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December 4, 2006

Honorable Mayor and City Council,

We are pleased to present the Fiscal Year 2007 Budget for your consideration. This budget continues to focus our efforts on the strategic vision of the City Council while balancing service levels and available resources

### **ECONOMIC OUTLOOK**

The City of Chesterfield continued to enjoy positive economic growth in 2006, and 2007 appears to be continuing the trend. With the City's strong reliance on sales tax revenues, it was very positive to see continued new development in the Chesterfield Valley as well as redevelopment in the rest of the City. This year we saw the completion and opening of the new wing of Westfield Shoppingtown-Chesterfield, a \$40 million renovation for additional entertainment options and specialty shops. Pfizer formalized its commitment to new facilities on its Chesterfield campus, which will result in hundreds of quality jobs being added. St. Louis County sold its 40 acre closed jail site in Chesterfield Valley to a private developer who plans quality office campus development in the jail's place.

In 2007, the City will continue its goal to raise the awareness of Chesterfield as a place to grow your family and business through a marketing campaign which features citizens who both live in the City and also operate their businesses here.

While the overall economic conditions in St. Louis metro appear stable but not extremely positive, Chesterfield's unique position of being one of the few areas with available developable land around adequate infrastructure positions us to outperform the region.

### **KEY BUDGET DECISIONS & PROCESSES**

The City's continued growth has caused challenges in staffing and service needs with restricted revenues. As discussed in revenue assumptions below, the City is part of a sharing pool for its major revenue source of sales tax and that pool greatly limits the fiscal impact of new development in the City. In the 2007 budget, the City reviewed its service levels and personnel needs and decided to fund additional positions to address some areas of service challenges. These positions are discussed in personnel below. Finally, the City has decided to provide employees with a one-time retirement bonus of 1% of salary as recognition for outstanding service during the challenging environment in recent years.

Chesterfield performs a five-year forecast for its General Fund each year to provide a forum for long-range fiscal and service level planning (a copy of the forecast is available at the City's website: [www.chesterfield.mo.us](http://www.chesterfield.mo.us).) It helped the Council in its review of this final 2007 budget document. The 2006 forecast revealed the City was in sound financial condition, assuming no change in current service levels, but any new services would require additional revenue sources. Strong fund reserves are available to protect against any major shocks to either revenues or expenditures.

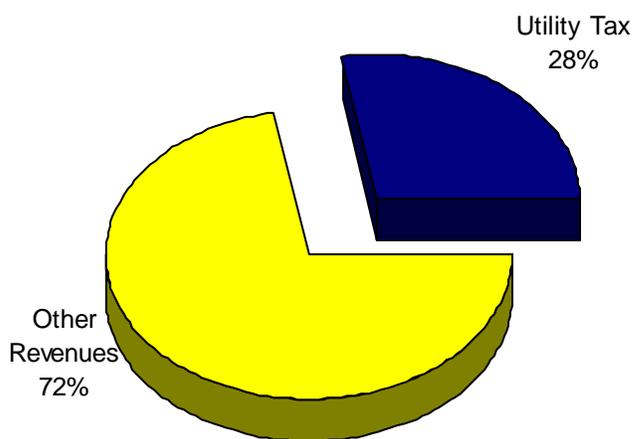
## BUDGET ASSUMPTIONS

### Revenue Assumptions

#### General Fund

The City's General Fund contains a variety of sources; however, three sources comprise nearly 85% of total revenues. Those sources are discussed in more detail below. The City tracks major revenues sources on a monthly basis and uses trend analysis and other relevant information to project budget revenues. As noted below, utility taxes are highly weather and rate dependent. Sales tax in the general fund is part of a county-wide pool, so we rely heavily on the County and historic trends for projections. Intergovernmental revenues are often tied to a base formula, so we project based upon that formula and its known parts.

#### Utility Gross Receipts Tax



The City of Chesterfield levies a 5% gross receipts tax on electric, gas, telephone, and water companies within the City. The utility tax is collected by the utility company at the time of their monthly billing and is remitted to the City within twenty (20) days following the last day of each month.

Revenue receipts from the utility gross receipts tax are currently estimated based on the City's experience, as well as information supplied by the utility companies. It

should be noted that the estimates for utility taxes are dependent on weather conditions. Utility taxes are also greatly impacted by rulings by the Missouri Public Service Commission (PSC). We anticipate a slight decrease in revenues as natural gas rates lower from all-time highs found in 2005 and 2006, and we anticipate a normal weather pattern.

The historical revenue trend for utility tax is shown below. Overall, growth in utility taxes has been fairly consistent with the exception of 2005 and 2006 when rate increases for natural gas provided an unusual amount of revenues.

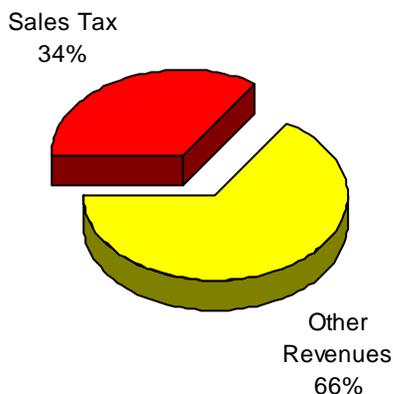
Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	3,787,097	3,907,153	4,137,611	4,392,233	4,028,656	4,181,849	4,158,515	4,671,771	4,990,007	5,012,787
% Increase	1.6%	3.2%	5.9%	6.2%	-8.3%	3.8%	-0.6%	12.3%	6.8%	4.6%

### Sales Tax

There are two ways in which cities in St. Louis County receive sales tax distributions. One is through a point-of-sale method; the other is through a county-wide sales tax pool. Cities under the point-of-sale method receive actual taxes collected within their city. Cities in the pool receive a share based upon its population as a percentage of the pool population. Population figures are adjusted decennially based upon the latest census figures. Interim changes, aside from annexations, are not made. Sales tax distributions were adjusted based on the new census figures for 2000 as of January 2002.

The City of Chesterfield receives a share of the county-wide 1% tax on retail sales through a pool comprised of unincorporated St. Louis County and many of the cities throughout St. Louis County. Under Missouri statutes, the City of Chesterfield does not have the option to choose the method by which it receives sales tax. Cities incorporated after March 19, 1984, or areas annexed after March 19, 1984, are automatically included in the sales tax pool under state law, with no option of withdrawal. Although the City has taken legal action to attempt to challenge this law, it has been unsuccessful.

In addition, under legislation passed in 1994, the pool cities receive a share of the sales tax generated in point-of-sale cities based on a county-wide redistribution formula.



Sales tax is collected by the State of Missouri, distributed to St. Louis County who administers the sales tax redistribution formula, and wire-transferred to the City on the 10th of each month. The amount collected varies due to the fact that some businesses make quarterly contributions. Revenues for Fiscal Year 2007 from sales tax are estimated at \$6,308,750 based on estimates of a per capita distribution of about \$134.74.

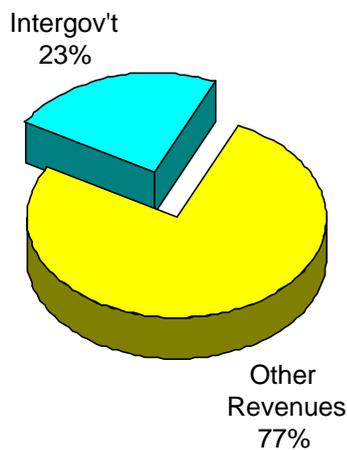
The historical revenue trend for sales tax is shown below. The unusual amount in 1998 results from recognizing local use tax revenues previously deferred because of litigation. As a result of litigation being finalized and the statute of limitation running out, the City of Chesterfield recognized significant deferred revenues in 1998 (\$1,426,410), although the local use tax itself was not upheld in court. Revenues were higher in 2002 because of the decennial adjustment to the distributions. Overall, growth has been steady over a ten-year period.

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	6,330,952	4,982,333	5,339,335	5,422,348	5,692,537	5,576,628	5,714,766	6,031,161	6,125,000	6,308,750
% Increase	33.8%	-21.3%	7.2%	1.6%	5.0%	-2.0%	2.5%	5.5%	1.6%	3.0%

### Intergovernmental Taxes

Intergovernmental taxes include the motor fuel tax, motor vehicle sales tax, cigarette tax, the County road & bridge tax, a Police Academy grant, and a Parkway School District grant.

Motor fuel and motor vehicle sales taxes are collected by the State of Missouri and remitted to the City for the purpose of maintaining roads and bridges. Receipts are distributed on a monthly basis.



Motor fuel tax revenue is generated based on a charge of \$.17 per gallon. Motor fuel tax is distributed based on population. Motor vehicle sales tax is generated from State-imposed fees for licenses, plates, and sales tax, and is also remitted to cities based on population. Revenues for Fiscal Year 2007 from the motor fuel and motor vehicle sales tax are estimated at \$1,407,000 and \$625,000 respectively.

Cigarette taxes are also collected by the State of Missouri and distributed to cities based on population. These receipts are wired monthly to the City. In St. Louis County, all municipalities share in a five-cent County cigarette tax levy. Revenues for Fiscal Year 2007 from cigarette tax are estimated at \$170,000.

The County's road and bridge tax is \$.105 per \$100 of assessed valuation and is distributed to the City based on the City's assessed valuation. It is billed along with other property tax assessments in the fall of each year and is due December 31. It is distributed to the cities (net of a 1% collection fee) as received and is intended for, as its name states, roads and bridges. Billings for the tax year are based on the assessed value of property as of January 1 of each year. Assessed valuation within the City of Chesterfield has grown steadily over the last several years, partially due to growth in the community and partially due to reassessment (mandated State reassessment takes place in even-numbered years), as shown below:

<u>Date Assessed</u>	<u>Valuation</u>	<u>Percent Increase</u>
January 1, 1997	\$ 923,964,304	8.3%
January 1, 1998	\$ 957,731,212	3.7%
January 1, 1999	\$1,047,070,392	9.3%
January 1, 2000	\$1,137,971,730	8.7%
January 1, 2001	\$1,275,903,642	12.1%
January 1, 2002	\$1,308,820,798	2.6%
January 1, 2003	\$1,359,291,971	3.9%

January 1, 2004	\$1,385,266,830	1.9%
January 1, 2005	\$1,579,043,920	14.0%
January 1, 2006	\$1,597,093,708	1.2%

The revenue estimate for road and bridge tax for Fiscal Year 2007 is \$1,649,440, based on a projected growth in assessed valuation of 9%, less a 1% collection fee and 2% allowance for uncollectible taxes (Note: A portion of the road and bridge tax is captured by the Chesterfield Valley TIF Fund.)

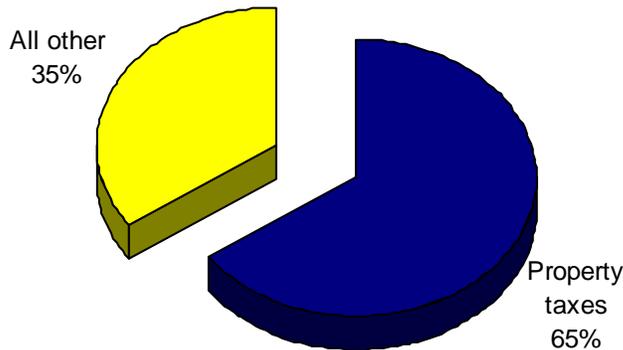
The historical revenue trend for intergovernmental revenues is shown below. Intergovernmental revenues have fluctuated greatly over the years, depending on the amount of grants received. In certain years, for example, grants were significantly higher due to a Municipal Parks grant in 2004. Revenues have remained steady in recent years due to successful awards to the City.

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	3,157,552	3,377,135	3,541,731	3,724,716	3,691,602	3,779,685	4,185,129	3,951,450	4,025,407	4,208,440
% Increase	-3.8%	7.0%	4.9%	5.2%	-0.9%	2.4%	10.7%	-5.6%	1.8%	4.55%

### **Chesterfield Valley TIF Fund**

A redevelopment area, known as the Chesterfield Valley Tax Increment Financing (TIF) District, was established in 1994 and began receiving revenues based on the growth in incremental revenues in 1995.

#### **Property Tax**



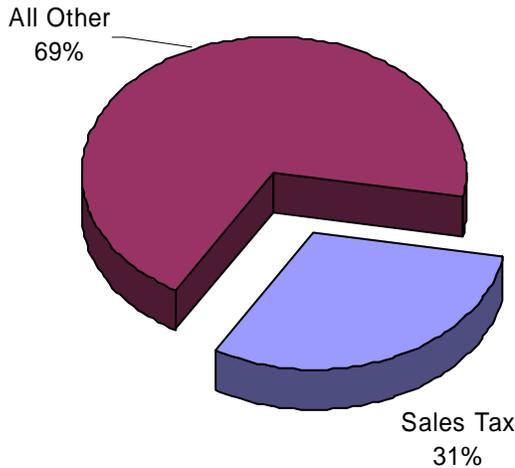
The Chesterfield Valley TIF captures 100% of incremental property taxes inside its boundaries. Continued new development and reassessments have provided sharp increases in property tax revenues in recent years.

Property taxes have grown dramatically, along with the assessed valuation of the TIF District. The initial assessed valuation for the Chesterfield Valley TIF District was \$18,487,580. The 2007 assessed

valuation is \$149,974,880, reflecting a 711.22% growth in assessed valuation due to major infrastructure improvements in Chesterfield Valley. The historical revenue trend for property tax is shown below. Note the decrease from 2004 to 2005 shows the impact of a protest tax case which carried from 2005 to 2006 and led to a decrease in 2005 and extraordinary increase in 2006. In Missouri, protested taxes are held in escrow by the County and not available to the City until the case is heard by the Missouri Tax Commission and amounts are settled.

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	842,252	1,631,496	4,183,909	3,938,223	5,813,966	7,648,644	8,362,410	8,099,493	11,450,000	12,300,000
% Increase	18.7%	93.7%	156.4%	-5.9%	46.5%	31.6%	9.40%	-3.1%	41.4%	7.4%

**Sales Tax**



One-half of the sales taxes generated in the redevelopment area are captured by the Chesterfield Valley TIF Fund. Sales tax grew dramatically during the period 1996 to 1998 because of favorable court rulings regarding the various types of sales tax (for example, the county-wide 1/2-cent sales tax for transportation) that can be captured by TIF districts. The success of the Chesterfield Valley TIF District has also contributed to dramatically improved sales tax receipts. The increase in 2005 is attributable to a new 1/2-cent sales tax for parks that

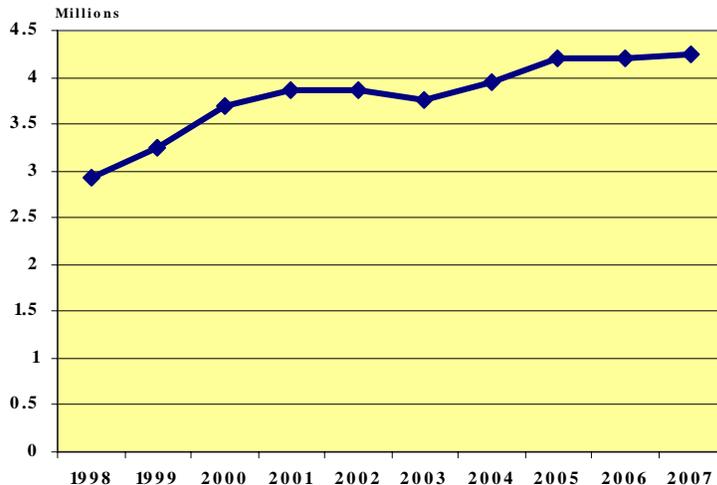
began to be collected in April of 2005. Increases in 2006 reflect the addition of a 3/8-cent Transportation Development District sales tax in the TIF area of which the TIF captures 50% of collected amounts. The 3/8-cent sales tax went into effect in March 2006.

The historical revenue trend for sales tax is shown below.

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	864,904	619,815	1,597,217	510,130	3,068,751	3,623,100	4,110,227	5,839,775	6,250,000	6,500,000
% Increase	102.7%	-28.3%	157.7%	-68.1%	501.6%	18.1%	13.5%	42.1%	7.0%	4.0%

**Capital Improvement Sales Tax Trust Fund**

**Sales Tax**



The City of Chesterfield levies a 1/2-cent sales tax for capital improvements. Voters approved this 1/2-cent sales tax, along with a \$29,355,000 general obligation bond issue for street and sidewalk improvements in November 1996 (Propositions R&S). In April 1997, the City of Chesterfield began receiving sales tax revenues.

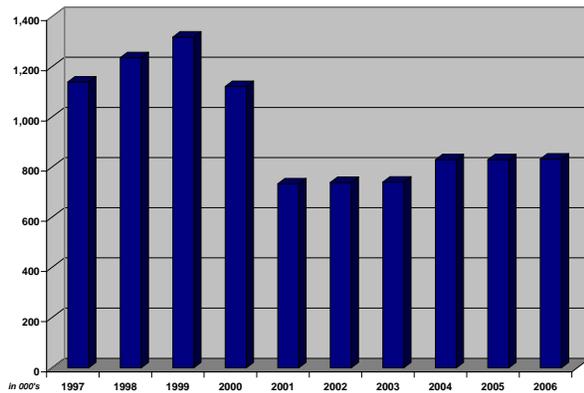
Revenues for Fiscal Year 2007 from sales tax are estimated at \$4,246,175 and reflect a small increase in sales tax from 2005 to 2007.

The historical trend for sales tax is as shown below.

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amount	2,931,797	3,235,730	3,690,037	3,855,101	3,860,073	3,761,895	3,940,005	4,230,947	4,190,000	4,246,175
% Increase	76.1%	10.4%	14.0%	4.5%	0.1%	-2.5%	4.8%	7.4%	-0.1%	1.35%

### **Parks Debt Service 1994**

#### **Property Tax**



The City of Chesterfield levies a \$.06 property tax on all real and personal properties in the City of Chesterfield. Voters approved a property tax in 1994 to pay debt service for \$11 million of general obligation bonds for parks. Property tax revenues for Fiscal Year 2007 are anticipated to be \$843,000.

There has been significant growth in property taxes, resulting from growing assessed valuations, with the exception of planned reductions in the property tax rate. See the discussion in property taxes for the TIF fund for a history of assessed valuation for the City.

Over the last ten years, the property tax rates have been set as shown below:

<u>Year</u>	<u>Property Tax Rate</u>
1998	\$ 0.13
1999	\$ 0.13
2000	\$ 0.10
2001	\$ 0.06
2002	\$ 0.06
2003	\$ 0.06
2004	\$ 0.06
2005	\$ 0.06
2006	\$ 0.06
2007	\$ 0.06

### **Parks Sales Tax Fund**

#### **Sales Tax**

The City of Chesterfield passed a ½-cent sales tax for parks in November 2004. This new tax was levied on April 1, 2005, with actual receipts being received in June 2005. Revenues were \$3,422,207 (partial year) in 2005, \$4,850,000 in 2006. They are projected to be \$4,995,500 for

2007, assuming normal growth and the continued addition of new stores in the Chesterfield Valley.

