds			Total Special Revenue	Nonmajor Capital Projects Fund	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
	Police Forfeiture	Sewer Lateral	Chesterfield Valley Tax Increment Financing				
ASSETS							
Cash and investments	\$ 155,226	\$ 529,200	\$ 166,205	\$ 850,631	\$ 91,829	\$ 1,002	\$ 943,462
Receivables:							
Municipal taxes	-	97,693	-	97,693	-	22,384	120,077
Due from other funds	-	-	3,744	3,744	-	-	3,744
Prepays	-	-	-	-	-	1,850	1,850
Total assets	<u>\$ 155,226</u>	<u>\$ 626,893</u>	<u>\$ 169,949</u>	<u>\$ 952,068</u>	<u>\$ 91,829</u>	<u>\$ 25,236</u>	<u>\$ 1,069,133</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ 6,014	\$ 1,407	\$ 7,421	\$ -	\$ -	\$ 7,421
Due to other funds	-	-	-	-	85,546	20,050	105,596
Deferred revenue	-	-	-	-	-	22,075	22,075
Total liabilities	<u>-</u>	<u>6,014</u>	<u>1,407</u>	<u>7,421</u>	<u>85,546</u>	<u>42,125</u>	<u>135,092</u>
Fund balances							
Nonspendable: Prepaid Expenses	-	-	-	-	-	1,850	1,850
Restricted for:							
Public Safety	155,226	-	-	155,226	-	-	155,226
Sewer Lateral	-	620,879	-	620,879	-	-	620,879
Committed for Capital Projects	-	-	168,542	168,542	6,283	-	174,825
Assigned for Debt Service	-	-	-	-	-	1,002	1,002
Unassigned	-	-	-	-	-	(19,741)	(19,741)
Total fund balances	<u>155,226</u>	<u>620,879</u>	<u>168,542</u>	<u>944,647</u>	<u>6,283</u>	<u>(16,889)</u>	<u>934,041</u>
Total liabilities and fund balances	<u>\$ 155,226</u>	<u>\$ 626,893</u>	<u>\$ 169,949</u>	<u>\$ 952,068</u>	<u>\$ 91,829</u>	<u>\$ 25,236</u>	<u>\$ 1,069,133</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2015

Schedule 4

	Nonmajor Special Revenue Funds				Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
	Police Forfeiture	Sewer Lateral	Chesterfield Valley Tax Increment Financing	Total Special Revenue			
REVENUES							
Municipal taxes	\$ -	\$ 427,135	\$ -	\$ 427,135	\$ -	\$ 44,839	\$ 471,974
Intergovernmental	116,261	-	-	116,261	-	-	116,261
Investment income	-	-	21	21	-	24	45
Miscellaneous	-	-	56,685	56,685	-	-	56,685
Total revenues	<u>116,261</u>	<u>427,135</u>	<u>56,706</u>	<u>600,102</u>	<u>-</u>	<u>44,863</u>	<u>644,965</u>
EXPENDITURES							
Current:							
Police services	17,500	-	-	17,500	-	-	17,500
Public works	-	441,020	-	441,020	-	-	441,020
Parks	-	-	-	-	339,772	-	339,772
Capital outlay	20,552	-	20,602	41,154	-	-	41,154
Debt service:							
Principal	-	-	-	-	-	3,605,000	3,605,000
Interest and fiscal charges	-	-	-	-	-	1,769,542	1,769,542
Bond issuance costs	-	-	-	-	-	96,460	96,460
Total expenditures	<u>38,052</u>	<u>441,020</u>	<u>20,602</u>	<u>499,674</u>	<u>339,772</u>	<u>5,471,002</u>	<u>6,310,448</u>
Deficiency of revenues under expenditures	<u>78,209</u>	<u>(13,885)</u>	<u>36,104</u>	<u>100,428</u>	<u>(339,772)</u>	<u>(5,426,139)</u>	<u>(5,665,483)</u>
OTHER FINANCING SOURCES (USES)							
Issuance of refunding bonds	-	-	-	-	-	7,340,000	7,340,000
Payments to refunded bond escrow agent	-	-	-	-	-	(9,316,637)	(9,316,637)
Premium on issuance of refunding bonds	-	-	-	-	-	224,704	224,704
Transfers in	-	-	-	-	-	6,660,066	6,660,066
Transfers out	(625)	(51,661)	-	(52,286)	-	(182)	(52,468)
Total other financing sources (uses), net	<u>(625)</u>	<u>(51,661)</u>	<u>-</u>	<u>(52,286)</u>	<u>-</u>	<u>4,907,951</u>	<u>4,855,665</u>
Net change in fund balances	<u>77,584</u>	<u>(65,546)</u>	<u>36,104</u>	<u>48,142</u>	<u>(339,772)</u>	<u>(518,188)</u>	<u>(809,818)</u>
Fund balances:							
Beginning of year	77,642	686,425	132,438	896,505	346,055	501,299	1,743,859
End of year	<u>\$ 155,226</u>	<u>\$ 620,879</u>	<u>\$ 168,542</u>	<u>\$ 944,647</u>	<u>\$ 6,283</u>	<u>\$ (16,889)</u>	<u>\$ 934,041</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Balance Sheet
Nonmajor Debt Service Funds
As of December 31, 2015

Schedule 5

	<u>Parks 1998</u>	<u>City Hall</u>	<u>Parks Construction</u>	<u>R&S Debt Service</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ -	\$ 2	\$ 1,000	\$ -	\$ 1,002
Receivables:					
Municipal taxes	22,384	-	-	-	22,384
Prepays	-	-	1,850	-	1,850
Total assets	<u>\$ 22,384</u>	<u>\$ 2</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ 25,236</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to other funds	\$ 20,050	\$ -	\$ -	\$ -	\$ 20,050
Deferred revenue	22,075	-	-	-	22,075
Total liabilities	<u>42,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,125</u>
Fund balances					
Nonspendable: Prepaid Expenses	-	-	1,850	-	1,850
Assigned for Debt Service	-	2	1,000	-	1,002
Unassigned	(19,741)	-	-	-	(19,741)
Total Fund Balance	<u>(19,741)</u>	<u>2</u>	<u>2,850</u>	<u>-</u>	<u>(16,889)</u>
Total liabilities and fund balances	<u>\$ 22,384</u>	<u>\$ 2</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ 25,236</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, 2015