### Parks and Recreation

The City charges user fees in the Parks department for both the Chesterfield Valley Athletic Complex and the Family Aquatic Center. Those fees are shown in this fund.

In 2005, the City began operating its own concession stands within all of its facilities. Those revenues are reflected in the 2007 budget based upon the 2006 performance of those concession stands and the addition of two new concession stands in the 2007 budget year.

### **Expenditure Assumptions**

The City utilizes the same set of expenditure assumptions for all of its funds. Personnel costs are budgeted at the position level and are assumed to increase 3% for 2007, with the exception of health insurance which is assumed to increase 15%. Contracts and commodities are budgeted at known values and assumed at 3% increases if no value is known. Finally, capital items are budgeted at actual surveyed costs plus 3% for inflation prior to purchase.

The 2007 budget assumed no extraordinary costs and contains no contingency fund outside of fund reserve policy.

## **NEW PERSONNEL AND PROGRAMS**

### **New Personnel**

#### Finance and Administration Department

During 2006, the City added a senior accounting clerk position which was not contained in the original 2006 budget. The position was the result of the City contracting with the Chesterfield Valley Transportation Development District (Valley TDD) to provide revenue collection and accounting services in return for keeping 1% of all collections. This contract funds one-half of the new position, with the remaining costs being absorbed by special revenue funds for which the position is now providing accounting services, primarily the parks bonds and TIF funds. The position is continued in 2007, with expenses and revenues being accounted for in the appropriate funds. The total cost of this new position is \$53,000 per year.

#### Police Department

The City approved the addition of three new police officers in the 2007 budget. Two of those officers will be utilized to enhance service levels in our growing office and retail areas, while the third will be used for targeted traffic enforcement in residential areas. The addition of these officers will ease service demands on current officers primarily assigned to neighborhood patrols in the City's residential areas. The total cost of these new positions is \$175,000 per year.

## Public Works and Parks Department

In order to address the increasing demands caused by the amount of large scale new developments, the City is adding a principal engineer position whose primary responsibility will be to update and maintain the City's traffic model. This position will allow the City to better assess the traffic impact and new infrastructure requirements spurred by new office campus developments proposed throughout the City. The position will be located in the engineering division and have a total annual cost of \$70,000 per year.

Continued growth in Parks funded by the Parks Sales Tax Fund required the addition of three positions in that fund. One parks maintenance supervisor and one parks maintenance worker were added to address additional maintenance demands of parks and landscapes. One building maintenance position was added to staff the parks maintenance facility which is scheduled to be constructed in 2007. The three new positions have a total annual cost of \$126,000 per year.

## New Programs

While the 2007 budget includes additional personnel to accommodate current service levels, there are no new programs included.

## **FUTURE BUDGET TRENDS**

While 2007 is focused on enhancing current service levels and maintaining a balanced budget, future budget trends offer a mix of positive developments and new challenges.

Projections now show the Chesterfield Valley TIF District will be paying off all its obligations and closing during 2008, nine years earlier than estimated. This closure will have a large and immediate impact on the Parks and Capital Sales Tax funds, which will see increased revenues of \$1,100,000 and \$935,000 respectively (or a nearly 20% increase in each fund). These revenues will allow for expanded programming in both parks and capital infrastructure projects. It should be noted the General Fund will also received a much smaller increase of \$400,000 (or 2%), since the majority of new sales tax dollars due the General Fund will be captured and retained by the sales tax pool.

In the General Fund, the City continues to be challenged with balancing current revenues with increasing service demands. Sales tax sharing challenges the City by not allowing us to share in the success of new developments. As we close out 2006, the City has lost nearly one-half of the sales tax generated within its borders to the sharing pool. This continuing trend leaves the City's General Fund limited in how it can respond to increased service demands and precludes any new programs from being offered without additional revenue sources.

The upward spiral in health insurance costs continued in 2006 and is forecasted to continue in 2007. If this trend continues, future budgets will need to address how the City provides insurance to its employees and at what level the City requires employee contributions to benefit plans.

## FUND HIGHLIGHTS

### General Fund

The General Fund is the main operating fund of the City and for 2007 it represents nearly 25% of all expenditures. It should be noted this amount is artificially low in the current year due to two large debt service payoffs which artificially skew total expenditures. The 5% increase in expenditures from 2006 to 2007 represents four new employees and planned salary increases of 3%. A 1% additional contribution to the City's retirement program and a 15% increase in health insurance premiums also contributed to the increase. Nominal increases in General Fund revenues (3.11%), however, allowed for the expenditure increases without accessing any fund reserves.

### Special Revenue Funds

The Chesterfield Valley TIF Fund collects and disburses all revenues related to the financing district. Proceeds collected finance the TIF projects fund discussed below and the TIF debt service fund. As discussed earlier, the Chesterfield Valley TIF is projected to meet all of its obligation in early 2008, at which time it will cease to exist and the revenues it captures will be forwarded to the appropriate taxing jurisdiction. For the City of Chesterfield, this will result in 20% revenue increases in both the Capital Improvement and Parks Sales Tax funds and an additional \$400,000 of revenue to the General Fund. The completion of the TIF process will eliminate the special revenue, capital project and debt service funds currently budgeted to account for its activity.

The Capital Improvement Sales Tax Fund saw slow revenue growth in 2006 and that trend is anticipated to continue in 2007. The fund uses the ½-cent sales tax it collects to fund street and sidewalk projects housed in the capital projects fund (discussed below), in addition to funding debt service payments for outstanding debt issues R&S I and R&S II. The Capital Improvement Sales Tax Fund is projected to spend its available resources in 2007, with a small fund reserve left at year end.

The Parks Sales Tax Fund finished its first full year of operations in 2006 and is projecting normal growth in 2007. The fund uses the ½-cent sales tax it collects to fund the entire Parks and Recreation operation as well as fund debt service payments for the 2005 Parks Bonds. In 2007, the fund anticipates transferring approximately \$3.8 million to the Parks Construction Fund to complete all projects identified in that fund, leaving a small fund balance.

### Capital Project Funds

TIF Projects Fund is utilized to account for the capital projects being performed by the City in the TIF area. The fund receives \$1.5 mil per year from the TIF special revenue fund until a total of \$15 mil has been funded. Projects in 2007 are focused on expansion of water, storm water and sanitary sewer service to the west end of the TIF area which currently has no uniform infrastructure for those services.

The Capital Projects Fund is utilized to track all capital projects for the City. It primarily receives funding from the capital improvement sales tax fund and projects are focused on infrastructure maintenance and reconstruction. In 2007, the fund will spend \$2.8 million on capital items and a detailed list of those projects can be found in the fund level budgets.

Parks Construction Fund is utilized to track the proceeds of the 2005 Parks bond issue. The proceeds of the bonds are to be used for land acquisition and capital improvements to new and existing park land. It is anticipated the fund will expend all its resources in 2007, including a transfer of accumulated fund reserves from the park sales tax fund of \$3.8 mil. Given the liquidation of the fund proceeds, it will cease to exist in 2008.

### Debt Service Funds

The Parks 1998 Debt Service Fund collects revenues from the City's only property tax levy (currently \$.06 per 100) to finance annual debt service payments. The proceeds of the original debt issue were used to purchase what is now Central Park in the City. The debt is scheduled to be retired in 2014.

All other debt service funds budgeted house only the payments out for debt service and a corresponding transfer in from another fund. Any other small revenues reflect interest earned on funds between payment dates. The General Fund transfers funds for the Public Works Facility and City Hall debt service funds, the Capital Improvement Sales Tax Fund finances R&S I and R&S II, Parks Sales Tax finances the 2005 Parks Bonds and the Chesterfield Valley TIF fund finances the TIF Debt Service. It should be noted that the R&S I debt service fund will make a final payment in 2007 and cease to exist.

## **IMPACT OF CAPITAL ITEMS ON BUDGET**

Capital items in the General Fund were primarily replacements of existing equipment with the exception of the Aerial Truck located in the street division, which is a new piece of equipment that will increase operating costs slightly for fuel and maintenance.

In the Capital Improvements Fund, most funds are being expended for the repair or replacement of infrastructure items such as streets, sidewalks and storm sewers. These replacements and repairs will decrease the required amount of maintenance in those areas in future years.

The Parks Construction Fund is scheduled to complete a large series of projects as well as land purchase during 2007. These new facilities and land will require additional maintenance staff and increase operations cost from the point of beginning operations and into the future. The City has planned for these increased costs through the Parks Sales Tax Fund by increasing staffing in 2007 and also by planning for increased operating expenses.

There are no other major capital items within the budget which will have a major impact on the budget in the near or long term.

## ACKNOWLEDGEMENTS

This budget reflects input that I have received from each of you over the past year. As such, it demonstrates your desire to maintain or increase our efforts at repairing and maintaining our infrastructure while, at the same time, continuing to meet our goal concerning total fund reserves.

We can and should take pride in the fact that the financial condition of the City of Chesterfield is strong. As a result, we can continue to meet our commitment to provide quality municipal services to the citizens of our community.

I would like to take this opportunity to thank the City Council for its input into the development of this budget. In addition, I greatly appreciate the efforts of Director of Finance and Administration Jeremy Craig and our other department heads. Budget preparation is truly a team effort!

Sincerely,



Michael G. Herring  
City Administrator



## Principal Officials

Mayor John Nations

City Council  
Barry Flachsbart  
Jane Durrell  
Barry Streeter  
Bruce Geiger  
Daniel Hurt  
Mike Casey  
Mary Brown  
Connie Fults

### Other City Officials:

City Administrator Michael G. Herring

Assistant City Administrator Libbey Simpson

Director of Finance and Administration Jeremy Craig

Police Chief Ray Johnson

Director of Public Works/  
City Engineer Michael O. Geisel

City Clerk Marty DeMay



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## **CITY OF CHESTERFIELD MISSION STATEMENT**

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The City of Chesterfield is a strong, vibrant community that encourages interaction among residents, businesses and civic organizations which is accomplished through innovative approaches to community and neighborhood planning.

The City of Chesterfield is committed to excellence in service and overall quality of life:

- By being the City of choice in the St. Louis Region within which to live, work, play and visit;
- By partnering with residents, businesses, civic organizations and governments to forge a sense of community;
- By providing and seeking quality in each area of service;
- By providing and encouraging cultural and recreational facilities and activities;
- By enhancing property values;
- By ensuring a secure and responsible environment.

Mission Statement  
Adopted by City Council  
July 31, 1999  
Amended by City Council  
October 6, 2001



**STRATEGIC PLAN  
1999-2009**

(Adopted by Mayor and City Council in 1999)

**PRESENT STATE**

Who the City serves:

- #1 Residents
- #2 Businesses
- #3 Visitors

What the City offers:

- ✓ Good municipal services (but limited)
- ✓ Fiscally responsible policies and management
- ✓ Good property values
- ✓ Government provides forum for leadership to build, accomplish and shape community consensus
- ✓ City with direction both internally (operations) and within the region
- ✓ Cost control of city operations
- ✓ Quality
- ✓ Professionally managed city
- ✓ Encouragement for a variety of housing and economic development opportunities

Quality standards and actions of the City:

- ✓ Quality systems and processes to deliver services
- ✓ Always maintaining and improving services
- ✓ Looking to expand services based on needs and availability of funding sources
- ✓ Interaction with neighborhoods and community groups

**STRATEGIC PLAN**  
**1999-2009, continued**  
(Adopted by Mayor and City Council in 1999)

**FUTURE STATE**  
(10 years)

Who the City serves:

- #1 Residents
- #2 Businesses
- #3 Visitors

What the City offers:

- ✓ Provide quality municipal services
- ✓ Enhance and preserve property values:
  - Emphasize quality residential areas and diversity of businesses
  - Continue to encourage reinvestment in commercial real estate and housing
  - Support and maintain rehabilitation for housing
- ✓ Focus resources for community development
  - Innovative in approach to neighborhood design
  - Provide recreational and cultural facilities and programs
- ✓ Continue to develop and maintain the spirit and image of a "community"
- ✓ Maintain and improve external infrastructure
- ✓ Work in partnership with business
  - Provide incentives and support for businesses
- ✓ Provide a friendly environment for diverse educational institutions and partnering with schools
- ✓ Provide recreational and cultural facilities and programs
- ✓ Provide leadership in community consensus building
- ✓ Professionally managed city

Quality standards and actions of the City:

- ✓ Looking for new and innovative ways to improve services
- ✓ Quality systems and processes for all services delivered
- ✓ Interaction with neighborhood, community and business groups

Image people have of Chesterfield:

- ✓ Safe and secure community
- ✓ Place of first choice to live, work and play; family-oriented community with excellent schools
- ✓ Regional leader

**STRATEGIC PLAN  
1999-2009, continued**

(Adopted by Mayor and City Council in 1999)

- ✓ Recreation and entertainment facilities and businesses
- ✓ Open space
- ✓ Corporate offices and professional environment

Economic development policy:

- ✓ Mix of business types, sizes; broad and expanded revenue base and employment
- ✓ More focus on small business and independently-owned businesses, with opportunities for corporate development; in office parks
- ✓ Little dependence on large businesses

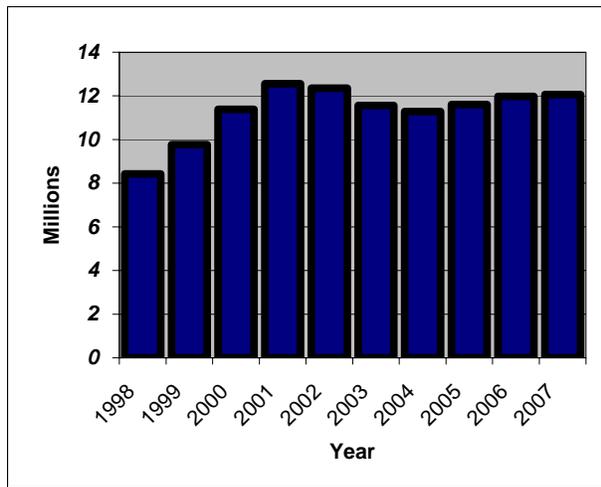
Leadership style of the City:

- ✓ Building community consensus
- ✓ Moving in an agreed direction
- ✓ Leader within the St. Louis Region

## MAJOR BUDGET POLICIES

### Fund Reserve Level

The City attempts to maintain a reserve level of a minimum of 40% of general fund expenditures. This is considered a prudent reserve level for meeting unanticipated expenditure requirements, a major revenue shortfall, or an emergency. The budget for fiscal year 2007 meets that goal with a 64% or \$12,062,223 unbudgeted fund balance as of December 31, 2007.



### Pay Structure

The City has adopted a policy of paying in the top five for all cities by position in the region. A market study is completed and pay grades are updated periodically. The City adjusts pay scales each January 1 based on the prior June Consumer Price Index (CPI). The June 2006 CPI was 3.1%

### Annual Salary Adjustments

One of the perennial issues for City governments during the budget process concerns

annual pay increases for City employees. The 2007 budget includes 3% for merit pay increases, as recommended by the City Council during the preparation of the budget.

### Capital Asset Expenditure

Expenditures of \$5,000 or more on items having an expected life of over a year are considered to be capital assets for the purpose of classification of expenditures. The City budget appropriates General Fund monies for those capital assets used to provide services within the normal operation.

### Revenue Policy

The City attempts to maintain a diversified revenue system to shelter it from short-run fluctuations in any one revenue source. The City considers market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges. The City attempts to establish user charges and fees at a level related to the cost of providing the service.

### Debt Management

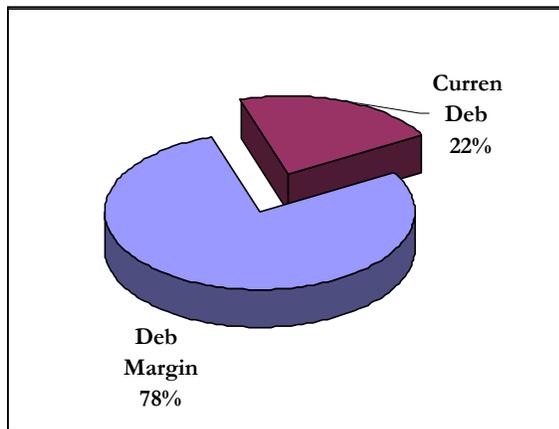
Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property. Based on the 2006 assessed valuation of \$1,597,093,708, the City's legal debt limit is \$159,709,370.

The City has \$6.44 million in general obligation bonds for parks and \$20.15 million in general obligation bonds for street and sidewalk improvements outstanding. In addition, the City has \$1.68 million in certificates of

participation for the construction of a Public Works Facility, \$15.27 million in certificates of participation for the construction of a City Hall and \$25.27 million in certificates of participation for parks projects. The certificates of participation, however, do not count against the City's legal debt limit.

The City has \$22.24 million in tax increment financing (TIF) refunding notes and revenue improvement bonds outstanding. The TIF bonds are repaid strictly from the incremental revenues generated in the Chesterfield Valley TIF District and do not count against the City's legal debt limit.

The City has a legal debt margin of \$159,709,370.



The City reviews each potential issue of debt either in house or through an independent financial advisor on a case-by-case basis.

The maintenance of a high fund balance in the General Fund provides the necessary cash to avoid the need for short-term borrowing.

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.

The City attempts to keep the average maturity of general obligation bonds at or below 20 years which approximates the useful life of assets built with debt proceeds.

When practical, the City uses special assessments, revenues, tax increment or other self-supporting bonds.

The City does not incur long-term debt to support current operations.

The City maintains a sound relationship with all bond-rating agencies and keeps them informed about current capital projects.

### Capital Improvement Projects

The City appropriates funds from the General Fund for the planning, acquisition, and construction of major capital facilities. In addition, the City uses its ½-cent Capital Improvement Sales Tax Trust Fund for streets and sidewalks. This includes reconstructing streets, sidewalks, storm sewers, and highway beautification projects. These projects are not normally considered on-going or regular maintenance.

In addition, the City has issued general obligation bonded debt and certificates of participation for the planning, acquisition, and construction of major capital facilities. This includes buildings, storm sewers, and highway beautification projects. These projects are not normally considered on-going or regular maintenance either.

The financial integrity of the City's operating debt service and capital improvement budgets are maintained in order to provide services, construct and maintain public facilities, streets and utilities.

The City updates its five-year forecast on an annual basis to plan for the acquisition of

capital equipment and resources to pay for those acquisitions. The City coordinates decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.

The City attempts to maintain all of its assets at a level adequate to protect the City's capital investments and to minimize future maintenance and replacement costs.

### **Cash and Investment Policy**

State statutes authorize Missouri local governments to invest in obligations of the United States Treasury and United States agencies, obligations of the State of Missouri, or the City itself, time deposit certificates and repurchase agreements. It is the policy of the City of Chesterfield to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

The City has a formal cash and investment policy on file that stipulates the objectives, delegation of authority, ethics and conflicts of interest, authorized financial dealers and institutions, authorized and suitable investments, collateralization, safekeeping and custody, diversification, maximum maturities, internal controls, performance standards, and reporting requirements.

### **Balanced Budget Defined**

In accordance with Missouri Statutes, a balanced budget for the City is defined as available fund reserves plus estimated revenues equal or greater than estimated appropriations.



## **BUDGET PROCESS**

The annual budget process is designed to meet the requirements of the ordinances of the City of Chesterfield and the statutes of the State of Missouri.

During the beginning of July of each year, the Director of Finance and Administration prepares a budget calendar, a copy of which is included in this document. This calendar outlines the process through budget adoption and implementation.

The budget documents and instructions are distributed by the Director of Finance and Administration to all of the departments. Each of the departments prepares their individual budgets while the Director of Finance and Administration prepares revenue estimates for the upcoming year.

The Department Heads submit budget requests to the Director of Finance and Administration who reviews them and requests additional information, if necessary. The City Administrator and Director of Finance and Administration meet with each Department Head to review the budget requests. Based on these meetings, the City Administrator submits a proposed budget to the Mayor and City Council.

The Mayor and City Council hold a budget work session as a "Committee of the Whole" to review the entire proposed budget. In addition, the City Council holds a public hearing to formally present the budget. Notice of this hearing is given by publication in a newspaper of general circulation in the City at least one week prior to the time of the hearing. A copy of the budget document is available for public inspection in the Department of Finance and Administration for at least 10 days prior to the passage of the budget by City Council.

Following the work session and a public hearing, the City Council adopts the budget by resolution, which goes into effect on the first day of January.

After the budget is adopted, it can be amended as shown below:

The annual budget may be revised by voice motion by a majority vote of the City Council. No revision of the budget is allowed to increase the budget in the event that funds are not available.

Department Heads may make transfers within their department budget up to \$2,500 with prior approval of the Director of Finance and Administration.

Department Heads may make transfers within their department from \$2,500 up to \$5,000 with prior approval of the Director of Finance and Administration and the City Administrator.

Transfers within department budgets over \$5,000 may be made only with prior approval of a majority of the City Council by voice motion.

Budget transfers between departments must be approved by a majority of the members of the City Council by voice motion.

Budget transfers from contingency accounts must be approved prior thereto by a majority of the members of the City Council by voice motion.

### FISCAL YEAR 2007 BUDGET CALENDAR

- August 1 to August 30, 2006 - Director of Finance and Administration prepares budget instructions.
- September 1, 2006 - Director of Finance and Administration distributes budget documents and instructions to departments.
- September 1, 2006 to September 22, 2006 - Department Heads/Supervisors conduct internal department meetings to analyze and prepare budget goals and departmental requests.

Department of Finance and Administration prepares estimates of personnel costs, fixed charges and non-departmental items and revenue estimates.
- September 15, 2006 - All departments submit personnel requests to Director of Finance and Administration.
- September 15, 2006 to September 19, 2006 - Director of Finance and Administration prepares estimates of 2006 actual and 2007 estimated payroll costs and posts figures in budget program.
- September 23, 2006 - Departmental requests for 2007 are returned to the Director of Finance and Administration.

All departments submit 2007 budget goals to Director of Finance and Administration.
- September 23, 2006 to September 30, 2006 - Department of Finance and Administration does preliminary review of budgets and obtains additional information from departments, if needed.

Director of Finance and Administration prepares consolidation of budget requests and finalizes revenue estimates.
- October 3, 2006 to October 12, 2006 - City Administrator and Director of Finance and Administration meet with Department Heads to discuss budget requests.
- October 12, 2006 to October 21, 2006 - Director of Finance and Administration prepares supplemental information for budget document in conjunction with application for Government Finance Officer's Associations Distinguished Budget Presentation Award.

City Administrator and Director of Finance and Administration meet to review revenue estimates and budget document prior to submission to City Council.

City Administrator completes budget message.

- October 24, 2006 - City Administrator submits entire proposed budget document to City Council.
- October 26, 2006 Finance and Administration Committee reviews budget
- November 4, 2006 City Council meets as an F&A Committee-of-the-Whole at a budget workshop.
- November 18, 2006 - Director of Finance and Administration publishes notice of public hearing.
- November 18, 2006 to November 20, 2006 - Director of Finance and Administration makes final amendments to budget based on City Council's recommendations.
- November 20, 2006 - Entire amended budget document is submitted to City Council.
- December 4, 2006 - City Administrator presents proposed budget at a Public Hearing prior to regularly scheduled City Council meeting.  
  
Budget adopted at regular City Council meeting by resolution.
- December 9, 2006 - Department Heads submit 2006 accomplishments to Director of Finance and Administration.
- December 10, 2006 to December 23, 2006 - Budget document is finalized for printing.
- December 25, 2006 - Final budget document is sent to printers.  
December 31, 2006
- January 1, 2007 - Adopted budget is recorded on the books and goes into effect.
- January 2, 2007 - Official budget document is distributed.



## **BASIS OF BUDGETING**

The City of Chesterfield's accounts are organized on the basis of fund and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liability, fund equity, revenues and expenditures or expenses.

The budgets of governmental funds (for example, the General Fund, special revenue funds, debt service funds and capital project funds) are prepared on a modified accrual basis. Briefly, this means that obligations of the City (for example, outstanding purchase orders) are budgeted as expenditures, but revenues are recognized only when they are available and measurable.

The City of Chesterfield's proposed budget for 2006 has a General Fund, three special revenue funds (Chesterfield Valley TIF Fund, Parks Sales Tax Fund and Capital Improvement Sales Tax Trust Fund), seven debt service funds (Parks, Public Works Facility, R&S I, R&S II, City Hall, Prop P and TIF) and two capital projects funds (Capital Projects Fund and TIF Projects Fund). The Capital Projects Fund is used to account for general capital improvement projects in the City which are not specifically required to be accounted for separately because of long-term financing. The budgets for these funds are also prepared on a modified accrual basis.

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

In Proprietary Funds (Enterprise Funds and Internal Service Funds), the accrual basis of accounting is used. Revenues are recognized in the accounting period in which they are earned. Expenses are recognized in the accounting period in which they are incurred. The City of Chesterfield does not currently have any Proprietary Funds.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the City prepares its budget. The only exception is compensated absences that are expected to be liquidated with expendable available financial resources which are accrued as earned by employees (GAAP) as opposed to being expensed when paid (Budget). In addition, gains or losses on investments, depreciation and amortization are not considered budgetary accounts and are excluded from the budgeting system.

### **BUDGET PRESENTATION AWARD**

The Government Finance Officers Association (GFOA) of the United States and Canada presented an award for Distinguished Budget Presentation to the City of Chesterfield for its annual budget for the fiscal year beginning January 1, 2006.

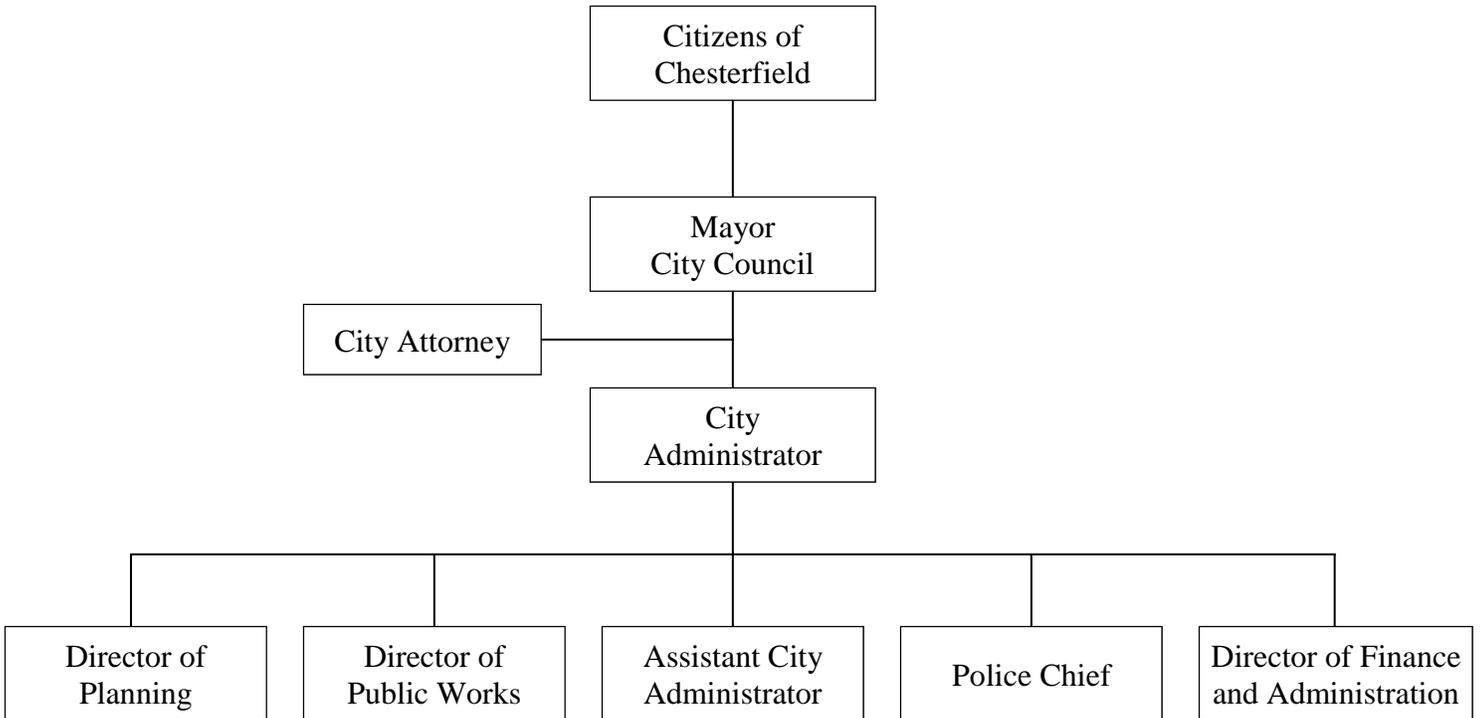
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to the GFOA to determine its eligibility for another award.



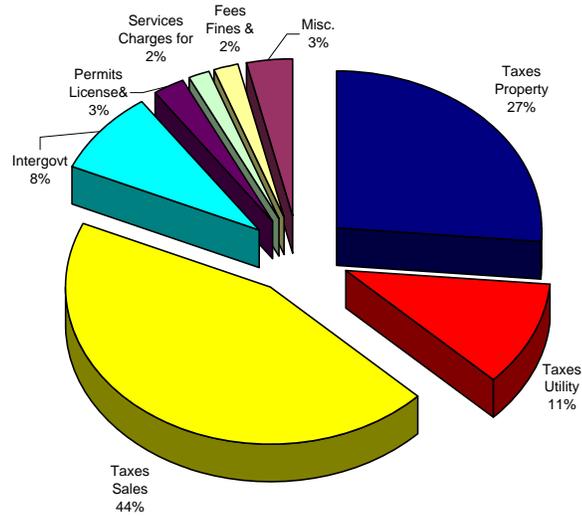
# CITY OF CHESTERFIELD MISSOURI

## Organizational Chart 2007



<b>Combined Statement of Budgeted Revenues, Expenditures, and Changes in Fund Balance - All Funds</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>REVENUES</b>			
Property Taxes	8,883,844	12,281,513	13,143,000
Utility Taxes	4,814,626	5,269,007	5,286,787
Sales Tax	19,524,090	21,415,000	22,050,425
Intergovernmental Taxes	4,635,214	4,025,320	4,208,440
Licenses and Permits	1,276,560	1,278,420	1,311,620
Charges for Services	128,340	131,600	125,500
Parks and Recreation	786,427	753,001	763,800
Court Receipts	876,978	884,100	952,500
Other Revenues	46,141,512	2,094,200	1,733,200
<b>TOTAL REVENUE</b>	<b>87,067,590</b>	<b>48,132,161</b>	<b>49,575,272</b>
<b>EXPENDITURES</b>			
Legislative	66,929	67,050	68,600
Finance/Administration	3,058,737	3,880,614	3,621,420
Police	6,917,631	7,276,746	7,694,351
City Administrator	276,861	358,507	401,306
Planning	572,894	668,534	717,883
Public Works	29,003,507	28,384,637	41,227,631
Parks	8,979,714	17,293,542	17,517,294
<b>TOTAL EXPENDITURES</b>	<b>48,876,274</b>	<b>57,929,630</b>	<b>71,248,485</b>
<b>Change in Fund Balance</b>	<b>38,191,317</b>	<b>-9,797,469</b>	<b>-21,673,213</b>
<b>Fund Balance January 1</b>	<b>39,039,810</b>	<b>77,231,127</b>	<b>67,433,658</b>
<b>Fund Balance December 31</b>	<b>77,231,127</b>	<b>67,433,658</b>	<b>45,760,445</b>

**CITY OF CHESTERFIELD  
2007 BUDGET REVENUE BY SOURCE**



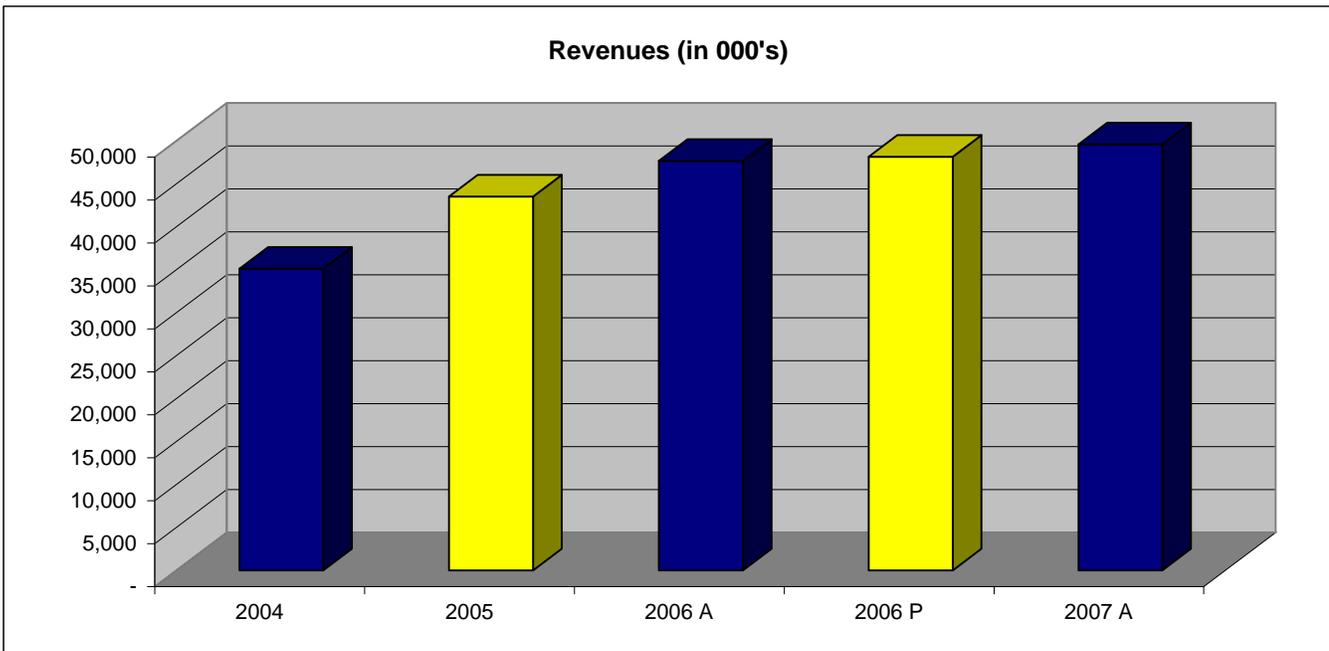
Fund	Property Taxes	Utility Taxes	Sales Taxes	Intergovt	License & Permits	Charges for Services	Fines & Fees	Misc.	Total
General Fund	-	5,012,787	6,308,750	4,208,440	1,311,620	125,500	952,500	815,000	18,734,597
Chesterfield Valley TIF	12,300,000	274,000	6,500,000	-	-	-	-	160,000	19,234,000
Parks Sales Tax	-	-	4,995,500	-	-	763,800	-	75,000	5,834,300
Capital Improvement Sales Tax	-	-	4,246,175	-	-	-	-	10,000	4,256,175
City Project Fund - CV TIF	-	-	-	-	-	-	-	75,000	75,000
Parks Construction	-	-	-	-	-	-	-	550,000	550,000
Parks 1998 Debt Service	843,000	-	-	-	-	-	-	23,000	866,000
TIF Bonds 2002 Debt Service	-	-	-	-	-	-	-	25,000	25,000
Pub Works 1994 Debt Service	-	-	-	-	-	-	-	200	200
<b>Totals</b>	<b>13,143,000</b>	<b>5,286,787</b>	<b>22,050,425</b>	<b>4,208,440</b>	<b>1,311,620</b>	<b>889,300</b>	<b>952,500</b>	<b>1,733,200</b>	<b>49,575,272</b>
Percent of Total	27%	11%	44%	8%	3%	2%	2%	3%	

## CITY OF CHESTERFIELD REVENUE SUMMARY BY FUND

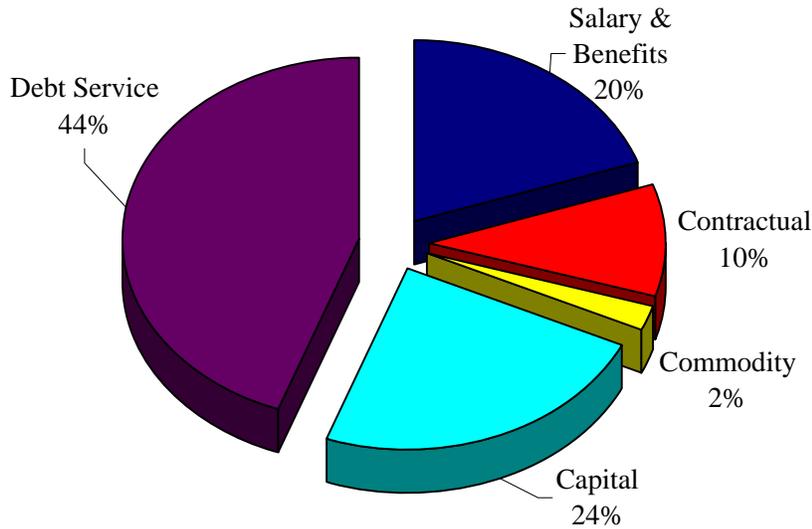
FUND	Actual 2004	Actual 2005	Adopted 2006	Projected 2006	Adopted 2007	% Change 2006 to 2007
<b>General</b>						
General fund	16,909,235	17,253,980	18,311,709	18,169,712	18,734,597	3.11%
	<u>16,909,235</u>	<u>17,253,980</u>	<u>18,311,709</u>	<u>18,169,712</u>	<u>18,734,597</u>	<u>3.11%</u>
<b>Special Revenue</b>						
Chesterfield valley TIF	12,858,296	14,315,705	17,545,000	18,139,000	19,234,000	6.04%
Capital improvement sales tax	4,169,204	5,268,854	4,410,000	4,226,835	4,256,175	0.69%
Parks sales tax	-	4,678,833	5,718,500	5,635,001	5,834,300	3.54%
	<u>17,027,500</u>	<u>24,263,392</u>	<u>27,673,500</u>	<u>28,000,836</u>	<u>29,324,475</u>	<u>4.73%</u>
<b>Capital Projects</b>						
City project fund - CV TIF	91,699	290,244	70,000	76,000	75,000	-1.32%
Parks construction *	-	644,225	750,000	908,000	550,000	-39.43%
	<u>91,699</u>	<u>934,469</u>	<u>820,000</u>	<u>984,000</u>	<u>625,000</u>	<u>-36.48%</u>
<b>Debt Service</b>						
Parks 1998 Debt Service	837,952	803,588	844,013	852,513	866,000	1.58%
TIF Bonds 2002 Debt Service **	232,865	256,174	16,000	125,000	25,000	-80.00%
Pub Works 1994 Debt Service	2,385	5,577	100	100	200	100.00%
	<u>1,073,202</u>	<u>1,065,339</u>	<u>860,113</u>	<u>977,613</u>	<u>891,200</u>	<u>-8.84%</u>
<b>TOTAL</b>	<u>35,101,636</u>	<u>43,517,180</u>	<u>47,665,322</u>	<u>48,132,161</u>	<u>49,575,272</u>	<u>3.00%</u>

\*Parks construction fund was created in 2005.