Schedule 6

	<u>Parks 1998</u>	<u>City Hall</u>	<u>Parks Construction</u>	<u>R&S Debt Service</u>	<u>Total</u>
REVENUES					
Municipal taxes	\$ 44,839	\$ -	\$ -	\$ -	\$ 44,839
Investment income	-	6	18	-	24
Total revenues	<u>44,839</u>	<u>6</u>	<u>18</u>	<u>-</u>	<u>44,863</u>
EXPENDITURES					
Debt service:					
Principal	885,000	1,045,000	1,675,000	-	3,605,000
Interest and fiscal charges	13,321	474,919	1,191,706	89,596	1,769,542
Debt Issuance Costs	-	-	-	96,460	96,460
Total expenditures	<u>898,321</u>	<u>1,519,919</u>	<u>2,866,706</u>	<u>186,056</u>	<u>5,471,002</u>
Deficiency of revenues under expenditures	<u>(853,482)</u>	<u>(1,519,913)</u>	<u>(2,866,688)</u>	<u>(186,056)</u>	<u>(5,426,139)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of refunding bonds	-	-	-	7,340,000	7,340,000
Payments to refunded bond escrow agent	-	-	-	(9,316,637)	(9,316,637)
Premium on issuance of refunding bonds	-	-	-	224,704	224,704
Transfers in	335,276	1,519,913	2,866,888	1,937,989	6,660,066
Transfers out	-	-	(182)	-	(182)
Total other financing sources (uses), net	<u>335,276</u>	<u>1,519,913</u>	<u>2,866,706</u>	<u>186,056</u>	<u>4,907,951</u>
Net change in fund balances	(518,206)	-	18	-	(518,188)
Fund balances:					
Beginning of year	498,465	2	2,832	-	501,299
End of year	<u>\$ (19,741)</u>	<u>\$ 2</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ (16,889)</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Police Forfeiture Fund - Nonmajor Special Revenue Fund
For the year ended December 31, 2015

Schedule 7

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 116,261	\$ 56,261
EXPENDITURES				
Police services	159,275	159,275	17,500	141,775
Capital outlay	-	-	20,552	(20,552)
Total expenditures	<u>159,275</u>	<u>159,275</u>	<u>38,052</u>	<u>(121,223)</u>
Excess of revenues over (under) expenditures	(99,275)	(99,275)	78,209	177,484
OTHER FINANCING USES				
Transfers out	-	-	(625)	(625)
Net change in fund balances	<u>\$ (99,275)</u>	<u>\$ (99,275)</u>	<u>\$ 77,584</u>	<u>\$ 176,859</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Sewer Lateral Fund - Nonmajor Special Revenue Fund
For the year ended December 31, 2015

Schedule 8

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Municipal taxes	\$ 473,614	\$ 473,614	\$ 427,135	\$ (46,479)
EXPENDITURES				
Public works	508,100	508,100	441,020	67,080
Deficiency of revenues under expenditures	(34,486)	(34,486)	(13,885)	20,601
OTHER FINANCING USES				
Transfers out	(58,100)	(58,100)	(51,661)	6,439
Net change in fund balances	\$ (92,586)	\$ (92,586)	\$ (65,546)	\$ 27,040

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Chesterfield Valley Tax Increment Financing Fund - Nonmajor Special Revenue Fund
For the year ended December 31, 2015

Schedule 9

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment income	\$ -	\$ -	\$ 21	\$ 21
Miscellaneous	-	-	56,685	56,685
Total revenues	-	-	56,706	56,706
EXPENDITURES				
Public works	130,624	130,624	20,602	110,022
Net change in fund balance	\$ (130,624)	\$ (130,624)	\$ 36,104	\$ 166,728

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Parks 1998 - Nonmajor Debt Service Fund
For the year ended December 31, 2015

Schedule 10

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ 44,839	\$ 44,839
EXPENDITURES				
Debt service:				
Principal	885,000	885,000	885,000	-
Interest and fiscal charges	13,321	13,321	13,321	-
Total expenditures	<u>898,321</u>	<u>898,321</u>	<u>898,321</u>	<u>-</u>
Deficiency of revenues under expenditures	(898,321)	(898,321)	(853,482)	44,839
OTHER FINANCING SOURCES				
Transfers in	-	331,404	335,276	3,872
Net change in fund balance	<u>\$ (898,321)</u>	<u>\$ (566,917)</u>	<u>\$ (518,206)</u>	<u>\$ 48,711</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
City Hall - Nonmajor Debt Service Fund
For the year ended December 31, 2015

Schedule 11

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment income	\$ 7	\$ 7	\$ 6	\$ (1)
EXPENDITURES				
Debt service:				
Principal	1,045,000	1,045,000	1,045,000	-
Interest and fiscal charges	476,438	476,438	474,919	1,519
Total expenditures	1,521,438	1,521,438	1,519,919	1,519
Deficiency of revenues under expenditures	(1,521,431)	(1,521,431)	(1,519,913)	1,518
OTHER FINANCING SOURCES				
Transfers in	1,521,438	1,521,438	1,519,913	(1,525)
Net change in fund balance	\$ 7	\$ 7	\$ -	\$ (7)

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Parks Construction - Nonmajor Debt Service Fund
For the year ended December 31, 2015

Schedule 12

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment income	\$ 7	\$ 7	\$ 18	\$ 11
EXPENDITURES				
Debt service:				
Principal	1,675,000	1,675,000	1,675,000	-
Interest and fiscal charges	1,192,307	1,192,307	1,191,706	601
Total expenditures	2,867,307	2,867,307	2,866,706	601
Deficiency of revenues under expenditures	(2,867,300)	(2,867,300)	(2,866,688)	612
OTHER FINANCING SOURCES (USES)				
Transfers in	2,867,687	2,867,687	2,866,888	(799)
Transfers out	-	-	(182)	(182)
Total other financing sources	2,867,687	2,867,687	2,866,706	(981)
Net change in fund balance	\$ 387	\$ 387	\$ 18	\$ (369)

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
R&S Debt Service Fund - NonMajor Debt Service Fund
For the year ended December 31, 2015

Schedule 13

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service:				
Principal	1,660,000	1,660,000	-	1,660,000
Interest and fiscal charges	184,832	184,832	89,596	95,236
Debt Issuance Costs	96,460	96,460	96,460	-
Total expenditures	<u>1,941,292</u>	<u>1,941,292</u>	<u>186,056</u>	<u>1,755,236</u>
Deficiency of revenues under expenditures	<u>(1,941,292)</u>	<u>(1,941,292)</u>	<u>(186,056)</u>	<u>1,755,236</u>
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	7,340,000	7,340,000
Payments to refunded bond escrow agent	-	-	(9,316,637)	(9,316,637)
Premium on issuance of refunding bonds	-	-	224,704	224,704
Transfers in	2,014,576	2,014,576	1,937,989	(76,587)
Total other financing sources (uses)	<u>2,014,576</u>	<u>2,014,576</u>	<u>186,056</u>	<u>(1,828,520)</u>
Net change in fund balance	<u>\$ 73,284</u>	<u>\$ 73,284</u>	<u>\$ -</u>	<u>\$ (73,284)</u>

Capital Projects Fund

Capital Projects Funds are used to account for the accumulation of resources for the acquisition and construction of major capital assets.