\*\*Revenues represent interest earnings prior to bond payments. Bonds paid in full in April 2007.



**CITY OF CHESTERFIELD  
2007 BUDGET EXPENDITURE BY ELEMENT**



Fund	Salary & Benefits	Contractual Services	Commodities	Capital	Debt Service *	Total
General Fund	12,432,170	2,884,769	1,095,974	1,014,669	-	17,427,582
Chesterfield Valley TIF	-	1,192,860	-	-	-	1,192,860
Parks Sales Tax	1,510,784	955,855	511,171	183,539	-	3,161,349
Capital Improvement Sales Tax	86,697	122,000	-	2,833,048	-	3,041,745
City Project Fund - CV TIF	-	2,000,000	-	-	-	2,000,000
Parks Construction	-	-	-	12,782,120	-	12,782,120
Parks 1998 Debt Service	-	-	-	-	879,963	879,963
TIF Bonds 2002 Debt Service	-	-	-	-	18,116,275	18,116,275
City Hall Bonds 2004 Debt Service	-	-	-	-	1,024,988	1,024,988
2005 Park Bonds Debt Service	-	-	-	-	1,573,825	1,573,825
R&S Series I Bonds Debt Service	-	-	-	-	8,692,580	8,692,580
R&S Series II Bonds Debt Service	-	-	-	-	1,126,300	1,126,300
Pub Works 1994 Debt Service	-	-	-	-	228,898	228,898
Totals	14,029,651	7,155,484	1,607,145	16,813,376	31,642,829	71,248,485
Percent of Total	20%	10%	2%	24%	44%	

\*In order to clarify expenditure types, operating transfers have been eliminated from debt transactions, it should be noted:  
 City Hall and Pub Works bonds are funded by transfers from the General Fund  
 R&S Series I & II bonds are funded by transfers from the Capital Improvement Sales Tax Fund  
 2005 Park Bonds are funded by transfers from the Parks Sales Tax Fund

**CITY OF CHESTERFIELD  
APPROPRIATIONS SUMMARY BY FUND**

FUND	Actual 2004	Actual 2005	Adopted 2006	Projected 2006	Adopted 2007	% Change 2006 to 2007
<b>General</b>						
General fund	15,806,081	14,930,735	16,066,040	16,495,607	17,427,582	5.65%
	15,806,081	14,930,735	16,066,040	16,495,607	17,427,582	5.65%
<b>Special Revenue</b>						
Chesterfield valley TIF	2,993,186	1,251,656	1,151,597	1,364,597	1,192,860	-12.59%
Capital improvement sales tax	2,342,733	4,617,800	3,131,620	2,658,326	3,041,745	14.42%
Parks sales tax *	-	2,651,297	3,055,611	2,910,355	3,161,349	8.62%
	5,335,919	8,520,753	7,338,828	6,933,278	7,395,954	6.67%
<b>Capital Projects</b>						
City project fund - CV TIF	2,800,555	4,154,207	5,050,000	1,375,000	2,000,000	45.45%
Parks construction *	-	5,981,211	15,858,187	12,858,187	12,782,120	-0.59%
	2,800,555	10,135,418	20,908,187	14,233,187	14,782,120	3.86%
<b>Debt Service</b>						
Parks 1998 Debt Service	880,310	877,425	880,645	878,145	879,963	0.21%
TIF Bonds 2002 Debt Service	8,386,990	11,834,348	5,573,646	14,492,419	18,116,275	25.01%
City Hall Bonds 2004 Debt Service	2,946,829	918,590	1,013,437	1,024,438	1,024,988	0.05%
2005 Parks Bonds Debt Service	-	1,408,738	1,522,925	1,525,000	1,573,825	3.20%
R&S Series I Bonds Debt Service	985,933	982,723	985,455	985,455	8,692,580	782.09%
R&S Series II Bonds Debt Service	1,129,405	1,132,115	1,131,100	1,131,100	1,126,300	-0.42%
Pub Works 1994 Debt Service	227,115	224,015	231,001	231,001	228,898	-0.91%
	14,556,582	17,377,954	11,338,209	20,267,558	31,642,829	56.13%
<b>TOTAL</b>	38,499,137	50,964,860	55,651,264	57,929,630	71,248,485	22.99%

\*Parks sales tax and construction funds were created in 2005.

**City of Chesterfield  
Personnel Requirements  
(Full Time Equivalents)**

Department	2005 Actual	2006 Actual	2007 Adopted	% Change 2006/2007
Mayor & Council	9.00	9.00	9.00	0%
Finance & Admin	18.50	18.50	18.50	0%
Police	93.00	95.00	98.00	3%
City Administrator	4.00	4.00	3.50	-13%
Planning	11.62	12.62	12.62	0%
Public Works	58.93	61.93	62.93	2%
Parks Sales Tax Fund	39.14	44.10	47.10	7%
Capital Sales Tax Fund	1.45	1.45	1.45	0%
<b>TOTAL</b>	<b>235.64</b>	<b>246.60</b>	<b>253.10</b>	<b>3%</b>

Population:	46,820	46,820	46,820
Employees per 1,000 Residents:	5.03	5.27	5.41

**2007 Changes:**

Addition of (3) new officers in the police department for enhanced retail and traffic capabilities

(1) new engineer in public works for traffic studies

(1) new building attendant to staff new parks maintenance facility opening 2007

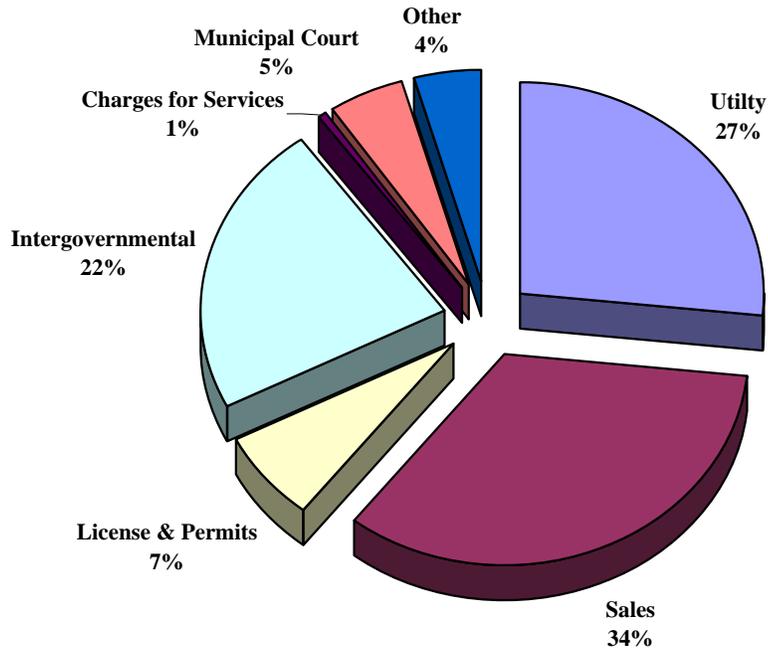
(1) parks maintenance supervisor and (1) parks maintenance worker in parks sales tax fund to support new park land purchased in 2005 and 2006

(1) full time secretary in city administrator moved to part-time.

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<b>Combined Statement of Budgeted Revenues and Expenditures - General Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	11,854,734	12,943,118	12,062,223
<b>REVENUES</b>			
Utility Taxes	4,569,353	4,990,007	5,012,787
Sales Tax	6,031,161	6,125,000	6,308,750
Intergovernmental Taxes	3,742,419	4,013,485	4,208,440
Licenses and Permits	1,276,560	1,278,420	1,311,620
Charges for Services	128,340	131,600	125,500
Court Receipts	876,978	884,100	952,500
Other Revenues	741,358	747,100	815,000
<b>TOTAL REVENUE</b>	17,366,169	18,169,712	18,734,597
<b>TOTAL AVAILABLE FUNDS</b>	29,220,903	31,112,830	30,796,820
<b>EXPENDITURES</b>			
Legislative	66,929	67,050	68,600
Finance/Administration	2,140,147	2,856,176	2,596,432
Police	6,917,631	7,276,746	7,694,351
City Administrator	276,861	358,507	401,306
Planning	572,894	668,534	717,883
Public Works	4,958,068	5,268,594	5,949,010
<b>TOTAL EXPENDITURES</b>	14,932,530	16,495,607	17,427,582
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	-1,345,254	-2,555,000	-1,307,015
<b>FUND BALANCE, DECEMBER 31</b>	12,943,118	12,062,223	12,062,223

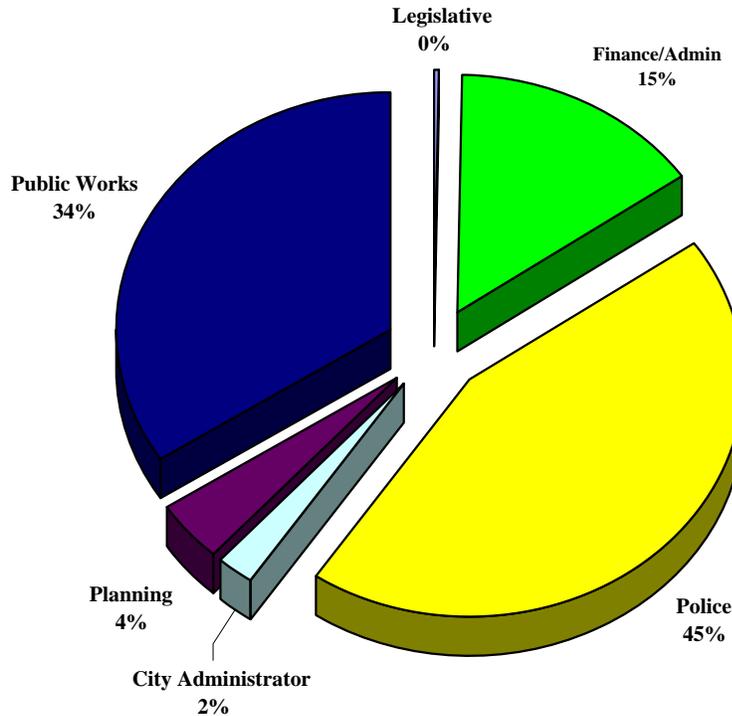
## CITY OF CHESTERFIELD GENERAL FUND REVENUES BY SOURCE



	Actual 2004	Actual 2005	Adopted 2006	Projected 2006	Adopted 2007	% Change 2006 to 2007	% of Total
<b>Utily Taxes</b>	4,158,515	4,569,353	5,099,954	4,990,007	5,012,787	0.46%	26.76%
<b>Sales Taxes</b>	5,714,766	6,031,161	6,232,523	6,125,000	6,308,750	3.00%	33.67%
<b>License &amp; Permits</b>	1,223,489	1,276,560	1,250,252	1,278,420	1,311,620	2.60%	7.00%
<b>Intergovernmental</b>	4,191,574	3,750,600	4,126,302	4,013,485	4,208,440	4.86%	22.46%
<b>Charges for Services *</b>	134,448	129,755	134,940	131,600	125,500	-4.64%	0.67%
<b>Municipal Court</b>	811,405	876,978	884,100	884,100	952,500	7.74%	5.08%
<b>Other</b>	281,704	619,573	583,638	747,100	815,000	9.09%	4.35%
<b>Total</b>	16,515,901	17,253,980	18,311,709	18,169,712	18,734,597	3.11%	

\*2004 budget included parks in general fund. In 2005, the parks sales tax fund was created and all parks activity was moved to that fund. For comparative purposes, parks have been removed from this chart. Parks revenues totaled \$459,308 in 2004 and will be included for comparative purposes in the discussion of the parks sales tax fund.

# CITY OF CHESTERFIELD GENERAL FUND APPROPRIATIONS SUMMARY



	Actual 2004 *	Actual 2005	Adopted 2006	Projected 2006 **	Adopted 2007	% Change 2006 to 2007	% of Total
<b>General government:</b>							
<b>Legislative</b>	66,564	66,930	68,761	67,050	68,600	2.31%	0.39%
<b>Finance/Admin</b>	2,209,142	2,234,497	2,199,819	2,856,176	2,596,432	-9.09%	14.90%
<b>City Administrator</b>	205,659	211,657	363,687	358,507	401,306	11.94%	2.30%
<b>Police</b>	6,702,874	6,893,620	7,332,214	7,276,746	7,694,351	5.74%	44.15%
<b>Planning</b>	608,252	568,524	706,836	668,534	717,883	7.38%	4.12%
<b>Public Works</b>	4,179,674	4,955,507	5,394,723	5,268,594	5,949,010	12.91%	34.14%
<b>Total</b>	13,972,165	14,930,735	16,066,040	16,495,607	17,427,582	5.65%	

\*2004 budget included parks in general fund. In 2005, the parks sales tax fund was created and all parks activity was moved to that fund. For comparative purposes, parks have been removed from this chart. Parks activity totaled \$1,833,826 in 2004 and will be included for comparative purposes in the discussion of the parks sales tax fund.

\*\*During 2006, City Council approved the appropriation of an ERP financial system for \$475,000 and the development of a recreational lake with expenses of \$350,000.

<b>Detail of Capital Assets to be Purchased - General Fund</b>			
<b>Department/Activity</b>	<b>Description</b>	<b>Amount</b>	<b>Activity Total</b>
<b>Police</b>			
Police	Evidence Tracking and Bar Coding System (1)	10,000	
	Police SUV (1)	24,000	
	Police Patrol Cars (13)	247,000	
	Accident Reconstruction Software (1)	6,800	
			287,800
<b>Public Works</b>			
Engineering	1/2 Ton Pickup Truck (1)	26,750	
	Utility Vehicle (1)	27,000	
			53,750
Street/Sewer Maintenance	Tack distributor (1)	9,785	
	Sidewalk Grinder (1)	7,800	
	Planer attachment (1)	9,831	
	1.5 ton dump truck (3)	164,100	
	2.5 ton dump trucks with plow and spreader (2)	175,000	
	Storage yard development (1)	75,000	
	Concrete saw (1)	17,277	
	Skid steer (1)	20,603	
	Asphalt Roller - compactor (1)	18,573	
	Tar Kettle (1)	32,000	
	Equipment Trailer (1)	5,150	
	Aerial truck for limb removal (1)	130,000	
			665,119
Vehicle Maintenance	Wheel Balancer (1)	8,000	
			8,000
	<b>Total Capital</b>		<b>1,014,669</b>

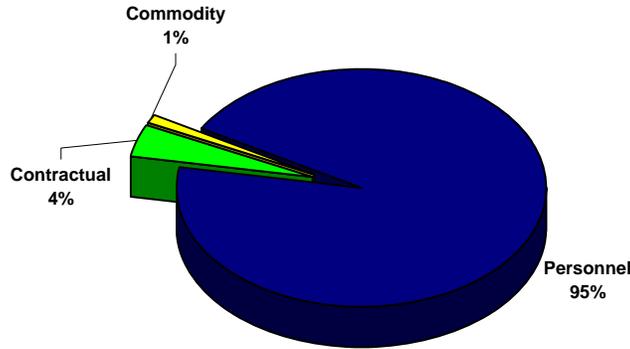
## **Legislative Department**

The legislative department accounts for the Mayor and City Council. The Mayor is the Chief Executive Officer of the City. He presides at City Council meetings and may vote on legislation to break a tie. The Mayor is elected at large for a four year term. The eight Councilmembers are the legislative branch of the City Government responsible for the adoption of the budget, the passage of local ordinances, and the establishment of policy. Councilmembers are elected to serve two-year overlapping terms; one Councilmember from each of the four wards is elected each year.

# LEGISLATIVE APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total
Legislative	64,750	3,050	800	-	68,600

**By Element:**



## Legislative Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
Legislative	9	9	9	9	0

## Finance and Administration Department

The Finance and Administration Department of the City provides a wide range of services to support and deliver services externally to the community and internally to other departments. It includes the divisions of Finance, MIS, Municipal Court, City Clerk and Customer Service Center. Below is a brief highlight of 2006 accomplishments and 2007 goals to further advance the City's mission statement found on page 14 of this document.

<b>Distinction – Be a City of choice in St. Louis Region to live, work, play and visit</b>	
2006 Accomplishments	2007 Goals
Assisted public by providing information and brochures on community, Chamber and City events, recycling, conservation, and parks and recreation programs.	Continue to provide the public with informational brochures and maintain a database of current community and City activities.
Assisted Economic Development in a webpage for the development community	Begin redesign of City website to highlight activities and opportunities for all stakeholders in the City
Performed a bond rating review with two major rating agencies resulting in the City maintaining its high credit rating	Coordinate the debt liquidation of R&S I and TIF bonds
Assisted in the development and issuance of TDD obligations to fund over \$25 mil in capital improvements	Develop a popular annual financial report for the City to increase overall awareness of services performed

<b>Partnerships – Forge a sense of community by partnering with residents, businesses, civic organizations and other governments</b>	
2006 Accomplishments	2007 Goals
Coordinated rental agreements for meeting rooms; application processing for municipal zoning approval; liquor, business, and solicitor licenses; requests for proposals; provided notary services to walk-in customers.	Work with MIS and the Finance and Administration departments to transition from current procedures to new financial software system
Worked with St. Louis County for the joint formation of the Chesterfield Valley TDD	Continue to work with St. Louis County and State of Missouri in the completion of TDD projects
Attended regular meetings of the Chamber of Commerce Understanding City Operations (CUCO) Committee	Work with Monarch-Chesterfield Levee District in the completion of TIF projects and repayment of Levee TIF notes
	Work with surrounding cities to form users group for new financial software

<b>Quality – Provide and seek quality in each area of city services</b>	
2006 Accomplishments	2007 Goals
Negotiated cost effective mailing system lease for compliance with USPS requirements and updated “Customer Help List’ database of information for residents and the public.	Continue periodic review of the “Customer Help List” by City Hall Departments and update general information database.
Implement new financial software in city-wide operations	Develop on-line payment for routine traffic tickets
Completed annual budget and audit processed receiving GFOA recognition for both	Continue to complete budget and audit processes in conjunction with GFOA award guidelines
Completed over 200 hours of training on current and best practices within the department	Continue training program and identify more training opportunities for front-line staff
	Work with external auditor to perform internal control reviews throughout city operations

<b>Activity– Providing and encouraging cultural and recreational activities</b>	
2006 Accomplishments	2007 Goals
Assisted residents and general public with parks and recreation program registration, pavilion and pool rental.	Work with Parks, Recreation & Arts Department to review the Spring and Fall Brochures for accuracy before printing and review public web site for accuracy and ease of use.
Continued processing of project payments in the Parks Construction Fund	Assist Parks Department in implementation of project accounting software

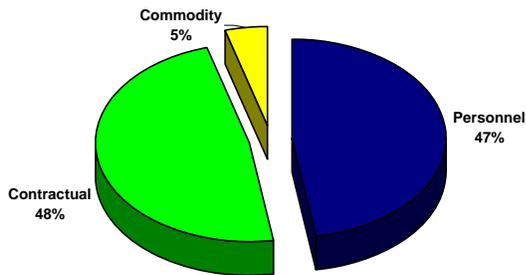
<b>Investment – Maintain and enhance property values</b>	
2006 Accomplishments	2007 Goals
Submitted Requests for Action for sidewalk, street and street sign repair/replacement; tree trimming; engineering analysis; zoning violations; updated subdivision trustee information.	Work with Information Systems Division and Finance and Administration Division to transition from current RFA procedures to new financial software system.

<b>Security – Ensure a responsible and secure environment</b>	
2006 Accomplishments	2007 Goals
Directed solicitor complaints to the Police Department, provided recycling and conservation information to residents.	Request City Attorney review existing Solicitation ordinances.
Municipal court met 26 times and handled cases of all types in a timely manner	Continue to support City through timely court activities

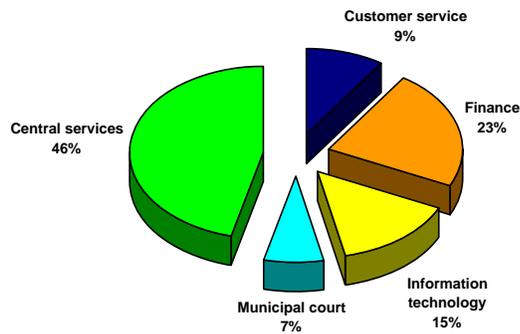
## FINANCE AND ADMINISTRATION APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total	Div %
Customer service	219,657	24,025	2,000	-	245,682	9.46%
Finance	461,794	121,350	2,500	-	585,644	22.56%
Information technology	215,951	110,260	54,000	-	380,211	14.64%
Municipal court	139,525	48,970	1,400	-	189,895	7.31%
Central services	199,000	938,000	58,000	-	1,195,000	46.02%
<b>TOTAL</b>	<b>1,235,927</b>	<b>1,242,605</b>	<b>117,900</b>	<b>-</b>	<b>2,596,432</b>	<b>100.00%</b>

**By Element:**



**By Division:**



### Finance and Administration Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
Customer services	4.5	4.5	4.5	4.5	0
Finance	6.5	6.5	7.5	7.5	0
Central services	0	0	0	0	0
Information systems	4	4	3	3	0
Municipal court	3	3	3	3	0
Total positions	18.0	18.0	18.0	18.0	0.0

## POLICE DEPARTMENT

The Police Department of the City is responsible for the security and protections of the citizens of Chesterfield and all those who work and travel within its borders.

<b>Distinction – Be a City of choice in St. Louis Region to live, work, play and visit</b>	
2006 Accomplishments	2007 Goals
Provided a sense of security through high visibility and timely response to all calls for service	Review response times and patrol areas for optimal operations
Targeted high accident locations for specific violations identified as contributing factors	Utilize three new officers to increase visibility and response times to commercial areas and high traffic roadways

<b>Partnerships – Forge a sense of community by partnering with residents, businesses, civic organizations and other governments</b>	
2006 Accomplishments	2007 Goals
Worked with regional task forces such as major case squad, Regional Computer Crime Education and Enforcement Group, and St. Louis County Drug Task Force	Provide support and manpower to regional task forces
Met regularly with neighborhood and business groups to identify and address public safety concerns	Meet with area groups to maintain an open line of communication on real and perceived safety issues
Implemented Community Oriented Policing and Problem Solving (COPPS) program to provide creative solutions to community concerns	Strengthen and expand COPPS program by increasing its awareness throughout community

<b>Quality – Provide and seek quality in each area of city services</b>	
2006 Accomplishments	2007 Goals
Obtained international recertification through Committee on Accreditation of Law Enforcement Agencies (CALEA)	Maintain current levels of compliance within CALEA standards and adhere to time sensitive reporting standards
Maintained active training program for all public safety employees	Complete active training programs for all employees addressing specific needs

<b>Activity– Providing and encouraging cultural and recreational activities</b>	
2006 Accomplishments	2007 Goals
Worked with Parks Division on design and implementation of the City’s first 4 <sup>th</sup> of July celebration	Work with Parks Division on 2 <sup>nd</sup> celebration and implement lessons learned from last year’s event
Began reviewing security needs for new park land and facilities	Work with Parks Division on safety assessments of new land and facilities to ensure maximum public safety

Supported Special Olympics Plane Pull to raise funds for St. Louis Special Athletes raising over \$45,000 this year and \$550,000 in past ten years	Provide police support for Special Olympics and St. Louis Special Athletes through fundraising efforts
Ensured all new employees received cultural diversity training through Holocaust Museum	Implement new Police Diversity Cadet Program

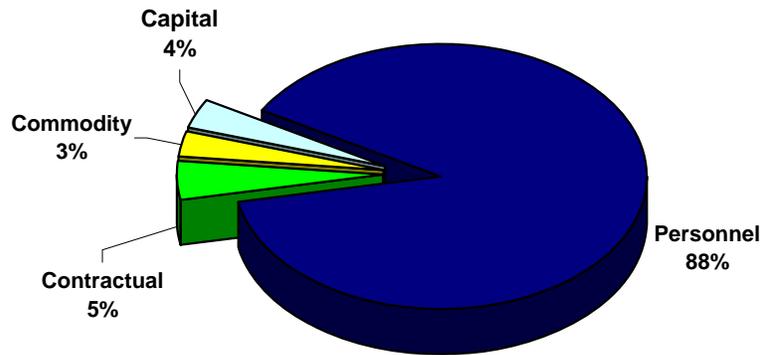
<b>Investment – Maintain and enhance property values</b>	
2006 Accomplishments	2007 Goals
Provided timely response to all alarm calls from both residential and commercial areas	Continue strong response to alarms from all sources
Utilized Federal Highway Funding to continue staffing position of Community Safety Officer; provided safety workshops to over 300 business people and provided additional safety-related training to over 2,000 individuals, including training all City employees in safe driving seminars	Provide Traffic Work Force Safety position and present safety workshops and seminars to an ever-growing business and residential population

<b>Security – Ensure a responsible and secure environment</b>	
2006 Accomplishments	2007 Goals
Provided timely and efficient response to all service calls	Provide adequate patrols and response time to all areas of City
Worked with regional task forces to develop emergency responses to homeland security, avian flu and commercial property safety concerns	Train and develop emergency response plans to all major security issues that face the City and ensure continued National Incident Management training compliance

# POLICE APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total
Police	6,813,896	371,905	220,750	287,800	7,694,351

By Element:



## Police Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
Police	93	93	95	98	3%

## CITY ADMINISTRATOR DEPARTMENT

The City Administrator is the Chief Appointed Officer of the City, responsible to the Mayor and City Council for the administration of all affairs of the City coming under his jurisdiction. He supervises all departments, sees that all laws and ordinances are enforced, all contracts are kept and performed, and makes recommendations to the City Council regarding City operations and policy.

As a division within the City Administrator’s Department, the Economic and Community Development division is charged with creating and implementing a comprehensive economic development plan for the City.

<b>Distinction – Be a City of choice in St. Louis Region to live, work, play and visit</b>	
2006 Accomplishments	2007 Goals
Enhanced services to the development community by creating a demographics section on the City’s website	Update new marketing and demographics information on the website
Worked with area agencies to assess impact of major transportation construction in the region on the City	Disseminate new marketing materials for “Room to Grow” to targeted site location consultants and corporate real estate executives

<b>Partnerships – Forge a sense of community by partnering with residents, businesses, civic organizations and other governments</b>	
2006 Accomplishments	2007 Goals
Created the Chesterfield Development Advisory Council, a 25 member group comprised of local business owners and community leaders to help shape Chesterfield’s future	Create a vision for guiding Chesterfield’s future as the community matures in coordination with Chesterfield Development Advisory Council
Partnered with Chesterfield Chamber of Commerce, Sachs Properties and Gundaker Commercial to create a marketing campaign, “Room to Grow”, and shared costs for publication in the St. Louis Business Journal	Continue to work off of this established partnership to create greater awareness of Chesterfield as a place to live, work and recreate, and to assist in promoting our office market
Met regularly with other cities, St. Louis County, school districts and Chamber of Commerce to identify and recommend partnering opportunities	Partner with Chamber of Commerce and Progress 64 West to create educational and business assistance opportunities for entrepreneurs
Met with wide-range of residents and developers in assessing community needs and desires	Continue actively communicating with City stakeholders to assess needs and concerns

<b>Quality – Provide and seek quality in each area of city services</b>	
2006 Accomplishments	2007 Goals
Created new marketing materials for the City to promote a higher quality image and provide a larger amount of information than previously available	Encourage and support department director's participation in best practice awards through GFOA, CALEA and APWA
Began managing the City's occupancy permits and ensured timely distribution to customers	Transition the occupancy permit process into the new accounting system to better manage the process, currently in several different computer programs
Created sites and properties database to assist businesses and site selection consultants in finding locations	Continue to maintain and update sites and properties database and its information as properties become available
Performed regular review of departmental and financial activity to maximize efficiencies	Continue to support and identify cost effective training opportunities for City employees

<b>Activity– Providing and encouraging cultural and recreational activities</b>	
2006 Accomplishments	2007 Goals
Continued to assist Stages St. Louis in fundraising and development processes to bring their project to Chesterfield	Coordinate with Mayor's office to have a large-scale fundraiser to assist with fundraising of Stages St. Louis.
Worked with Council and Chesterfield Arts in creating a contract for art and cultural programs for the community	Continue to monitor and evaluate Chesterfield Arts program offerings and funding requests
Reviewed continuing construction of Parks projects funded by Parks Bonds	Review final projects funded by Parks bonds and work with Council to identify the next projects to be completed with Parks sales tax revenues

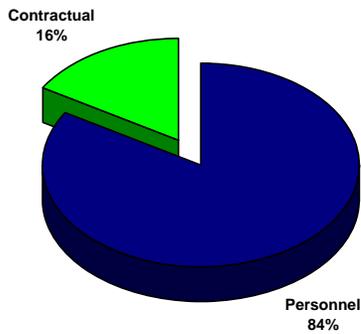
<b>Investment – Maintain and enhance property values</b>	
2006 Accomplishments	2007 Goals
Recommended continued infrastructure maintenance and improvements through capital improvements sales tax fund	Continue to create a greater awareness of Chesterfield as a place to live, work and recreate through marketing and testimonials
Worked with Chamber of Commerce and area business leaders to create awareness of City's high quality of life	Continue to review and recommend infrastructure improvements to maintain and enhance curb appeal of the community

<b>Security – Ensure a responsible and secure environment</b>	
2006 Accomplishments	2007 Goals
Reviewed and supported Police Department's recertification process for CALEA designation	Continue to encourage Police Department to enhance its efficiency and effectiveness

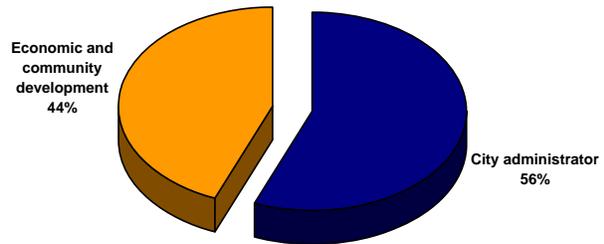
# CITY ADMINISTRATOR APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total	Div %
City administrator	220,031	5,420	-	-	225,451	56.18%
Economic and community developmen	115,340	60,515	-	-	175,855	43.82%
<b>TOTAL</b>	<b>335,371</b>	<b>65,935</b>	<b>-</b>	<b>-</b>	<b>401,306</b>	<b>100.00%</b>

**By Element:**



**By Division:**



### City Administrator Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
City administrator	2	2	2	2	0%
Economic and community development	0	0	2	1.5	-25%
Total positions	2.0	2.0	4.0	3.5	-25%

## PLANNING DEPARTMENT

The Planning Department provides long and short range planning for all City property. This function is performed through comprehensive planning, inspection and enforcement, zoning ordinance administration and subdivision ordinance administration. The planning department works closely with the Planning Commission, Planning and Zoning Committee and the Board of Adjustment.

<b>Distinction – Be a City of choice in St. Louis Region to live, work, play and visit</b>	
2006 Accomplishments	2007 Goals
Upheld standards of good planning while following goals of City’s comprehensive plan	Continue to provide education regarding comprehensive plan to citizenry and development community.
Encouraged development to have pedestrian connections	Increase pedestrian connections through and between new developments
Provided landscape buffers to existing residential developments	Use updated tree manual, uphold and increase landscaping and buffering throughout all development
Encouraged planned new residential communities that offer a variety of housing options	Work with developers to encourage unique variety of housing opportunities while meeting goals of City’s comprehensive plan
Rezoned properties in conformance with the City’s land use plan	Maintain existing and encourage new high quality commercial development.

<b>Partnerships – Forge a sense of community by partnering with residents, businesses, civic organizations and other governments</b>	
2006 Accomplishments	2007 Goals
	Met periodically with St. Louis County Public Works to strengthen municipal zoning approval/building permit process
Solicited and incorporated comments from development community for new draft of tree manual	Submit articles for Citizen Newsletter and subdivision newsletters to raise awareness of code enforcement issues
	Compile list of resources for assistance in property maintenance issues
Provided in-house training sessions on planning process for boards and commissions	Work with developers and property owners to understand benefits of high quality development
	Increase public’s knowledge about providing input at public hearings and during planning process
	Meeting with outside agencies annually to better coordinate planning process

<b>Quality – Provide and seek quality in each area of city services</b>	
2006 Accomplishments	2007 Goals
Revamped re-zoning process to provide a “draft” of Attachment A earlier for discussion and feedback of possible governing conditions	
Decreased paper reliance while assuring documentation needs were met which addressed future environmental needs	Increase ability to use digital format for keeping records of planning projects, distribution of packets and notifications
Utilized website to inform public on status and history of planning projects	Expand project information to include engineering status

<b>Activity– Providing and encouraging cultural and recreational activities</b>	
2006 Accomplishments	2007 Goals
Worked with Stages St. Louis in moving forward and getting new regional arts entertainment venue	Continue to work with Department of Public Works on requested location of trails throughout the City during development process
Encouraged trail creation as part of development process	

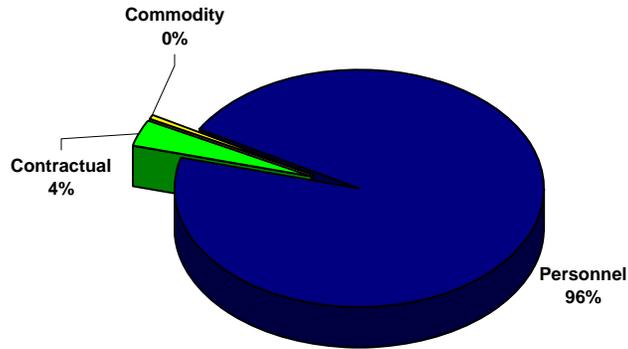
<b>Investment – Maintain and enhance property values</b>	
2006 Accomplishments	2007 Goals
Stringently enforced property maintenance code, including hearings with property owners to develop abatement plans	Pro-active community education regarding property maintenance violations and how to avoid creating them
Developed procedures to allow quality in-fill development	
Ensured protection of existing trees as required in City’s tree manual	Complete review of tree manual to assure it meets current needs of City

<b>Security – Ensure a responsible and secure environment</b>	
2006 Accomplishments	2007 Goals
Worked with Police Department to review new development projects	Expand upon this accomplishment

# PLANNING APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total
Planning	688,153	26,656	3,074	-	717,883

**By Element:**



## Planning Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
Planning	11.62	11.62	12.62	12.62	0

## PUBLIC WORKS DEPARTMENT

The Department of Public Works is responsible for development and maintenance of the City infrastructure and park systems, floodplain management, Geographic Information System and mapping services, and recreation programs. The department includes the divisions of Building Maintenance, Engineering, Street and Fleet Maintenance, and Parks and Recreation. Below is a brief highlight of the department's 2006 accomplishments and 2007 goals that further advance the City's mission statement found on page 14 of this document.