The following major capital projects fund is maintained by the City:

Capital Improvement Sales Tax Trust Fund - This fund is used to account for the accumulation of resources from the one-half cent Capital Improvement sales tax passed by voters in 1997. The revenues are used to pay for principal and interest payments on R&S I and R&S II series bonds, as well as the City's capital projects for annual infrastructure maintenance.

The following nonmajor capital projects fund is maintained by the City:

Parks Construction Fund - This fund is used to account for the accumulation of resources from the 2009B Parks Bonds (subsequently refinanced with the 2014 Certificates of Participation) issue as well as transfers in from the Parks Sales Tax Fund. The funds were designated to assist in the development of City trails, streams, parks and other upgrades.

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 ensures 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 ensures completion of projects and restoration of the surrounding area. An inspection by the City is necessary to release funds.

CITY OF CHESTERFIELD, MISSOURI

Schedule 14

Budgetary Comparison Schedule

Capital Improvement Sales Tax Trust Fund - Capital Project Major Fund

For the year ended December 31, 2015

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Municipal taxes:				
Sales taxes	\$ 6,365,462	\$ 6,365,462	\$ 6,053,069	\$ (312,393)
Intergovernmental	1,701,790	1,701,790	1,549,141	(152,649)
Miscellaneous income	-	-	78,291	78,291
Total revenues	<u>8,067,252</u>	<u>8,067,252</u>	<u>7,680,501</u>	<u>(386,751)</u>
EXPENDITURES				
Public works	257,021	257,021	238,275	18,746
Capital outlay	<u>6,892,000</u>	<u>6,891,372</u>	<u>6,117,686</u>	<u>773,686</u>
Total expenditures	<u>7,149,021</u>	<u>7,148,393</u>	<u>6,355,961</u>	<u>792,432</u>
Excess of revenues over expenditures	<u>918,231</u>	<u>918,859</u>	<u>1,324,540</u>	<u>405,681</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,170,000	2,170,000	-
Transfers out	<u>(1,941,292)</u>	<u>(1,941,292)</u>	<u>(1,937,989)</u>	<u>3,303</u>
Total other financing sources (uses), net	<u>(1,941,292)</u>	<u>228,708</u>	<u>232,011</u>	<u>3,303</u>
Net change in fund balance	<u>\$ (1,023,061)</u>	<u>\$ 1,147,567</u>	<u>\$ 1,556,551</u>	<u>\$ 408,984</u>

CITY OF CHESTERFIELD, MISSOURI
Budgetary Comparison Schedule
Parks Construction Fund - Nonmajor Capital Projects Fund
For the year ended December 31, 2015

Schedule 15

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Parks	<u>352,486</u>	<u>352,486</u>	<u>339,772</u>	<u>12,714</u>
Net change in fund balance	<u>\$ (352,486)</u>	<u>\$ (352,486)</u>	<u>\$ (339,772)</u>	<u>\$ 12,714</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Fiduciary Net Position
Agency Funds
December 31, 2015

Schedule 16

	Court Bond Fund	Explorer's Fund	Highway 40 Trust Fund	Miscellaneous Escrow Fund	Total Agency Funds
ASSETS					
Cash and investments	\$ 42,057	\$ 5,144	\$ 55,172	\$ 1,459,689	\$ 1,562,062
LIABILITIES					
Accounts payable	\$ -	\$ 5,144	\$ 55,172	\$ -	\$ 60,316
Deposits held in escrow	42,057	-	-	1,459,689	1,501,746
Total liabilities	\$ 42,057	\$ 5,144	\$ 55,172	\$ 1,459,689	\$ 1,562,062

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the year ended December 31, 2015

Schedule 17

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
Court Bond Fund				
Assets - cash and cash equivalents	\$ 82,325	\$ -	\$ 40,268	\$ 42,057
Liabilities:				
Deposits held in escrow	\$ 82,325	\$ -	\$ 40,268	\$ 42,057
Explorer's Fund				
Assets - cash and cash equivalents	\$ 5,727	\$ 1	\$ 584	\$ 5,144
Liabilities - accounts payable	\$ 5,727	\$ 1	\$ 584	\$ 5,144
Highway 40 Trust Fund				
Assets - cash and cash equivalents	\$ 55,172	\$ -	\$ -	\$ 55,172
Liabilities - accounts payable	\$ 55,172	\$ -	\$ -	\$ 55,172
Miscellaneous Escrow Fund				
Assets - cash and cash equivalents	\$ 3,277,444	\$ 343,087	\$ 2,160,842	\$ 1,459,689
Liabilities - accounts payable	\$ 4,241	\$ 2,126,758	\$ 2,130,999	\$ -
Liabilities - deposits held in escrow	3,273,203	(1,783,671)	29,843	1,459,689
Total liabilities	\$ 3,277,444	\$ 343,087	\$ 2,160,842	\$ 1,459,689
Total - All Agency Funds				
Assets - cash and cash equivalents	\$ 3,420,668	\$ 343,088	\$ 2,201,694	\$ 1,562,062
Liabilities:				
Accounts payable	\$ 65,140	\$ 2,126,759	\$ 2,131,583	\$ 60,316
Deposits held in escrow	3,355,528	(1,783,671)	70,111	1,501,746
Total liabilities	\$ 3,420,668	\$ 343,088	\$ 2,201,694	\$ 1,562,062

Statistical Section

CITY OF CHESTERFIELD, MISSOURI
Notes to Statistical Section
December 31, 2015

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

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	68-71
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	72-76
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	77-81
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	82-83
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	84-86

Sources: Unless otherwise noted, the information in these schedules is derived from the CAFRs for the relevant year.