<b>Distinction – Be a City of choice in St. Louis Region to live, work, play and visit</b>	
2006 Accomplishments	2007 Goals
Maintained City streets to be free of potholes, and provided a smooth and safe driving surface	Have maintenance crews review each City maintained street at least once a month and address street problems or other issues in the right-of-way

<b>Partnerships – Forge a sense of community by partnering with residents, businesses, civic organizations and other governments</b>	
2006 Accomplishments	2007 Goals
Worked with Beautification Committee to host the 2 <sup>nd</sup> Annual Garden Tour	Assist in facilitating work and goals of Beautification Committee; implement elements of the median and landscape improvement plans
Worked with CCE in promoting recycling programs, and Earth, Tree and Arbor Day event	Continue to work with CCE in promotion of recycling programs, as well as Earth, Tree and Arbor Day event
	Work with the PRACAC to coordinate community events

<b>Quality – Provide and seek quality in each area of city services</b>	
2006 Accomplishments	2007 Goals
Provided state-of-the-art repairs and maintenance to City owned police cars, maintenance trucks and equipment	Educate mechanics to keep up with latest technology on repair and maintenance of vehicles and equipment
Provided facility maintenance services to City Hall and Public Works Facility so that buildings and grounds are safe, attractive and functional for the general public, public officials and staff	Continue to develop and implement work standards, schedules and preventive maintenance programs; provide training to all building attendants so they can efficiently and effectively perform their duties
Provided grounds and facility maintenance services to parks, rights-of-way and City Hall so that areas are safe and attractive, and create an inviting environment for general public and staff	Continue to update and implement maintenance operation plan for Parks system that enables the division to institute a high standard of maintenance and operation in the delivery of Parks services

Prioritized requests based upon urgency, importance and time required to perform tasks	Provide timely response to Requests for Action
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<b>Activity– Providing and encouraging cultural and recreational activities</b>	
2006 Accomplishments	2007 Goals
Provided comprehensive community recreation program which included events such as Turkey Trot, Boo Fest, 4 <sup>th</sup> of July Celebration, swim and sports programs	Continue to plan and implement comprehensive community recreation program which is cost effective and maximizes existing community resources

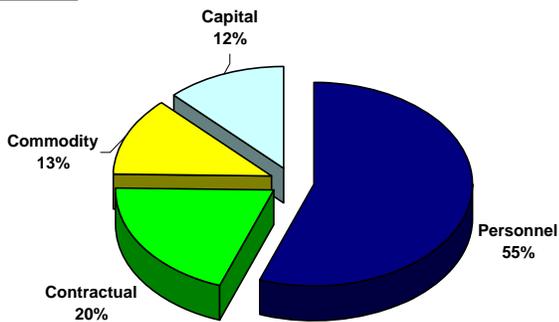
<b>Investment – Maintain and enhance property values</b>	
2006 Accomplishments	2007 Goals
Provided safe travel through rights-of-way of City	Keep trees trimmed for passage on streets and sidewalks; keep sidewalks in good condition eliminating trip hazards; erect regulatory and street identification signs as needed
Responded to over 700 Missouri One Call tickets to determine if pending excavation would be in close proximity to City owned underground utility facilities	Continue responding to Missouri One Call tickets; by identifying potential conflicts prior to construction, investment in existing utility system is preserved
Administered and inspected Residential Sanitary Sewer Lateral Repair Program, involving repairs to over 60 laterals	Continue to administer Residential Sanitary Sewer Lateral Repair Program in expeditious manner, in order to quickly identify and address defects in sewer laterals
Made enhancements to the CVAC which has provided additional parking, sidewalks, restrooms, concessions, lighting and landscaping	Continue with Tier 1 improvements at CVAC; these improvements shall include additional utilities and administration/maintenance facility
Worked with consultants to develop site master plan for Central Park	Continue to work with consultant to develop design and construction details and implement Tier 1 improvements
Worked with consultants to develop site master plan, and design and construction details for Family Aquatic Center	Implement and construct Tier 1 improvements
Worked with Consultants to develop site master plan, land acquisition/easements for Levee Trail	Continue to work with consultant in acquiring easements and implement Stage 1 of the Trail
Prioritized infrastructure improvements in Chesterfield Valley and facilitated forward funding to secure installation of critical items; updated/developed 5-year plan for concrete street construction and asphalt overlays	Plan and develop infrastructure to support orderly development in City

<b>Security – Ensure a responsible and secure environment</b>	
2006 Accomplishments	2007 Goals
Kept streets clean of obstacles; responded in timely manner	Respond to inclement weather in pro-active way by applying de-icing materials before snow and ice storm reach area; keep snow plows operating until City maintained streets are clear for safe travel; remove trees and limbs from rights-of-ways that have been knocked down by storms in a timely manner
Updated grading ordinance to facilitate compliance with EPA water quality regulations; performed annual nuclear safety training in compliance with NRC regulations; modified flood damage prevention ordinance and procedures to meet FEMA recommendations	Assure compliance with applicable State and Federal regulations

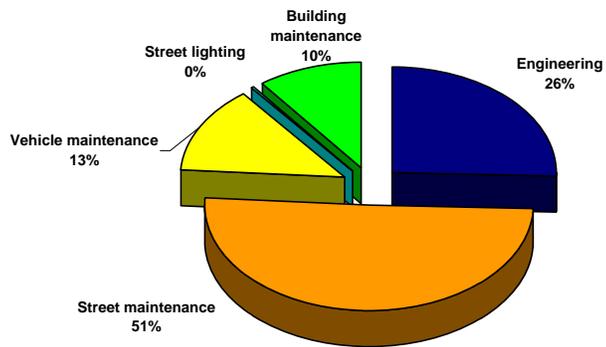
# PUBLIC WORKS APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Div Total	Div %
Engineering	1,172,677	278,730	22,700	53,750	1,527,857	25.58%
Street maintenance	1,562,188	438,888	354,500	665,119	3,020,695	50.56%
Vehicle maintenance	294,687	163,800	332,500	8,000	798,987	13.37%
Street lighting	-	18,000	2,500	-	20,500	0.34%
Building maintenance	289,521	275,200	41,250	-	605,971	10.14%
<b>TOTAL</b>	<b>3,319,073</b>	<b>1,174,618</b>	<b>753,450</b>	<b>726,869</b>	<b>5,974,010</b>	<b>100.00%</b>

**By Element:**



**By Division:**



## Public Works Personnel Requirements

Fiscal Year	Actual 2004	Actual 2005	Actual 2006	Adopted 2007	% Change '06 to '07
Engineering	15.9	15.9	15.9	16.9	6%
Street maintenance	32.03	32.03	34.03	34.03	0%
Vehicle maintenance	5	5	5	5	0%
Street lighting	0	0	0	0	0%
Building maintenance	6	6	7	7	0%
<b>Total positions</b>	<b>58.9</b>	<b>58.9</b>	<b>61.9</b>	<b>62.9</b>	<b>6%</b>

## **SPECIAL REVENUE FUNDS FUND SUMMARY**

The City of Chesterfield utilizes special revenue funds to account for specific revenues that are legally restricted to expenditures for specific purposes. For the 2007 budget, the City had three special revenue funds in place. They are identified and discussed below with their approved budgets following.

The **Chesterfield Valley TIF** special revenue fund (TIF) is used to account for all revenues and expenditures related to redevelopment activity in the Chesterfield Valley. In 1993, over 12 feet of flood waters from the Missouri River invaded the Chesterfield Valley and damaged or destroyed numerous businesses. The TIF was formed in 1994 to provide a financing source to rebuild the levee and repair or build a large amount of infrastructure. The success of the project has exceeded all expectation, with over \$72 million of project financing projected to be paid in full in 2008.

The **Capital Improvement Sales Tax Trust** special revenue fund (Capital Sales) 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 fund the City's capital project fund for annual infrastructure maintenance. When the TIF is completed in 2008, this revenue source will see a one-time revenue increase which will be used to further enhance infrastructure maintenance.

The **Parks Sales Tax** special revenue fund is used to account for the accumulation of resources from the one-half cent parks sales tax passed by voters in 2004. All parks and recreation activity is tracked in this fund and revenues all make the principal and interest payments on the Parks Bonds issues in 2005. When the TIF is completed in 2008, this revenue source will see a one-time revenue increase which will be used to further fund parks activities and parks infrastructure.

<b>Combined Statement of Budgeted Revenues and Expenditures - CV TIF Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	12,689,775	11,763,926	9,538,329
<b>REVENUES</b>			
Property Taxes	8,099,493	11,450,000	12,300,000
Utility Taxes	245,273	279,000	274,000
Sales Tax	5,839,775	6,250,000	6,500,000
Other Revenues	131,165	160,000	160,000
<b>TOTAL REVENUE</b>	14,315,706	18,139,000	19,234,000
<b>TOTAL AVAILABLE FUNDS</b>	27,005,481	29,902,926	28,772,329
<b>EXPENDITURES</b>			
Public Works	1,318,362	1,364,597	1,192,860
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	-13,923,193	-19,000,000	-22,000,000
<b>FUND BALANCE, DECEMBER 31</b>	11,763,926	9,538,329	5,579,469



<b>Combined Statement of Budgeted Revenues and Expenditures - Cap Imp Sales Tax Fund</b>			
	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	1,534,755	792,411	748,170
<b>REVENUES</b>			
Sales Tax	4,230,947	4,190,000	4,246,175
Intergovernmental Taxes	892,795	11,835	0
Other Revenues	145,112	25,000	10,000
<b>TOTAL REVENUE</b>	5,268,854	4,226,835	4,256,175
<b>TOTAL AVAILABLE FUNDS</b>	6,803,609	5,019,246	5,004,345
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	-6,011,198	-4,271,076	-4,871,872
<b>FUND BALANCE, DECEMBER 31</b>	792,411	748,170	132,473



<b>Combined Statement of Budgeted Revenues and Expenditures - Parks Sales Tax Fund</b>			
	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	1,705,333	2,904,979
<b>REVENUES</b>			
Sales Tax	3,422,207	4,850,000	4,995,500
Parks and Recreation	786,427	753,001	763,800
Other Revenues	470,199	32,000	75,000
<b>TOTAL REVENUE</b>	<b>4,678,833</b>	<b>5,635,001</b>	<b>5,834,300</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>4,678,833</b>	<b>7,340,334</b>	<b>8,739,279</b>
<b>EXPENDITURES</b>			
Parks	2,053,453	2,910,355	3,161,349
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	<b>-920,047</b>	<b>-1,525,000</b>	<b>-5,448,121</b>
<b>FUND BALANCE, DECEMBER 31</b>	<b>1,705,333</b>	<b>2,904,979</b>	<b>129,809</b>



<b>Detail of Capital Assets to be Purchased - Parks Sales Tax Fund</b>			
<b>Department/Activity</b>	<b>Description</b>	<b>Amount</b>	<b>Activity Total</b>
<b>Parks</b>			
Parks & Recreation	Cargo Van (1)	27,230	
	1/2 Ton Pickup (1)	26,750	
	Soccer Field Reconditioning (1)	20,600	
	Utility Vehicle (1)	25,270	
	72" Zero Turn Mower (1)	10,940	
	Utility Cart (1)	7,145	
	Metal Bleachers (4)	24,472	
	Finish Mower (1)	10,800	
			153,207
Concession-CVAC	Ice Machine (2)	10,562	
			10,562
			<b>163,769</b>
		<b>Total Capital</b>	

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## **CAPITAL PROJECT FUNDS FUND SUMMARY**

The City of Chesterfield utilizes capital project funds to accounts for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds. The City will utilize three separate capital project funds in 2007. Each is discussed briefly below.

The **Capital Projects Fund** is used to account for financial resources to be used for the acquisition and construction of major capital or infrastructure items. This fund is primarily funded by the Capital Improvement Sales Tax Fund, but also received minor funds from the General Fund. Expenditures in 2007 are focused in street and sidewalk projects.

The **TIF Projects Fund** is used to account for financial resources from the Chesterfield Valley TIF special revenue fund. This fund is focused on completing infrastructure and transportation projects in the Chesterfield Valley with the resources allocated from TIF revenues. Expenditures in 2007 are focused on water and storm water projects.

The **Parks Construction Fund** is used to account for financial resources from the 2005 Parks Bonds issue. These funds were designated for the purchase of additional parks land and the construction of several new capital assets. This fund should complete all of its projects by the Spring of 2008. Expenditures in 2007 are focused on completing aquatic center and athletic complex improvements in addition to providing funds for park land purchases.



<b>Combined Statement of Budgeted Revenues and Expenditures - Capital Projects Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	30,805	0
<b>EXPENDITURES</b>			
Public Works	4,586,994	2,658,326	3,041,745
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	4,617,799	2,627,521	3,041,745
<b>FUND BALANCE, DECEMBER 31</b>	30,805	0	0



<b>Detail of Capital Assets to be Purchased - Capital Projects Fund</b>			
<b>Department/Activity</b>	<b>Description</b>	<b>Amount</b>	<b>Activity Total</b>
<b>Public Works</b>			
Street/Sewer Maintenance	Sidewalk Replacement/Construction (1)	200,000	
	Trench Grate Replacement (1)	25,000	
	Stormwater Improvements (1)	200,000	
	Street Construction (1)	1,908,048	
	Old Baxter Road (1)	500,000	
			<u>2,833,048</u>
		<b>Total Capital</b>	<u>2,833,048</u>



<b>Combined Statement of Budgeted Revenues and Expenditures - TIF Projects Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	4,572,143	3,097,327	3,298,327
<b>REVENUES</b>			
Other Revenues	106,593	76,000	75,000
<b>EXPENDITURES</b>			
Public Works	3,081,409	1,375,000	2,000,000
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	1,500,000	1,500,000	1,500,000
<b>FUND BALANCE, DECEMBER 31</b>	3,097,327	3,298,327	2,873,327

<b>Combined Statement of Budgeted Revenues and Expenditures - Parks Construction Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	20,348,011	8,397,824
<b>REVENUES</b>			
Other Revenues	26,354,225	908,000	550,000
<b>EXPENDITURES</b>			
Parks	6,006,214	12,858,187	12,782,120
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	0	0	3,834,296
<b>FUND BALANCE, DECEMBER 31</b>	20,348,011	8,397,824	0

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## BONDED DEBT SCHEDULE

The City of Chesterfield, Missouri's general long-term debt includes general obligation bonds, Certificates of Participation, and Notes Payable. This overview describes each type of debt, provides a picture of the City's indebtedness and discusses policies for new debt. The total debt to maturity outstanding as of December 31, 2007 is as shown below.

<u>Year</u>	<u>General Obligation Bonds</u>		<u>Certificates of Participation</u>		<u>TIF Debt</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2007	1,735,000	1,252,610	980,000	1,840,210	3,593,558	1,002,659	10,404,036
2008	1,815,000	1,171,420	1,080,000	1,810,170	3,703,558	863,962	10,444,110
2009	1,905,000	1,085,861	1,190,000	1,775,587	3,828,558	715,025	10,500,032
2010	1,995,000	994,503	1,610,000	1,731,287	3,963,558	555,488	10,849,836
2011	2,095,000	896,975	1,740,000	1,673,747	4,103,558	312,329	10,821,610
2012	2,195,000	793,054	1,895,000	1,607,345	508,558	207,371	7,206,328
2013	2,300,000	682,446	2,040,000	1,537,084	508,558	176,649	7,244,738
2014	2,420,000	565,305	2,200,000	1,462,322	508,558	145,928	7,302,112
2015	2,545,000	441,465	2,355,000	1,368,860	508,558	115,206	7,334,089
2016	1,760,000	333,046	2,315,000	1,261,974	508,558	84,484	6,263,063
2017	1,850,000	241,055	2,535,000	1,153,344	508,558	53,763	6,341,720
2018	1,940,000	146,760	2,740,000	1,035,419	----	----	5,862,179
2019	2,035,000	49,858	2,965,000	910,319	----	----	5,960,176
2020	----	----	3,195,000	775,219	----	----	3,970,219
2021	----	----	3,250,000	617,969	----	----	3,867,969
2022	----	----	3,010,000	465,469	----	----	3,475,469
2023	----	----	2,185,000	339,969	----	----	2,524,969
2024	----	----	2,370,000	230,719	----	----	2,600,719
2025	----	----	2,565,000	112,219	----	----	2,677,219

### General Obligation Bonds

**Definition** - General obligation bonds are backed by the full faith and credit of a jurisdiction. General obligation bonds are payable from ad valorem property taxes and other general revenues.

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

**Existing Debt** - The City's outstanding general obligation debt as of December 31, 2006 was \$6,435,000 for Parks bonds dated May 19, 1998, \$8,200,000 for street and sidewalk improvement bonds dated February 15, 1997, and \$11,955,000 for street and sidewalk

improvement bonds dated May 1, 1999 for a total of \$26,590,000. The debt service schedules are shown below.

**Debt Burden** - Chesterfield's outstanding general obligation debt is well within statutory limits. Based on the City's 2006 assessed valuation of \$ 1,579,093,708 the City's legal debt margin is \$159,709,370. The City reviews each potential issue of debt either in-house or through an independent financial advisor on a case-by-case basis.

**Bond Rating** – Chesterfield’s general obligation bonds have an Aa1 rating from Moody’s Investors Services.

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**General Obligation Bonds, Series 1998 (Parks)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007	580,000.00	4.550000	155,328.75	735,328.75	
8/15/2007			142,133.75	142,133.75	877,462.50
2/15/2008	610,000.00	4.550000	142,133.75	752,133.75	
8/15/2008			128,256.25	128,256.25	880,390.00
2/15/2009	640,000.00	4.650000	128,256.25	768,256.25	
8/15/2009			113,376.25	113,376.25	881,632.50
2/15/2010	675,000.00	4.750000	113,376.25	788,376.25	
8/15/2010			97,345.00	97,345.00	885,721.25
2/15/2011	710,000.00	4.850000	97,345.00	807,345.00	
8/15/2011			80,127.50	80,127.50	887,472.50
2/15/2012	745,000.00	4.900000	80,127.50	825,127.50	
8/15/2012			61,875.00	61,875.00	887,002.50
2/15/2013	780,000.00	5.000000	61,875.00	841,875.00	
8/15/2013			42,375.00	42,375.00	884,250.00
2/15/2014	825,000.00	5.000000	42,375.00	867,375.00	
8/15/2014			21,750.00	21,750.00	889,125.00
2/15/2015	870,000.00	5.000000	21,750.00	891,750.00	
8/15/2015					891,750.00
	6,435,000		1,529,806	7,964,806	

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**General Obligation Bonds, Series 1997 (R&S I)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007	575,000.00	4.800000	212,573.75	787,573.75	
8/15/2007			198,773.75	198,773.75	986,347.50
2/15/2008	600,000.00	4.850000	198,773.75	798,773.75	
8/15/2008			184,223.75	184,223.75	982,997.50
2/15/2009	630,000.00	5.000000	184,223.75	814,223.75	
8/15/2009			168,473.75	168,473.75	982,697.50
2/15/2010	665,000.00	5.100000	168,473.75	833,473.75	
8/15/2010			151,516.25	151,516.25	984,990.00
2/15/2011	695,000.00	5.100000	151,516.25	846,516.25	
8/15/2011			133,793.75	133,793.75	980,310.00
2/15/2012	735,000.00	5.200000	133,793.75	868,793.75	
8/15/2012			114,683.75	114,683.75	983,477.50
2/15/2013	775,000.00	5.250000	114,683.75	889,683.75	
8/15/2013			94,340.00	94,340.00	984,023.75
2/15/2014	815,000.00	5.300000	94,340.00	909,340.00	
8/15/2014			72,742.50	72,742.50	982,082.50
2/15/2015	855,000.00	5.300000	72,742.50	927,742.50	
8/15/2015			50,085.00	50,085.00	977,827.50
2/15/2016	905,000.00	5.400000	50,085.00	955,085.00	
8/15/2016			25,650.00	25,650.00	980,735.00
2/15/2017	950,000.00	5.400000	25,650.00	975,650.00	
8/15/2017					975,650.00
	8,200,000		2,601,139	10,801,139	

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**General Obligation Bonds, Series 1999 (R&S II)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007	580,000.00	4.400%	278,280.00	858,280.00	
8/15/2007			265,520.00	265,520.00	1,123,800.00
2/15/2008	605,000.00	4.300%	265,520.00	870,520.00	
8/15/2008			252,512.50	252,512.50	1,123,032.50
2/15/2009	635,000.00	4.250%	252,512.50	887,512.50	
8/15/2009			239,018.75	239,018.75	1,126,531.25
2/15/2010	655,000.00	4.350%	239,018.75	894,018.75	
8/15/2010			224,772.50	224,772.50	1,118,791.25
2/15/2011	690,000.00	4.450%	224,772.50	914,772.50	
8/15/2011			209,420.00	209,420.00	1,124,192.50
2/15/2012	715,000.00	4.550%	209,420.00	924,420.00	
8/15/2012			193,153.75	193,153.75	1,117,573.75
2/15/2013	745,000.00	4.600%	193,153.75	938,153.75	
8/15/2013			176,018.75	176,018.75	1,114,172.50
2/15/2014	780,000.00	4.600%	176,018.75	956,018.75	
8/15/2014			158,078.75	158,078.75	1,114,097.50
2/15/2015	820,000.00	4.700%	158,078.75	978,078.75	
8/15/2015			138,808.75	138,808.75	1,116,887.50
2/15/2016	855,000.00	4.750%	138,808.75	993,808.75	
8/15/2016			118,502.50	118,502.50	1,112,311.25
2/15/2017	900,000.00	4.800%	118,502.50	1,018,502.50	
8/15/2017			96,902.50	96,902.50	1,115,405.00
2/15/2018	1,940,000.00	4.850%	96,902.50	2,036,902.50	
8/15/2018			49,857.50	49,857.50	2,086,760.00
2/15/2019	2,035,000.00	4.900%	49,857.50	2,084,857.50	
	11,955,000		4,523,413	16,478,413	2,084,857.50

**Certificates of Participation**

**Definition** - Certificates of Participation are securities that represent a share of an issuer's lease payment. When a municipality finances a public facility through a lease-purchase transaction, the interest in that government's lease payment often is assigned to a third party that issues Certificates of Participation. The Certificates represent a share of the lease payment received by the investor.

**Debt Limitations** - There are no statutory limits on Certificates of Participation. These obligations are not considered debt under state law and are subject to annual appropriations by the Mayor and City Council.

**Existing Debt** - The City began a Master Lease Program funded through the sale of Certificates of Participation for the construction of a Public Works Facility. On August 1, 1995, the City issued \$2,950,000 in Certificates of Participation. The City did a current refunding of this debt on November 19, 2002 in order to take advantage of the low interest rate environment. The City's outstanding debt as of December 31, 2006 was \$1,680,000. The City issued \$17,565,000 in Certificates of Participation to fund the acquisition of land and the construction of City Hall

on April 15, 2000. The City did a current refunding of this debt on August 30, 2004 in order to take advantage of the low interest rate environment. The City's outstanding debt as of December 31, 2006 was \$15,270,000. On January 27, 2005, the City issued \$25,710,000 in Certificates of Participation to fund acquisition of Park land and Parks improvements. The City's outstanding debt as of December 31, 2006 was \$25,270,000.

**Debt Burden** - As noted above, there is no statutory limitations for Certificates of Participation. As is the case with general obligation bonds, the City reviews each potential issue of debt either in-house or through an independent financial advisor on a case-by-case basis.

**Bond Rating** – Chesterfield’s Certificates of Participation have an Aa2 rating from Moody’s Investors Services.

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**Certificates of Participation, Series 2002 (PW Facility)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007			30,698.75	30,698.75	
8/15/2007	165,000.00	2.850%	30,698.75	195,698.75	226,397.50
2/15/2008			28,347.50	28,347.50	
8/15/2008	170,000.00	3.100%	28,347.50	198,347.50	226,695.00
2/15/2009			25,712.50	25,712.50	
8/15/2009	175,000.00	3.350%	25,712.50	200,712.50	226,425.00
2/15/2010			22,781.25	22,781.25	
8/15/2010	180,000.00	3.550%	22,781.25	202,781.25	225,562.50
2/15/2011			19,586.25	19,586.25	
8/15/2011	185,000.00	3.650%	19,586.25	204,586.25	224,172.50
2/15/2012			16,210.00	16,210.00	
8/15/2012	195,000.00	3.800%	16,210.00	211,210.00	227,420.00
2/15/2013			12,505.00	12,505.00	
8/15/2013	200,000.00	4.000%	12,505.00	212,505.00	225,010.00
2/15/2014			8,505.00	8,505.00	
8/15/2014	210,000.00	4.100%	8,505.00	218,505.00	227,010.00
2/15/2015			4,200.00	4,200.00	
8/15/2015	200,000.00	4.200%	4,200.00	204,200.00	208,400.00
	1,680,000.00		337,093	2,107,093	

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**Certificates of Participation, Series 2004**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007	320,000.00	3.000%	353,643.75	673,643.75	
8/15/2007			348,843.75	348,843.75	1,022,487.50
2/15/2008	350,000.00	3.250%	348,843.75	698,843.75	
8/15/2008			343,156.25	343,156.25	1,042,000.00
2/15/2009	390,000.00	3.500%	343,156.25	733,156.25	
8/15/2009			336,331.25	336,331.25	1,069,487.50
2/15/2010	735,000.00	3.500%	336,331.25	1,071,331.25	
8/15/2010			323,468.75	323,468.75	1,394,800.00
2/15/2011	785,000.00	4.000%	323,468.75	1,108,468.75	
8/15/2011			307,768.75	307,768.75	1,416,237.50
2/15/2012	850,000.00	4.000%	307,768.75	1,157,768.75	
8/15/2012			290,768.75	290,768.75	1,448,537.50
2/15/2013	910,000.00	4.000%	290,768.75	1,200,768.75	
8/15/2013			272,568.75	272,568.75	1,473,337.50
2/15/2014	975,000.00	4.000%	272,568.75	1,247,568.75	
8/15/2014			253,068.75	253,068.75	1,500,637.50
2/15/2015	1,045,000.00	5.250%	253,068.75	1,298,068.75	
8/15/2015			225,637.50	225,637.50	1,523,706.25
2/15/2016	1,100,000.00	5.250%	225,637.50	1,325,637.50	
8/15/2016			196,762.50	196,762.50	1,522,400.00
2/15/2017	1,210,000.00	5.250%	196,762.50	1,406,762.50	
8/15/2017			165,000.00	165,000.00	1,571,762.50
2/15/2018	1,300,000.00	5.000%	165,000.00	1,465,000.00	
8/15/2018			132,500.00	132,500.00	1,597,500.00
2/15/2019	1,400,000.00	5.000%	132,500.00	1,532,500.00	
8/15/2019			97,500.00	97,500.00	1,630,000.00
2/15/2020	1,500,000.00	5.000%	97,500.00	1,597,500.00	
8/15/2020			60,000.00	60,000.00	1,657,500.00
2/15/2021	1,400,000.00	5.000%	60,000.00	1,460,000.00	
8/15/2021			25,000.00	25,000.00	1,485,000.00
2/15/2022	1,000,000.00	5.000%	25,000.00	1,025,000.00	
8/15/2022			0.00	0.00	1,025,000.00
	15,270,000		7,110,394	22,380,394	22,380,394

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**Certificates of Participation, Series 2005 (Parks)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
6/1/2007			538,162.33	538,162.33	
12/1/2007	495,000.00	3.000%	538,162.33	1,033,162.33	1,571,324.65
6/1/2008			530,737.33	530,737.33	
12/1/2008	560,000.00	3.000%	530,737.33	1,090,737.33	1,621,474.65
6/1/2009			522,337.33	522,337.33	
12/1/2009	625,000.00	3.000%	522,337.33	1,147,337.33	1,669,674.65
6/1/2010			512,962.33	512,962.33	
12/1/2010	695,000.00	3.250%	512,962.33	1,207,962.33	1,720,924.65
6/1/2011			501,668.58	501,668.58	
12/1/2011	770,000.00	3.500%	501,668.58	1,271,668.58	1,773,337.15
6/1/2012			488,193.58	488,193.58	
12/1/2012	850,000.00	3.253%	488,193.58	1,338,193.58	1,826,387.15
6/1/2013			474,368.33	474,368.33	
12/1/2013	930,000.00	3.125%	474,368.33	1,404,368.33	1,878,736.65
6/1/2014			459,837.08	459,837.08	
12/1/2014	1,015,000.00	3.736%	459,837.08	1,474,837.08	1,934,674.15
6/1/2015			440,876.88	440,876.88	
12/1/2015	1,110,000.00	3.800%	440,876.88	1,550,876.88	1,991,753.75
6/1/2016			419,786.88	419,786.88	
12/1/2016	1,215,000.00	3.950%	419,786.88	1,634,786.88	2,054,573.75
6/1/2017			395,790.63	395,790.63	
12/1/2017	1,325,000.00	4.050%	395,790.63	1,720,790.63	2,116,581.25
6/1/2018			368,959.38	368,959.38	
12/1/2018	1,440,000.00	4.000%	368,959.38	1,808,959.38	2,177,918.75
6/1/2019			340,159.38	340,159.38	
12/1/2019	1,565,000.00	4.000%	340,159.38	1,905,159.38	2,245,318.75
6/1/2020			308,859.38	308,859.38	
12/1/2020	1,695,000.00	5.000%	308,859.38	2,003,859.38	2,312,718.75
6/1/2021			266,484.38	266,484.38	
12/1/2021	1,850,000.00	5.000%	266,484.38	2,116,484.38	2,382,968.75
6/1/2022			220,234.38	220,234.38	
12/1/2022	2,010,000.00	5.000%	220,234.38	2,230,234.38	2,450,468.75
6/1/2023			169,984.38	169,984.38	
12/1/2023	2,185,000.00	5.000%	169,984.38	2,354,984.38	2,524,968.75
6/1/2024			115,359.38	115,359.38	
12/1/2024	2,370,000.00	5.000%	115,359.38	2,485,359.38	2,600,718.75
6/1/2025			56,109.38	56,109.38	
12/1/2025	2,565,000.00	4.375%	56,109.38	2,621,109.38	2,677,218.75
12/31/2025	<u>25,270,000</u>		<u>13,723,580</u>	<u>38,993,580</u>	

## **TIF Refunding and Revenue Improvement Bonds/TIF Notes Payable**

### **Definitions:**

**Revenue Bond** - Revenue bonds are used to finance facilities that have a definable user or revenue base. Revenue bonds are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue street, rather than the general taxing powers of a jurisdiction.

**Note** - In general, an unconditional written promise signed by the maker to pay a certain sum of money on demand or at a fixed or determinable time either to the bearer or to the order of a person designated therein.

**Debt Limitations** - There are no statutory limits on revenue bonds or notes payable. The bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City or the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory provision or limitation.

**Existing Debt** - The City issued \$50,945,000 in Tax Increment Financing (TIF) Refunding and Revenue Improvement Bonds in April 2002 which represented the TIF Notes balance outstanding as of December 31, 2002. Debt service payments are made according to schedule and excess funds recall the demand bonds twice per year. The outstanding balance of the bonds totaled \$16,650,000 as of December 31, 2006.

**Bond Rating** - Standard & Poor's Ratings Services (S&P) has assigned a rating of AAA to the TIF Refunding and Revenue Improvement Bonds Series 2002 Bonds maturing on April 15, 2005 and the Series 2002 Bonds maturing on April 15 in the years 2006 through 2011 because of a Bond Insurance Policy issued by AMBAC. In addition, S&P assigned its municipal bond rating of A- to the Series 2002 Bonds other than the Insured Bonds. There is no rating process involved in the City's outstanding notes.

**Debt Burden** - As noted above, there is no statutory limitations for either revenue bonds or notes payable. As is the case with general obligation bonds or certificates of participation, the City reviews each potential issue of debt either in-house or through an independent financial advisor on a case-by-case basis.

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**Tax Increment Refunding & Improvement Revenue Bonds**  
**Series 2002 (Chesterfield Valley Projects)**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
4/15/2007	3,085,000.00	3.50%	320,839.75	3,405,839.75	
10/15/2007			320,839.75	320,839.75	3,726,679.50
4/15/2008	3,195,000.00	3.70%	266,852.25	3,461,852.25	
10/15/2008			266,852.25	266,852.25	3,728,704.50
4/15/2009	3,320,000.00	3.88%	207,744.75	3,527,744.75	
10/15/2009			207,744.75	207,744.75	3,735,489.50
4/15/2010	3,455,000.00	4.00%	143,336.75	3,598,336.75	
10/15/2010			143,336.75	143,336.75	3,741,673.50
4/15/2011	3,595,000.00	4.13%	74,236.75	3,669,236.75	
10/15/2011					3,669,236.75
	<u>16,650,000.00</u>		<u>1,951,783.75</u>	<u>18,601,783.75</u>	<u>18,601,783.75</u>

**CITY OF CHESTERFIELD, ST. LOUIS COUNTY, MISSOURI**  
**Combined Levee District TIF Notes**  
**DEBT SERVICE SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
2/15/2007	254,279.04	6.041%	168,968.99	423,248.03	
8/15/2007	254,279.04	6.041%	161,288.59	415,567.63	838,815.65
2/15/2008	254,279.04	6.041%	153,608.17	407,887.20	
8/15/2008	254,279.04	6.041%	145,927.76	400,206.79	808,093.99
2/15/2009	254,279.04	6.041%	138,247.35	392,526.39	
8/15/2009	254,279.04	6.041%	130,566.93	384,845.97	777,372.35
2/15/2010	254,279.04	6.041%	122,886.53	377,165.56	
8/15/2010	254,279.04	6.041%	115,206.13	369,485.16	746,650.72
2/15/2011	254,279.04	6.041%	107,525.71	361,804.75	
8/15/2011	254,279.04	6.041%	99,845.30	354,124.34	715,929.08
2/15/2012	254,279.04	6.041%	92,164.90	346,443.93	
8/15/2012	254,279.04	6.041%	84,484.50	338,763.53	685,207.46
2/15/2013	254,279.03	6.041%	76,804.08	331,083.11	
8/15/2013	254,279.03	6.041%	69,123.67	323,402.70	654,485.80
2/15/2014	254,279.03	6.041%	61,443.27	315,722.29	
8/15/2014	254,279.03	6.041%	53,762.86	308,041.88	623,764.17
2/15/2015	254,279.03	6.041%	46,082.44	300,361.47	
8/15/2015	254,279.03	6.041%	38,402.03	292,681.06	593,042.52
2/15/2016	254,279.03	6.041%	30,721.62	285,000.64	
8/15/2016	254,279.03	6.041%	23,041.22	277,320.24	562,320.88
2/15/2017	254,279.02	6.041%	15,360.81	269,639.83	
8/15/2017	254,278.68	6.041%	7,680.39	261,959.07	531,598.89
	<u>5,594,138</u>		<u>1,943,143</u>	<u>7,537,281</u>	<u>7,537,281</u>



<b>Combined Statement of Budgeted Revenues and Expenditures - Debt Service-Parks Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	1,373,635	1,299,798	1,274,166
<b>REVENUES</b>			
Property Taxes	784,351	831,513	843,000
Other Revenues	19,237	21,000	23,000
<b>TOTAL REVENUE</b>	803,588	852,513	866,000
<b>TOTAL AVAILABLE FUNDS</b>	2,177,223	2,152,311	2,140,166
<b>EXPENDITURES</b>			
Public Works	877,425	878,145	879,963
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	0	0	0
<b>FUND BALANCE, DECEMBER 31</b>	1,299,798	1,274,166	1,260,203



<b>Combined Statement of Budgeted Revenues and Expenditures - Cert Payment-PWF Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	234,079	239,656	239,756
<b>REVENUES</b>			
Other Revenues	5,577	100	200
<b>EXPENDITURES</b>			
Public Works	232,063	231,001	228,898
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	232,063	231,001	228,898
<b>FUND BALANCE, DECEMBER 31</b>	239,656	239,756	239,956



<b>Combined Statement of Budgeted Revenues and Expenditures - Debt Service-R&amp;S I Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	0	0
<b>EXPENDITURES</b>			
Public Works	982,723	985,455	8,692,580
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	982,723	985,455	8,692,580
<b>FUND BALANCE, DECEMBER 31</b>	0	0	0



<b>Combined Statement of Budgeted Revenues and Expenditures - Debt Service-R&amp;S II Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	17,915,988	17,915,988
<b>REVENUES</b>			
Other Revenues	17,915,988	0	0
<b>EXPENDITURES</b>			
Public Works	1,132,115	1,131,100	1,126,300
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	1,132,115	1,131,100	-6,637,453
<b>FUND BALANCE, DECEMBER 31</b>	17,915,988	17,915,988	10,152,235



<b>Combined Statement of Budgeted Revenues and Expenditures - Debt Service-CH Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	105,630	90	0
<b>REVENUES</b>			
Other Revenues	-4,116	0	0
<b>EXPENDITURES</b>			
Finance/Administration	918,590	1,024,438	1,024,988
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	817,166	1,024,348	1,024,988
<b>FUND BALANCE, DECEMBER 31</b>	90	0	0



<b>Combined Statement of Budgeted Revenues and Expenditures - Debt Service-TIF Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	6,675,059	5,241,449	5,767,261
<b>REVENUES</b>			
Other Revenues	256,174	125,000	25,000
<b>EXPENDITURES</b>			
Public Works	11,834,348	14,492,419	18,116,275
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	10,144,564	14,893,231	13,412,275
<b>FUND BALANCE, DECEMBER 31</b>	5,241,449	5,767,261	1,088,261



<b>Combined Statement of Budgeted Revenues and Expenditures - Certificate Payment 05-Parks Fund</b>	<b>2005 ACTUAL</b>	<b>2006 PROJECTED</b>	<b>2007 BUDGET</b>
<b>FUND BALANCE, JANUARY 1</b>	0	0	0
<b>EXPENDITURES</b>			
Parks	920,047	1,525,000	1,573,825
<b>TRANSFERS TO/FROM OTHER FUNDS</b>	920,047	1,525,000	1,573,825
<b>FUND BALANCE, DECEMBER 31</b>	0	0	0



**MISCELLANEOUS STATISTICAL AND DEMOGRAPHIC DATA**

Date of Incorporation as a third class city.....June 1, 1988

Form of government.....Mayor/Council/City Administrator

Area.....32 square miles

Miles of streets maintained by City.....155

Miles of sidewalks maintained by City.....110

Police protection:

    Number of full-time employees.....96

        Commissioned officers.....86

        Other full-time employees.....10

    Police Station.....1

Total employees, full-time.....207

Fire protection:

    The City's coverage is provided by two districts:

        Metro West Fire Protection District

        Monarch Fire Protection District

The City is served by the Parkway and Rockwood school districts.