CITY OF CHESTERFIELD, MISSOURI
Net Position by Component
Last Ten Fiscal Years

Functions/Programs	December 31									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net Investment in capital assets	\$ 109,037,358	\$ 115,267,934	\$ 117,138,329	\$ 121,457,368	\$ 133,596,730	\$ 144,327,104	\$ 154,461,332	\$ 159,288,489	\$ 165,439,709	\$ 175,832,360
Restricted	34,529,805	23,417,047	19,381,550	16,484,474	14,721,706	2,877,831	3,673,588	4,824,418	3,124,606	4,359,867
Unrestricted	(9,797,015)	8,448,252	14,326,019	14,206,458	13,361,355	20,900,703	19,525,138	15,901,081	16,626,897	14,340,700
Total governmental activities net position	<u>\$ 133,770,148</u>	<u>\$ 147,133,233</u>	<u>\$ 150,845,898</u>	<u>\$ 152,148,300</u>	<u>\$ 161,679,791</u>	<u>\$ 168,105,638</u>	<u>\$ 177,660,058</u>	<u>\$ 180,013,988</u>	<u>\$ 185,191,212</u>	<u>\$ 194,532,927</u>

Source: Basic financial statements

CITY OF CHESTERFIELD, MISSOURI
Changes in Net Position
Last Ten Fiscal Years

	For the years ended December 31									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
EXPENSES										
Primary Government										
Governmental activities:										
General government	\$ 2,828,371	\$ 3,012,569	\$ 3,104,859	\$ 3,239,574	\$ 3,219,111	\$ 3,073,393	\$ 3,323,238	\$ 3,412,947	\$ 3,564,356	\$ 3,329,980
Parks and recreation	3,279,634	3,631,874	4,114,605	4,529,859	4,735,969	5,282,317	6,667,066	9,188,081	6,843,588	6,017,571
Judicial	182,869	189,701	212,013	221,809	260,387	236,646	242,383	234,551	247,843	253,116
Planning	646,653	642,805	1,404,535	1,588,046	1,422,702	1,081,173	1,040,706	987,612	852,903	934,239
Public works	14,847,845	10,246,596	14,402,877	14,701,716	11,437,429	9,952,319	11,027,314	11,674,201	12,073,599	11,318,138
Public safety	7,099,546	7,405,868	8,311,227	8,309,249	8,275,428	7,720,308	8,468,966	8,664,668	10,465,006	10,864,250
Community development	153,130	493,543	244,572	246,792	209,657	151,522	181,407	199,323	203,830	219,393
Interest on long-term debt	5,172,635	4,691,663	3,797,796	2,932,036	3,094,375	2,954,766	2,809,885	2,451,798	2,404,560	1,787,957
Total primary government expenses	<u>34,210,683</u>	<u>30,314,619</u>	<u>35,592,484</u>	<u>35,769,081</u>	<u>32,655,058</u>	<u>30,452,444</u>	<u>33,760,965</u>	<u>36,813,181</u>	<u>36,655,685</u>	<u>34,724,644</u>
PROGRAM REVENUES										
Primary Government										
Governmental activities:										
Charges for services:										
General government	694,115	667,663	740,083	683,912	696,465	681,851	658,018	719,640	726,871	746,807
Parks and recreation	868,600	1,012,857	977,961	1,027,958	1,136,840	1,210,006	1,394,799	1,920,356	1,640,112	1,794,837
Judicial	942,244	997,433	1,212,561	1,317,384	1,275,826	1,223,280	1,296,878	1,230,999	1,176,211	1,033,303
Planning	34,853	38,137	23,412	25,119	24,455	39,377	33,541	32,439	43,412	34,571
Public works	108,644	106,480	30,634	139,747	62,828	154,180	414,247	47,512	584,774	179,612
Public safety	41,293	47,106	53,391	60,126	61,604	51,152	55,799	53,214	53,934	46,606
Community Development	-	-	-	-	-	9,310	4,623	4,587	2,999	2,233
Operating grants and contributions	4,036,605	4,614,543	4,197,473	5,094,736	5,694,181	4,713,574	4,671,981	5,838,334	4,871,779	4,460,450
Capital grants and contributions	417,894	2,374,841	1,364,332	2,202,831	7,659,799	2,695,237	8,114,634	2,502,738	3,462,945	6,751,617
Total primary government program revenues	<u>7,144,248</u>	<u>9,859,060</u>	<u>8,599,847</u>	<u>10,551,813</u>	<u>16,611,998</u>	<u>10,777,967</u>	<u>16,644,520</u>	<u>12,349,819</u>	<u>12,563,037</u>	<u>15,050,036</u>
Net Revenues (Expenses)										
Total primary government net expense	<u>(27,066,435)</u>	<u>(20,455,559)</u>	<u>(26,992,637)</u>	<u>(25,217,268)</u>	<u>(16,043,060)</u>	<u>(19,674,477)</u>	<u>(17,116,445)</u>	<u>(24,463,362)</u>	<u>(24,092,648)</u>	<u>(19,674,608)</u>
General Revenues and Other Changes in Net Position										
Primary Government										
Governmental activities:										
Taxes:										
Property taxes	13,665,140	1,102,310	592,791	618,841	481,419	522,890	524,173	491,974	517,357	3,872
Sales taxes	22,574,494	22,281,097	17,635,148	16,212,514	16,104,082	16,537,971	17,427,057	18,172,465	19,706,655	20,150,313
Gross receipts tax (includes franchise tax)	5,617,717	6,267,218	8,766,303	8,512,571	7,975,310	7,970,597	7,930,276	8,253,569	8,308,322	8,001,265
Sewer lateral	600,668	588,441	567,228	555,847	560,418	551,252	559,184	550,039	552,604	568,195
Investment earnings	3,211,400	3,098,984	2,039,470	522,906	236,571	188,313	47,236	18,705	61,357	47,685
Miscellaneous	229,843	480,594	1,104,362	86,970	226,765	329,309	182,939	260,090	123,577	244,993
Total primary government	<u>45,899,262</u>	<u>33,818,644</u>	<u>30,705,302</u>	<u>26,509,649</u>	<u>25,584,565</u>	<u>26,100,332</u>	<u>26,670,865</u>	<u>27,746,842</u>	<u>29,269,872</u>	<u>29,016,323</u>
Changes in Net Position										
Total primary government	<u>\$ 18,832,827</u>	<u>\$ 13,363,085</u>	<u>\$ 3,712,665</u>	<u>\$ 1,292,381</u>	<u>\$ 9,541,505</u>	<u>\$ 6,425,855</u>	<u>\$ 9,554,420</u>	<u>\$ 3,283,480</u>	<u>\$ 5,177,224</u>	<u>\$ 9,341,715</u>