The City's electricity is supplied by Ameren UE Company; natural gas is supplied by Laclede Gas Company; water is provided by Missouri-American Water Company; sewer service is provided by Metropolitan St. Louis Sewer District. All four of the aforementioned companies are publicly held utilities.

The libraries serving the City of Chesterfield are the Daniel Boone, Samuel C. Sachs and the Thornhill branches of the St. Louis County Library System.

Population:

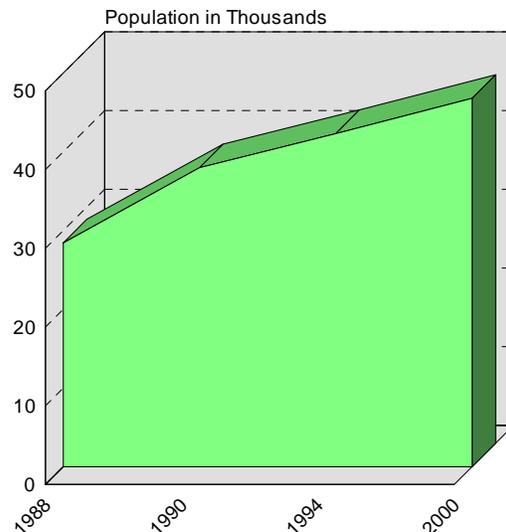
1988	28,436
1990	37,990
1994	42,325
2000	46,802

Median family income:

1986	\$ 61,800
2000	\$102,987

Per capita income:

1979	\$ 12,686
1987	\$ 21,912
2000	\$ 43,288



The principal taxpayers :

Pfizer, Inc.  
THF Chesterfield  
WEA Chesterfield LLC  
FSP Timberlake Corp.  
Ameren UE  
Realty Associates  
St. Luke's Episcopal Presbyterian Hospital  
Realty Associates  
Baxter Crossing LLC  
Chesterfield Ridge Center

Major employers within the City of Chesterfield:

<u>Company</u>	<u>Type of Business</u>
St. Luke's Hospital	Non-Profit Healthcare Provider
Pfizer, Inc.	Research Development/Pharmaceuticals
McBride & Son Management Co.	Homebuilder/Developer/Contractor
Parkway School District*	School District
Taylor Morley, Inc.	Home Builder
Mark Andy Inc.	Printing Press Manufacturer
Rose International	Research and Software Development
Rockwood School District*	School District
Premium Retail Services, Inc	Retail Merchandising
Doubletree Hotel and Conference	Hotel

\*Chesterfield locations only

**PRESS RELEASE**  
**FOR IMMEDIATE RELEASE – DECEMBER, 4, 2006**  
**PROPOSED FISCAL YEAR 2007 BUDGET HIGHLIGHTS**

**Introduction**

As provided by City ordinances, the City Administrator will submit the proposed budget for Fiscal Year 2007 to City Council at a Public Hearing scheduled for 6:30 p.m. on Monday, December 4, 2006. This proposed budget reflects extensive input from the City's staff. Following review of this proposed budget by the Finance and Administration Committee of Council, the Mayor and City Council held a special budget workshop, on November 4th, which was called specifically to discuss and finalize the proposed budget.

**Revenues**

General Fund revenues are estimated to total \$18,734,597 for Fiscal Year 2007. Revenues from sales tax and utility gross receipts taxes represent 34% and 27%, respectively, on the City's total revenue. Intergovernmental revenues, including motor fuel taxes, motor vehicle sales taxes, cigarette taxes, road and bridge taxes, and other grant sources represent 22% of the City's total revenues. The remaining 17% is made up of licenses and permits (7%), and other miscellaneous sources (10%).

Revenue projections for next year reflect a 3.1% increase over the current year. While 34% of the City's revenues are derived from retail sales taxes, it is important to point out that Chesterfield is not a "point-of-sale" city and, therefore, does not realize a direct sales tax benefit from the tremendous growth in retail development in Chesterfield. Instead, the sales tax from Chesterfield retail establishments is "pooled" with other cities and unincorporated areas of St. Louis County into a county-wide sales tax pool and then divided among those areas on the basis of population. Although Chesterfield has experienced tremendous growth in retail sales within its borders, the overall sales tax "pool" has not kept pace.

If Chesterfield were a "point-of-sale" city rather than a "pool" city, its revenues would currently be approximately \$5.8 million more than is reflected in the proposed budget. Currently, the City loses 52% of its sales tax revenue to the "pool".

A portion of the City's revenues is based on its assessed valuation. Chesterfield has experienced dramatic growth in assessed valuation over its fourteen years of existence. For the seventh year, the City's assessed valuation is over one billion dollars at, \$1,597,093,708. This assessed valuation is the highest of all cities in St. Louis County. The City of Chesterfield has more than doubled its assessed valuation since the City was founded in 1988.

It is surprising to many people to realize that this assessed valuation, while clearly reflecting all of the growth in the value of property in Chesterfield, really contributes very little to the City's General Fund revenue. In 1994, with the passage of the City's bond issue for parks and recreation, a property tax of \$.13/\$100 of assessed valuation was approved by the voters. Due to the overall growth in total assessed valuation, that tax has been reduced by the Mayor and City Council to its current level of \$.06/\$100 of assessed valuation. Funds generated by that property tax can only be used for debt service on that original bond issue. None of that revenue can be used to cover the costs of operation and maintenance of the City's many recreation facilities.



## **Parks Fund**

The passage of Proposition P, in November 2004, resulted in the creation of a Parks Fund, which now funds all activities for parks, recreation and arts. The Parks Fund is supported by a ½-cent sales tax, which generates approximately \$4.99 million annually. During FY2007, we are projecting total revenues of \$5,834,300 and total expenditures and transfers of \$8,609,470, leaving a projected fund reserve of \$129,809 (when combined with beginning fund reserves of \$2,904,979), as of December 31, 2007. It should be noted that projections for expenditures include debt service payments on park bonds totaling \$1,573,825 for FY2007. Those bonds are being used to finance the cost of constructing additional facilities and improvements to existing parks, as well as the acquisition and preservation of additional park land. FY2007 includes (3) three new positions for additional parks maintenance support and building maintenance.

## **Fund Balance**

Total General Fund reserves are expected to equal \$12,062,223 by December 31, 2007. Representing 67% of total expenditures, this amount more than meets the City Council goal of total fund reserves of at least 40%. Fund reserves, while higher than normal at the present, are needed during challenging economic times to ensure that the City can continue to meet its commitment to provide quality services to residents. These funds can only be spent as approved by City Council.

## **Summary**

The financial condition of the City of Chesterfield is strong. This is directly attributable to the fiscally conservative leadership provided by the City's Mayor and City Council. The City continues to meet all service goals set by the Council while operating within current operating revenues and expenses.

For additional information, contact Jeremy Craig, Director of Finance & Administration, at (636) 537-4714.

RESOLUTION # 335

**A RESOLUTION ADOPTING THE BUDGET FOR THE CITY OF CHESTERFIELD FOR THE YEAR BEGINNING ON JANUARY 1, 2007 AND ENDING ON DECEMBER 31, 2007.**

WHEREAS, the City of Chesterfield has adopted an ordinance providing for a fiscal year which begins on January 1 of each year and ends on December 31 of each year; and

WHEREAS, the City of Chesterfield, by ordinance, has directed the City Administrator to prepare a proposed budget; and

WHEREAS, the City has held a public hearing with regard to the adoption of the budget for the year beginning January 1, 2007 and ending December 31, 2007,

NOW, THEREFORE BE IT RESOLVED THAT THE CITY OF CHESTERFIELD adopts the attached budget as its budget for the fiscal year beginning January 1, 2007 and ending December 31, 2007.

Passed and adopted this 4<sup>th</sup> day of December 2006.

  
Mayor

ATTEST:

  
City Clerk

## GLOSSARY OF FREQUENTLY USED TERMS

**Account Number** - A numerical code identifying revenues and expenditures by fund, department, activity, type and object.

**Accounting Period** - See **Fiscal Period**.

**Accrual Basis** - The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

**Activity** - One of the tasks, goals, etc., of a departmental program.

**Ad Valorem Tax** - A tax based on value.

**Agency Fund** - A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

**Amended Budget** - Refers to the budget approved by the City Council, as most recently amended.

**Annual Budget** - A budget applicable to a single fiscal year. See **Budget** and **Operating Budget**.

**Appropriation** - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Budget.

**Assessed Valuation** - A value set on real estate or other property as a basis for levying taxes. The assessed valuation is set by the County Assessor, who is charged with determining the taxable value of property according to a formula set by the State of Missouri.

**Asset** - A comprehensive plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**Basis of Accounting** - A term used to refer to when revenues, expenditures, expenses, and transfers and the related assets and liabilities are recognized in the accounts and reported in the financial statements.

**Beginning Fund Balance** - Fund balance available in a fund from the end of the prior year, for use in the following year.

**Bond** - A written promise to pay a specified sum of money at a specified date in the future together with periodic interest at a specified rate.

**Bonded Debt** - The portion of indebtedness represented by outstanding bonds.

**Budget** - A plan of financial operation embodying an estimate of proposed expenditures for a given

period and the proposed means of financing them.

**Budget Calendar** - The schedule for completion of the various phases in the preparation of the budget, the calendar begins with the preparation of the budget forms and ends with the implementation of the budget.

**Budget Document** - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating government body.

**Budget Message** - The opening section of the budget which provides City Council and the public with a general summary of the most important aspects of the budget, changes from previous years and the recommendation of the City Administrator.

**Budgetary Control** - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and revenues.

**Capital** - An expenditure for a good that has an expected life of more than one (1) year and the cost of which is in excess of \$2,500. Capital items include real property, office equipment, furnishings and vehicles.

**Capital Improvement Program** - See **Capital Program**.

**Capital Improvement Sales Tax Trust Fund** - A special revenue fund used to account for the accumulation of resources from the one-half cent capital improvement sales tax, which is used to pay for principal and interest payments on the general obligation bonds (Series 1997) issued for street and sidewalk improvements.

**Capital Program** - A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or other capital needs. It sets forth each project or other contemplated expenditures in which the government is to have a part and specifies the resources estimated to be available to finance the projected expenditures.

**Capital Projects Fund** - A fund that is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**CDBG** - Community Development Block Grant.

**CCDC** - Chesterfield Community Development Corporation; the City of Chesterfield's industrial development authority.

**Certificate Payment Fund** - A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest payments on the Public Works Facility Certificates of Participation Series 1995.

**Certificates of Participation** - Securities which represent a share of an issuer's lease payment.

When a municipality finances a public facility through a lease-purchase transaction, the interest in that government's lease payment often is assigned to a third party that issues Certificates of Participation. The Certificates represent a share of the lease payment received by the investor.

**Contingency** - An appropriation of funds to cover unforeseen events that occur during the Fiscal Year, such as flood emergencies, extraordinary snowstorms, etc. (also used to meet revenue shortfalls). Funds are transferred to other budgetary accounts as authorized by the City Council.

**Contractual Service** - An expenditure for services performed by a non-employee. For example: Legal services, Utilities, insurance.

**COPS** - Certificates of Participation.

**Chesterfield Valley Tax Increment Financing Fund (Chesterfield Valley TIF Fund)** - A capital projects fund used to account for all revenues and expenditures related to redevelopment in Chesterfield Valley.

**Debt Limit** - The maximum amount of outstanding gross or net debt legally permitted.

**Debt Service Fund** - A fund 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 Parks Bond Issue Series 1995.

**Deferred Revenue** - Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, amounts that are measurable but not available are one example of deferred revenue.

**Department** - The Department is the primary unit in city operations. Each unit is managed by a Department Head. Departments are generally composed of divisions and programs which share a common purpose or which perform similar duties.

**Encumbrance** - Commitments related to unperformed contracts for goods or services.

**Expendable Trust Fund** - A trust fund whose resources, including both principle and earnings, may be expended. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

**Expenditure** - An expenditure is a decrease in net financial resources. This includes current operating expenses requiring the present or future use of current assets.

**FEMA** – Federal Emergency Management Administration.

**Fiscal Period** - Any period at the end of which a government determines its financial position and the results of its operations. See **Accounting Period**.

**Fiscal Year** - The twelve month period on which the city operates its financial affairs. The City of Chesterfield's fiscal year is January 1 through December 31.

**Franchise** - A special privilege granted by a government permitting the continued use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

**Fringe Benefits** - Fringe benefits include the City's contribution to Social Security, Medicare, workers compensation, health insurance, life insurance, disability insurance, and the City's pension plan.

**Fund** - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance** - The equity of a fund. Oftentimes incorrectly referred to as "surplus." Each fund begins each year with a positive or negative fund balance.

**GAAP** - See Generally Accepted Accounting Principles.

**GASB** - Governmental Accounting Standards Board.

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

**General Obligation Bonds** - Debt backed by the full faith and credit of a jurisdiction. General obligation bonds are payable from ad valorem property taxes and other general revenues.

**Generally Accepted Accounting Principles (GAAP)** - Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

**GFOA** - Government Finance Officers Association of the United States and Canada.

**GO Bonds** - General obligation bonds.

**Governmental Accounting Standards Board (GASB)** - The authoritative accounting and financial reporting standard-setting body for government entities.

**Governmental Fund Type** - Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities except those accounted for in proprietary funds and fiduciary funds.

**Intergovernmental Revenues** - Revenues from other governments, primarily Federal, State and County grants, but also includes payments from other taxing jurisdictions.

**Investments** - Most commonly, securities held for the production of revenues in the form of interest. The term does not include fixed assets used in government operations.

**Levy** - The total amount of taxes, special assessments or service charges imposed by a government.

**Line Item** - An individual expenditure category listing in the budget (salary, supplies, etc.).

**Modified Accrual Basis** - The basis of accounting adapted to the governmental fund type. This basis measures resources available to the City.

**Municipal** - In its broadest sense, an adjective denoting the state and all subordinate units of government. In a more restricted sense, an adjective denoting a city or village as opposed to other local governments.

**Notes Payable** - In general, an unconditional written promise signed by the maker to pay a certain sum of money on demand or at a fixed or determinable time either to the bearer or to the order of a person designated therein.

**Object** - The smallest unit of budgetary accountability and control. For example: Regular Salaries, Postage, Equipment Rental.

**Operating Budget** - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

**Operating Expenses/Expenditures** - The annual budget which provides a financial plan for the operation of government and the provision of services for the year. Excluded from the operating expenses are capital equipment and capital projects which are determined by a separate but interrelated process.

**Ordinance** - A formal legislative enactment by the governing board of a municipality.

**Other Financing Sources** - Governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets.

**Parks Sales Tax Fund** - A special revenue fund used to account for the accumulation of resources from the one-half cent parks sales tax passed in 2004 and effective April 2005. All parks and recreation activity is tracked in this fund.

**Parks Construction Fund** - A capital projects fund used to pay for the acquisition of land for parks and capital improvements to parks funded with the Parks General Obligation Bond Issue Series 1995.

**Per Capita** - By or for each person.

**Personnel Services** - All costs associated with employee compensation. For example: salaries, pension, health insurance.

**P.O.S.T.** - Police Officer Standards and Training.

**PRACAC** - Parks, Recreation & Arts Citizens Advisory Committee.

**Program** - A budgetary unit which encompasses specific and distinguishable lines of work performed by an organizational entity. For example: Police Administration, Street and Sewer Maintenance, Central Services.

**Proposed Budget** - The recommended City budget submitted by the City Administrator to the City Council.

**Propositions R&S** - Propositions placed on the November 1996 ballot for the passage of a one-half percent capital improvement sales tax and the passage of \$29,350,000 general obligation bonds for street (road) and sidewalk improvements. See **R&S**.

**Public Works Facility Construction Fund** - A capital projects fund used to account for the construction of a Public Works Facility funded with Public Works Facility Certificates of Participation Series 1995.

**R&S** - Propositions placed on the November 1996 ballot for the passage of a one-half cent capital improvement sales tax and the passage of \$29,350,000 general obligation bonds for street (road) and sidewalk improvements. See **Propositions R&S**.

**R&S Construction Fund** - A capital projects fund used to account for the capital improvements to streets and sidewalks funded under Propositions R&S.

**Refunding** - Refund or refinance of debt for a variety of reasons, most frequently to take advantage of more favorable interest rates. In other cases, debt is refinanced to change the structure of debt service payments or to escape unfavorable bond covenants.

Advance Refunding - Refunding by taking proceeds of new debt and placing them in an escrow account that is subsequently used: to meet periodic principal and interest payments until call date or maturity; to pay the call premium (if redemption is at call date); and to redeem debt at call date or maturity. The City did advance refunding on the 1995 Parks bond issue in 1998 to take advantage of the low interest rates and saved nearly \$800,000 over the life of the original debt. This refunding result in "bond defeasance."

Current Refunding - Refunding by paying off bondholders directly with proceeds of refunding debt. The situation may occur when refinancing takes place after the call date or at the debt's maturity. The City did current refunding on Certificates of Participation for the construction of the Public Works Facility in 2002 and realized over \$240,000 in savings.

**Reporting Entity** - The oversight unit and all of its component units, if any, that are combined in the comprehensive annual financial report and general purpose financial statements.

**Resolution** - An informal establishment of policy by the governing board of a municipality.

**Revenue** - An increase in fund balance caused by an inflow of assets, usually cash.

**Special Revenue Fund** - A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

**Statute** - A written law enacted by a duly organized and constituted legislative body.

**Tax Increment Financing** - Financing secured by the anticipated incremental increase in tax revenues, resulting from the redevelopment of an area.

**Taxes** - Compulsory charges levied by a government to finance services performed for the common benefit.

**Third Class City** - All cities and towns in the State of Missouri containing three thousand or more inhabitants, not having adopted its own charter form of government.

**TIF** - Tax Increment Financing.

**Transfer** - A transfer is a movement of monies from one fund, activity, department, or account to another. This includes budgetary funds and/or movement of assets.

**Trust Fund** - Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

**User Charge** - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**Work Order** - A written order authorizing and directing the performance of a certain task and issued to the person who is to direct the work. Among the items of information included on the order are the nature and location of the job, specifications of the work to be performed and a job number, which is referred to in reporting the amount of labor, materials and equipment used.

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