Source: Basic financial statements

Table 3

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

	December 31									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315,421	\$ 326,621	\$ 351,461	\$ 381,070	\$ 554,291
Restricted	-	-	-	-	-	304,737	125,150	122,836	121,300	129,015
Committed	-	-	-	-	-	1,502,468	712,719	2,665,608	2,612,384	1,179,935
Unassigned	-	-	-	-	-	11,945,289	12,947,803	10,798,346	11,233,430	10,717,788
Reserved	292,748	309,602	351,498	342,634	313,113	-	-	-	-	-
Unreserved	12,458,806	14,176,375	14,349,818	13,880,954	13,026,230	-	-	-	-	-
Total General Fund	<u>\$ 12,751,554</u>	<u>\$ 14,485,977</u>	<u>\$ 14,701,316</u>	<u>\$ 14,223,588</u>	<u>\$ 13,339,343</u>	<u>\$ 14,067,915</u>	<u>\$ 14,112,293</u>	<u>\$ 13,938,251</u>	<u>\$ 14,348,184</u>	<u>\$ 12,581,029</u>
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,700	\$ 1,850	\$ 22,935	\$ 1,850	\$ 1,850
Restricted	-	-	-	-	-	2,476,850	3,233,805	4,662,479	2,989,334	4,059,458
Committed	-	-	-	-	-	4,709,222	3,336,654	803,014	867,777	1,149,155
Assigned	-	-	-	-	-	2,547,444	2,604,527	2,329,919	2,546,925	1,897,255
Unassigned	-	-	-	-	-	-	-	-	-	(19,741)
Reserved	2,330	-	-	6,500	6,500	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	24,330,552	13,447,429	10,998,460	5,686,835	5,910,621	-	-	-	-	-
Capital Project Funds	17,217,974	13,886,084	17,195,066	15,346,074	7,488,023	-	-	-	-	-
Debt Service Funds	28,515,584	19,653,766	11,695,484	1,615,780	1,289,731	-	-	-	-	-
Total all other governmental funds	<u>\$ 70,066,440</u>	<u>\$ 46,987,279</u>	<u>\$ 39,889,010</u>	<u>\$ 22,655,189</u>	<u>\$ 14,694,875</u>	<u>\$ 9,740,216</u>	<u>\$ 9,176,836</u>	<u>\$ 7,818,347</u>	<u>\$ 6,405,886</u>	<u>\$ 7,087,977</u>

Source: Basic financial statements.

(1) In 2011, GASB Statement No. 54 was implemented

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

	For the years ended December 31									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Municipal taxes	\$ 43,693,416	\$ 29,088,401	\$ 26,871,744	\$ 25,049,540	\$ 24,353,526	\$ 24,714,140	\$ 25,530,789	\$ 26,557,150	\$ 28,083,202	\$ 27,837,051
Licenses and permits	1,379,243	1,941,746	1,325,226	1,315,006	1,405,911	1,429,034	1,446,273	1,520,132	1,605,721	1,533,307
Intergovernmental	4,199,971	5,136,608	5,313,490	6,299,859	6,168,445	5,421,620	5,940,145	6,250,747	7,286,575	6,150,652
Charges for services, net	1,057,308	1,208,166	1,084,311	1,145,326	1,228,675	1,306,008	1,583,455	1,768,488	1,760,938	1,906,548
Court fines and forfeitures	886,948	991,696	1,186,960	1,318,916	1,259,764	1,226,101	1,290,848	1,272,870	1,177,957	1,065,157
Investment income, net arbitrage	3,211,400	3,098,986	2,039,470	522,906	236,571	188,313	47,236	18,703	61,750	47,686
Miscellaneous	244,591	529,255	182,235	172,471	119,748	233,533	481,528	437,905	739,431	437,373
Total revenues	<u>54,672,877</u>	<u>41,994,858</u>	<u>38,003,436</u>	<u>35,824,024</u>	<u>34,772,640</u>	<u>34,518,749</u>	<u>36,320,274</u>	<u>37,825,995</u>	<u>40,715,574</u>	<u>38,977,774</u>
EXPENDITURES										
Government	2,460,393	2,658,362	3,785,219	2,994,955	2,900,142	2,690,394	3,080,829	3,220,092	3,352,928	3,131,685
Police services	6,884,131	7,283,151	7,657,346	7,995,242	8,073,774	7,491,176	7,878,348	8,052,881	10,258,001	9,100,819
Judicial	181,150	189,993	212,160	218,642	374,434	237,756	241,426	237,707	248,122	252,978
Planning and development services	636,259	636,912	1,376,878	1,550,738	1,418,020	1,063,073	1,043,966	984,692	848,918	914,187
Public works	9,682,059	6,773,775	8,762,130	5,628,196	5,819,677	5,510,508	5,636,416	5,893,415	6,488,829	6,094,766
Parks and recreation	2,768,369	2,848,683	3,220,587	3,450,284	3,579,510	4,533,143	4,026,900	4,591,602	4,997,194	5,820,701
Capital outlay	9,306,321	11,316,516	11,992,426	25,215,294	14,321,060	9,940,082	7,573,259	8,564,650	8,460,558	7,637,252
Debt service:										
Principal	15,804,389	27,547,419	8,464,192	13,665,000	4,190,000	4,425,000	4,645,000	5,300,000	5,040,000	3,605,000
Interest and fiscal charges	5,289,874	4,240,900	4,141,994	3,100,587	3,130,140	2,995,968	2,851,471	2,713,287	2,247,820	1,769,542
Cost of issuance	-	-	211,034	308,915	-	-	-	230,856	162,241	96,460
Total expenditures	<u>53,012,945</u>	<u>63,495,711</u>	<u>49,823,966</u>	<u>64,127,853</u>	<u>43,806,757</u>	<u>38,887,100</u>	<u>36,977,615</u>	<u>39,789,182</u>	<u>42,104,611</u>	<u>38,423,390</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,659,932</u>	<u>(21,500,853)</u>	<u>(11,820,530)</u>	<u>(28,303,829)</u>	<u>(9,034,117)</u>	<u>(4,368,351)</u>	<u>(657,341)</u>	<u>(1,963,187)</u>	<u>(1,389,037)</u>	<u>554,384</u>
OTHER FINANCING SOURCES (USES)										
Proceeds from borrowing	299,688	-	9,999,935	10,316,188	-	-	-	22,252,459	8,836,605	7,340,000
Sale of capital assets	160,230	156,115	182,665	276,092	189,558	142,264	138,339	199,791	223,528	112,485
Payments to escrow agent	-	-	(5,245,000)	-	-	-	-	(22,021,594)	(8,673,624)	(9,091,933)
Transfers in	28,658,350	24,786,853	15,515,877	8,677,617	7,074,387	6,517,322	7,997,230	8,281,179	15,937,772	8,982,352
Transfers out	(28,658,350)	(24,786,853)	(15,515,877)	(8,677,617)	(7,074,387)	(6,517,322)	(7,997,230)	(8,281,179)	(15,937,772)	(8,982,352)
Total other financing source (uses)	<u>459,918</u>	<u>156,115</u>	<u>4,937,600</u>	<u>10,592,280</u>	<u>189,558</u>	<u>142,264</u>	<u>138,339</u>	<u>430,656</u>	<u>386,509</u>	<u>(1,639,448)</u>
Net change in fund balances	<u>\$ 2,119,850</u>	<u>\$ (21,344,738)</u>	<u>\$ (6,882,930)</u>	<u>\$ (17,711,549)</u>	<u>\$ (8,844,559)</u>	<u>\$ (4,226,087)</u>	<u>\$ (519,002)</u>	<u>\$ (1,532,531)</u>	<u>\$ (1,002,528)</u>	<u>\$ (1,085,064)</u>
Debt service as a percentage of noncapital expenditures	48.26%	60.92%	33.88%	43.88%	24.83%	25.64%	25.49%	22.61%	21.22%	17.48%

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			Personal Property	Railroad and Utilities	Total Taxable Assessed Total	Total Direct Tax Rate	Estimated Actual Value
	Residential Property	Commercial Property	Agricultural Property					
2006	\$ 944,720	\$ 371,196	\$ 1,620	\$ 262,980	\$ 15,279	\$ 1,595,795	0.06	\$ 6,982,464
2007	1,153,500	452,116	1,442	271,041	15,186	1,893,285	0.06	8,356,592
2008	1,171,642	467,500	1,459	289,434	14,740	1,944,775	0.06	8,554,084
2009	1,103,428	490,039	1,329	275,453	16,015	1,886,264	0.03	8,226,451
2010	1,108,180	496,507	2,068	255,632	13,744	1,876,131	0.03	8,211,267
2011	1,074,986	462,000	500	229,277	15,180	1,781,943	0.03	7,840,981
2012	1,080,291	457,997	496	223,212	17,652	1,779,648	0.03	7,846,585
2013	1,045,856	457,071	466	224,406	15,549	1,743,348	0.03	7,659,218
2014	1,054,555	473,467	400	237,259	18,516	1,784,197	0.03	7,803,559
2015	1,097,102	516,252	508	236,218	20,410	1,870,490	-	8,164,886

Notes: Assessments are determined by the Assessor of St. Louis County as of January 1.

- (1) 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.
- (2) 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 funded debt service on the bonds until they were paid off. The final levy was during 2014.
- (3) The City participates in the county-wide sales tax sharing pool, therefore, sales tax is not the City's own source revenue.

Table 6

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Taxes levied on all property in the City:										
Direct rate:										
City of Chesterfield	0.0600	0.0600	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	-
Overlapping rates:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Louis County	0.5580	0.5580	0.5580	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5150
Special School District	0.8240	0.9080	0.9180	0.9380	0.9950	1.0130	1.0120	1.2400	1.2400	1.2348
St. Louis Community College	0.2230	0.2000	0.2010	0.2140	0.2180	0.2200	0.2200	0.2200	0.2200	0.2176
St. Louis County Library	0.1500	0.1500	0.1500	0.1400	0.1570	0.1630	0.1730	0.2500	0.2500	0.2460
Metropolitan St. Louis Sewer District (Extension)	0.0190	0.0140	-	-	0.0180	0.0190	0.0190	0.0200	0.0200	0.1950
Metropolitan Zoological Park and Museum District	0.2610	0.2330	0.2340	0.2490	0.2550	0.2670	0.2680	0.2800	0.2800	0.2777
Sheltered Workshop	0.0850	0.0850	0.0900	0.0740	0.0790	0.0840	0.0840	0.0890	0.0890	0.0880
Total Overlapping Rates	<u>2.1500</u>	<u>2.1780</u>	<u>2.1810</u>	<u>2.1680</u>	<u>2.2750</u>	<u>2.3190</u>	<u>2.3290</u>	<u>2.6520</u>	<u>2.6520</u>	<u>2.8041</u>
Total Direct and Overlapping Rates	<u>2.2100</u>	<u>2.2380</u>	<u>2.2120</u>	<u>2.1980</u>	<u>2.3050</u>	<u>2.3490</u>	<u>2.3590</u>	<u>2.6810</u>	<u>2.6810</u>	<u>2.8041</u>
Other Overlapping Rates:										
School districts (2):										
Parkway	3.6410	3.7330	3.9000	3.4100	3.5670	3.6760	3.9360	3.9360	4.0740	4.4617
Rockwood	4.4180	3.9990	3.9230	4.0080	4.2750	4.4630	4.5360	4.5360	4.6830	4.6015
Fire protection districts (3):										
Metro West	1.0910	1.0010	1.0600	0.9770	1.0120	1.0300	1.0290	1.0290	1.0640	1.0130
Monarch	1.0600	0.9880	1.0590	0.8260	0.8650	0.8420	0.8290	0.8290	0.8290	0.8060

- 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	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
THF	\$ 47,939	1	2.56%	\$ 40,220	1	2.52%
Monsanto Company	44,258	2	2.37%	-	-	-
Chesterfield Mall	25,955	3	1.39%	-	-	-
RGA	19,468	4	1.04%	-	-	0.48%
St. Louis Premium Outlets	15,292	5	0.82%	-	-	-
FSP Timberlake Corp	13,374	6	0.71%	17,355	4	1.09%
St. Lukes Episcopal Presbyterian	12,492	7	0.67%	7,472	7	0.47%
Taubman Prestige Outlets	12,261	8	0.66%	-	-	-
Baxter Crossing	8,140	9	0.44%	7,220	9	0.45%
G&E Healthcare	6,918	10	0.37%	-	-	-
WEA Chesterfield LLC	-	-	-	19,711	2	1.23%
Pharmacia Corporation	-	-	-	17,635	3	1.10%
Ameren UE	-	-	-	12,433	5	0.78%
Dierbergs FourSeasons/Chesterfield Village	-	-	-	7,674	6	0.48%
Drury Chesterfield, Inc.	-	-	-	7,416	8	0.47%
Scott Family Properties	-	-	-	6,520	10	0.41%
Total	<u>\$ 206,097</u>		<u>11.02%</u>	<u>\$ 143,656</u>		<u>8.99%</u>

Source: St. Louis County Department of Collection

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
2006	\$ 13,365	\$ 13,083	97.9	\$ 83	\$ 13,166	98.5
2007 (1)	1,042	909	87.2	85	994	95.4
2008 (2)	583	510	87.5	53	563	96.6
2009	566	478	84.5	79	557	98.4
2010	563	482	85.6	66	548	97.3
2011	534	466	87.3	57	523	97.9
2012	534	470	88.0	47	517	96.8
2013	523	463	88.5	48	511	97.7
2014 (3)	536	478	89.2	45	523	97.6
2015	-	-	-	-	-	-

Source: St. Louis County - Collector of Revenue

(1) Taxes levied prior to 2007 included Tax Increment Financing levies.

(2) Property tax rate was reduced by 50% in 2008.

(3) Final levy was in 2014.

Table 9

CITY OF CHESTERFIELD, MISSOURI
Sales Tax Rates and Taxable Sales
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	City Direct Rate	St. Louis County	State of Missouri	Direct and Overlapping	Sales Tax Revenues	Taxable Sales (1)
2006	1.00%	1.850%	4.225%	7.075%	\$ 9,086	\$ 1,261,810
2007	1.00%	1.850%	4.225%	7.075%	9,588	1,311,170
2008	1.00%	1.850%	4.225%	7.075%	11,538	1,251,922
2009	1.00%	2.100%	4.225%	7.325%	10,640	1,157,788
2010	1.00%	2.700%	4.225%	7.925%	10,544	1,011,597
2011	1.00%	2.700%	4.225%	7.925%	10,714	1,118,534
2012	1.00%	2.700%	4.225%	7.925%	11,301	1,234,141
2013	1.00%	2.888%	4.225%	8.113%	11,832	1,292,076
2014	1.00%	2.888%	4.225%	8.113%	12,910	1,409,592
2015	1.00%	2.888%	4.225%	8.113%	13,174	1,438,626

(1) Taxable sales reported by the Missouri Department of Revenue. State Law prohibits the disclosure of specific taxpayer information.

Note: The City participates in the county-wide sales tax sharing pool, which is generally distributed based on population.

Note: The City's direct rate is made up of the following:

- 0.500% Capital improvements sales tax effective April 1997
- 0.500% Parks and stormwater sales tax effective April 2005

Table 10

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

Fiscal Year	Governmental Activities					Total Primary Government	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			
2006	\$ 44,350	\$ 6,132	\$ 16,650	\$ 42,220	\$ (1,059)	\$ 108,293	4.84%	\$ 2,314
2007	34,990	5,574	-	41,240	(1,508)	80,296	3.49%	1,716
2008	33,190	-	-	44,880	(10,152)	67,918	2.93%	1,451
2009	21,445	-	-	53,205	-	74,650	3.09%	1,572
2010	19,325	-	-	51,135	-	70,460	2.87%	1,484
2011	17,110	-	-	48,925	-	66,035	2.72%	1,391
2012	14,840	-	-	46,550	-	61,390	2.50%	1,293
2013	12,615	-	-	45,731	-	58,346	2.51%	1,229
2014	10,134	-	-	43,271	-	53,405	2.16%	1,125
2015	7,520	-	-	40,345	-	47,865	1.94%	1,008

- Notes: (1) Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
(2) In 2005, the City issued 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.

Table 11

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

Fiscal Year	General Bonded Debt Outstanding					Percentage of Actual Taxable Value of Property (2)	Per Capita (3)
	General Obligation Bonds	Redevelopment Bonds	Total General Bonded Debt	Resources Restricted to Repaying the General Bonded Debt	Net Bonded Debt		
2006	\$ 44,350	\$ 16,650	\$ 61,000	\$ (1,059)	\$ 59,941	3.76%	\$ 1,281
2007	34,990	-	34,990	(1,508)	33,482	1.77%	715
2008	33,190	-	33,190	(1,537)	31,653	1.67%	676
2009	21,445	-	21,445	(1,552)	19,893	1.05%	425
2010	19,325	-	19,325	(1,059)	18,266	0.97%	385
2011	17,110	-	17,110	(704)	16,406	0.92%	346
2012	14,840	-	14,840	(343)	14,497	0.81%	305
2013	12,465	-	12,465	-	12,465	0.72%	263
2014	10,134	-	10,134	-	10,134	0.57%	213
2015	7,520	-	7,520	-	7,520	0.40%	158

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

CITY OF CHESTERFIELD, MISSOURI
Direct and Overlapping Governmental Activities Debt
As of December 31, 2015
(dollars in thousands)

Table 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
St. Louis County	\$ 109,755	7.05 %	\$ 7,738
Parkway School District (1)	179,735	24.58	44,179
Rockwood School District (1)	170,800	27.16	46,389
Monarch Fire Protection District (1)	-	73.47	-
Metro-West Fire Protection District (1)	9,340	72.90	6,809
Subtotal, overlapping debt			<u>105,115</u>
City direct debt	47,864	100.00	<u>47,864</u>
Total direct and overlapping debt			<u><u>\$ 152,979</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.

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

Table 13

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

	December 31									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 159,710	\$ 189,328	\$ 194,478	\$ 188,626	\$ 187,613	\$ 178,194	\$ 177,965	\$ 174,335	\$ 178,941	\$ 179,529
Total net debt applicable to limit	43,291	33,713	33,190	21,445	19,325	17,110	14,840	12,465	10,134	7,520
Legal debt margin	<u>\$ 116,419</u>	<u>\$ 155,615</u>	<u>\$ 161,288</u>	<u>\$ 167,181</u>	<u>\$ 168,288</u>	<u>\$ 161,084</u>	<u>\$ 163,125</u>	<u>\$ 161,870</u>	<u>\$ 168,807</u>	<u>\$ 172,009</u>
Total net debt applicable to the limit as a percentage of debt limit	27.11	17.81	17.07	11.37	10.30	9.60	8.34	7.15	5.66	4.19

Legal debt margin calculation for fiscal year 2015:

Assessed value	<u>\$ 1,870,489</u>
Debt limit (10% of assessed value)	\$ 187,049
Debt applicable to limit	7,520
Legal debt margin	<u>\$ 179,529</u>

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.

Table 14

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

Fiscal Year	TIF Refunding and Improvement Bonds (1)						Park Sales Tax Bonds (2)					
	TIF Tax	Less Operating Expense	Net Available Revenue	Debt Service		Coverage	Park Sales Tax	Less Operating Expense	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2006	\$22,387,965	\$ 5,468,532	\$16,919,433	\$ 2,980,000	\$ 1,721,609	3.60	\$ 4,907,397	\$ 4,179,091	\$ 728,306	\$ 440,000	\$ 1,089,528	0.48
2007	-	-	-	-	-	-	5,179,120	4,084,737	1,094,383	495,000	1,076,329	0.70
2008	-	-	-	-	-	-	6,190,899	3,681,644	2,509,255	560,000	1,061,480	1.55
2009	-	-	-	-	-	-	5,748,769	3,515,333	2,233,436	1,355,000	1,334,471	0.83
2010	-	-	-	-	-	-	5,697,406	3,730,984	1,966,422	1,155,000	1,689,350	0.69
2011	-	-	-	-	-	-	5,790,849	4,637,846	1,153,003	1,240,000	1,659,510	0.40
2012	-	-	-	-	-	-	6,108,998	4,853,540	1,255,458	1,330,000	1,623,539	0.43
2013	-	-	-	-	-	-	6,395,774	4,987,982	1,407,792	1,405,000	1,600,627	0.47
2014	-	-	-	-	-	-	6,977,481	5,492,025	1,485,456	1,210,000	1,051,594	0.66
2015	-	-	-	-	-	-	7,121,200	6,546,134	575,066	1,675,000	1,184,457	0.20

Note: Details regarding the City's outstanding debt can be found in the notes to the basic 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. During 2007, the TIF Bonds were retired.
- (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 15

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

Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	School Enrollment		Unemployment Rate
				Parkway School District	Rockwood School District	
2006	46,802	\$ 2,237,166	\$ 47,801	18,787	22,174	4.6 %
2007	46,802	2,299,807	49,727	17,717	22,185	4.9
2008	46,802	2,321,052	49,593	19,000	22,300	5.2
2009	46,802	2,419,336	51,693	19,000	22,300	5.4
2010	47,484	2,454,590	51,693	17,467	22,480	6.6
2011	47,484	2,430,231	51,180	17,467	22,480	6.2
2012	47,484	2,456,110	51,725	17,456	21,951	3.9
2013	47,484	2,320,638	48,872	17,456	21,536	3.5
2014	47,484	2,470,308	52,024	17,148	21,351	4.1
2015	47,484	2,470,308	52,024	17,148	21,351	2.6

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 2006 using consumer price index for midwest state as a percent change from 2005.

Table 16

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

<u>Employer</u>	<u>2015</u>			<u>2006</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>
St. Lukes Hospital	3,850	1	9.58 %	3,334	1	8.86 %
Reinsurance Group of America	1,200	2	3.32	468	7	1.24
Parkway School District	1,165	3	2.81	2,200	3	5.84
Monsanto	1,146	4	2.54	-	-	-
Mercy Health	894	5	2.17	464	6	1.21
Delmar Gardens	819	6	1.35	-	-	-
Dierbergs Markets	485	7	1.26	-	-	-
Builder's Bloc	485	8	1.19	530	4	1.39
MOHELA	439	9	1.05	450	7	1.18
Rose International	433	10	1.11	450	8	1.20
Rockwood School District	-	-	-	3,053	2	8.11
Pfizer	-	-	-	1,200	4	3.19
McBride and Sons Management Co.	-	-	-	700	5	1.86
Amdocs, Inc.	-	-	-	500	6	1.33
North American Communications Resource, Inc.	-	-	-	300	9	0.80
Mark Andy	-	-	-	285	10	0.76
Total	<u>10,916</u>		<u>30.32 %</u>	<u>13,934</u>		<u>21.03 %</u>

Source: Business License database from Finance Division

Table 17

CITY OF CHESTERFIELD, MISSOURI
Full-time Equivalent City Government Employees by Functions/Programs
Last Ten Fiscal Years

<u>Functions/Programs</u>	<u>Full-time Equivalent Employees as of December 31</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government:										
Elected officials	9	9	9	9	9	9	9	9	9	9
City Administrator	2	2	2	2	2	2	2	2	2	2
Community development	2	1	-	-	-	-	-	-	-	-
Customer service	5	3	4	4	3	3	3	3	3	3
Finance	7	7	7	7	6	6	6	6	6	6
Information systems	3	3	3	3	4	3	3	4	4	4
Court	3	3	3	3	3	3	3	3	3	3
Economic Development	-	-	3	3	1	1	1	1	2	2
Planning	12	11	11	11	9	9	9	9	9	9
Police:										
Officers	83	86	89	89	84	84	84	89	92	94
Civilians	9	10	9	9	8	8	8	8	8	8
Public works:										
Engineering	16	17	22	22	16	16	16	16	16	16
Street maintenance	31	30	31	31	29	29	29	29	29	29
Vehicle maintenance	5	5	5	5	5	5	5	5	6	6
Building maintenance	6	6	7	7	6	6	6	6	6	7
Parks and recreation	24	26	30	30	33	33	37	40	44	45
Total	<u>217</u>	<u>219</u>	<u>234</u>	<u>234</u>	<u>217</u>	<u>216</u>	<u>220</u>	<u>229</u>	<u>237</u>	<u>242</u>

Source: Payroll Report, Finance Department

Table 18

**CITY OF CHESTERFIELD, MISSOURI
Operating Indicators by Functions/Programs
Last Ten Fiscal Years**

Functions/Programs	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police:										
Adult arrests	994	1,099	1,132	1,679	1,649	1,753	1,665	1,412	1,647	1,852
Juvenile arrests	262	281	392	236	262	218	165	111	186	169
Parking violations	487	374	423	462	381	278	381	279	203	216
Traffic violations	9,491	9,183	12,235	12,087	12,677	11,628	11,565	12,291	11,908	4,412
Public works:										
Street work orders completed	47	94	2,548	2,321	2,507	2,543	2,161	64	38	166
Sidewalk work orders completed	224	516	436	219	110	97	92	92	125	539
Tree trimming work orders completed	714	840	1,063	867	865	786	475	220	368	718
Storm sewer repairs	33	42	55	48	60	25	23	43	18	62
Sewer lateral repairs	73	100	95	78	85	88	116	126	107	120
Handicap accessible sidewalk ramps installed	23	18	21	52	-	16	52	19	23	19
Parks and recreation:										
Athletic field rental hours	14,305	14,160	13,293	13,648	15,283	16,047	17,785	17,489	-	-
Aquatic Center admissions	40,834	56,499	52,588	44,693	52,845	55,487	52,001	35,699	35,648	-
Planning:										
Building permits for new construction	779	157	51	74	86	68	98	90	50	38
Building permits for alterations/additions	4,491	4,824	4,173	3,714	3,834	298	385	335	372	760
Finance and administration:										
Business licenses issued	1,902	2,293	2,128	2,081	2,080	2,080	2,124	2,184	2,321	2,398
Vending licenses issued	953	773	804	846	820	789	711	732	700	135
Liquor licenses issued	125	262	159	140	135	141	139	130	134	612
Solicitor licenses issued	30	70	40	51	51	53	54	55	35	-

Sources: City of Chesterfield Annual Reports, City of Chesterfield Annual Budgets, various City departments

Table 19

CITY OF CHESTERFIELD, MISSOURI
Capital Asset Statistics by Functions/Programs
Last Ten Fiscal Years

Functions/Programs	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	30	32	35	36	36	36	30	30	31	33
Public works:										
Streets (miles)	163	167	167	167	167	167	172	172	175	175
Streetlights	10	184	184	184	184	184	230	230	237	237
Parks and recreation:										
Acreage	293	293	295	352	352	352	352	352	488	488
Playgrounds	3	3	3	2	2	2	2	2	3	3
Baseball/softball diamonds	27	27	27	29	29	29	29	29	29	29
Multi-purpose fields (1)	15	15	15	15	15	15	15	15	15	15
Athletic Complex	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1

Note: No capital asset indicators are available for the Planning or Finance and Administration functions.

(1) Multi-purpose fields can all be used for: soccer, football, lacrosse, ultimate frisbee, and field hockey.