



City of Chesterfield, Missouri

*Comprehensive Annual Financial Report
For the Year Ended December 31, 2009*

CITY OF CHESTERFIELD, MISSOURI

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2009

Report prepared and submitted by the
Finance and Administration Department

INTRODUCTORY SECTION		<u>Page(s)</u>
Letter of Transmittal		1 - 5
Certificate of Achievement for Excellence in Financial Reporting		6
City Officials		7
Organizational Chart		8
FINANCIAL SECTION		
Independent Auditors' Report		10 - 11
Management's Discussion and Analysis - Required Supplementary Information		12 - 23
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Assets		25
Statement of Activities		26
Fund Financial Statements:		
Balance Sheet - Governmental Funds		27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets		28
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds		29
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities		30
Statement of Fiduciary Net Assets - Fiduciary Funds		31
Notes to Basic Financial Statements		32 - 46
	<u>Schedule</u>	<u>Page(s)</u>
Budgetary Comparison Information - Required Supplementary Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	1	47 - 49
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Parks Sales Tax Fund - Special Revenue Major Fund	2	50

CITY OF CHESTERFIELD, MISSOURI

Comprehensive Annual Financial Report

Table of Contents

December 31, 2009

FINANCIAL SECTION (Continued)	<u>Schedule</u>	<u>Page(s)</u>
Budgetary Comparison Information - Required Supplementary Information (Continued):		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Improvement Sales Tax Trust Fund - Special Revenue Major Fund	3	51
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Chesterfield Valley Tax Increment Financing Fund - Special Revenue Major Fund	4	52
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual		53 - 54
Combining and Individual Fund Financial Statements and Schedules - Other Supplementary Information:		
Combining Balance Sheet - Nonmajor Governmental Funds	5	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	6	57
Combining Balance Sheet - Nonmajor Debt Service Funds	7	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds	8	59
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:		
Special Revenue Fund - Nonmajor: Sewer Lateral Revenue Fund	9	60
Debt Service Funds - Nonmajor:		
Parks 1998	10	61
Public Works Facility 1995 and 2002	11	62
City Hall	12	63
Parks Phase I & II	13	64
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Parks Construction Fund - Capital Projects Major Fund	14	66
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - R&S Debt Service Fund - Debt Service Major Fund	15	67
Combining Statement of Fiduciary Net Assets - Agency Funds	16	68
Combining Statement of Changes in Assets and Liabilities - Agency Funds	17	69

CITY OF CHESTERFIELD, MISSOURI

Comprehensive Annual Financial Report

Table of Contents

December 31, 2009

STATISTICAL SECTION	<u>Table</u>	<u>Page(s)</u>
Net Assets by Component - Last Eight Fiscal Years	1	71
Changes in Net Assets - Last Eight Fiscal Years	2	72
Fund Balances, Governmental Funds - Last Eight Fiscal Years	3	73
Changes in Fund Balances, Governmental Funds - Last Eight Fiscal Years	4	74
Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	5	75
Direct and Overlapping Property Tax Rates (Per \$100 of Assessed Value) - Last Ten Fiscal Years	6	76
Principal Property Taxpayers - Current Year and Nine Years Ago	7	77
Property Tax Levies and Collections - Last Ten Fiscal Years	8	78
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	9	79
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	10	80
Net Assets by Component - Direct and Overlapping Governmental Activities Debt	11	81
Legal Debt Margin Information - Last Ten Fiscal Years	12	82
Pledged-Revenue Coverage - Last Eight Fiscal Years	13	83
Demographic and Economic Statistics - Last Ten Calendar Years	14	84
Principal Employers - Current Year and Nine Years Ago	15	85
Full-time Equivalent City Government Employees by Functions/Programs - Last Ten Fiscal Years	16	86
Operating Indicators by Functions/Programs - Last Ten Fiscal Years	17	87
Capital Asset Statistics by Functions/Programs - Last Ten Fiscal Years	18	88

Introductory Section



690 Chesterfield Pkwy W • Chesterfield MO 63017-0760
Phone: 636-537-4000 • Fax 636-537-4798 • www.chesterfield.mo.us

June 21, 2010

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

State law and local ordinances require that all general-purpose local governments publish a complete set of financial statements presented in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Chesterfield, Missouri (the City) for the fiscal year ended December 31, 2009. This year's CAFR is the eighth year that the City has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The format and purpose of these changes are addressed in the Management Discussion and Analysis (MD&A).

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

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2009 are free of material misstatement. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Profile of the City

The City is located on the western edge of St. Louis County. The City currently occupies a land area of 32 square miles and serves a population of 46,802 residents. The City enjoys a balance of residential neighborhoods and concentrated retail centers including a regional shopping center and one of the largest retail power centers in the county known as Chesterfield Commons.

The City was incorporated under Missouri law as a third class city on June 1, 1988 and has operated under a mayor/council/administrator form of government since that time. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and eight City Council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Administrator, City Attorney, Judge, and Prosecuting Attorney. The City Administrator is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the heads of the various departments. The City Council is elected on a non-partisan basis. Council members serve two-year staggered terms, with four Council members elected each year. The Mayor is elected at-large to serve a four-year term.

The City provides a full range of municipal services. These services include legislative, administrative, police services, judicial, planning, public works, and parks and recreation. In 2005, the City created the Economic and Community Development Division (ECDD) to better position itself as a place to establish a business and raise a family.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Director of Finance and Administration each year. The Director of Finance and Administration uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council for review. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund and department (e.g., Police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund, this comparison is presented on page 47 as required supplementary information. For governmental funds, other than the General Fund, with appropriated annual budgets, comparisons for major Special Revenue Funds are found in required supplementary information which begins on page 50 and comparisons for the budgeted nonmajor Special Revenue and Debt Service Funds are found in other supplementary information which begins on page 60.

Factors Affecting Financial Condition

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

Local Economy. The City has a thriving business community and has established a business district convenient to both the City of St. Louis, Missouri to the east and St. Charles County to the west. Continuing improvements of I-64/Hwy-40 assure the City greater opportunity for growth, enhancing its accessibility to downtown St. Louis, Missouri.

The City experienced slightly decreased economic activity in 2009 compared to 2008. Despite the slight decrease, the west end of the Chesterfield Valley saw significant infrastructure improvements in 2009 along with the expansion of several businesses such as Paragon, Chesterfield Fence and Vermeer Equipment in the Spirit Valley Business Park. The new interchange at Highway 40/I-64 and Spirit of St. Louis Blvd., was made possible by a cooperative agreement among the City of Chesterfield, St. Louis County, MoDOT and Duke Reality, Inc., developers of the adjacent Spirit of St. Louis Corporate Center. This project will make the west Chesterfield Valley a more attractive place for development, specifically within the Spirit of St. Louis Airport and the adjacent Spirit of Saint Louis Corporate Center.

The City also has a strong retail base with Chesterfield Mall, one of the largest suburban shopping centers in the metropolitan St. Louis area, and a diversity of shops and restaurants in neighboring shopping centers. Chesterfield Mall now has over 1.9 million square feet of enclosed suburban shopping space, including three anchor stores (Dillard's, Macy's and Sears), over ten franchised restaurants, and more than 145 boutiques, shops, stores, and services. In 2006, the Chesterfield Mall completed a \$71 million renovation which included a 14-screen AMC Megaplex Theater, new retailers, and new restaurants.

Making a dramatic comeback from the flood of 1993, the City's western corridor, referred to as Chesterfield Valley, has expanded significantly over the last several years with retail, light industrial, and office/warehouse facilities. Two large commercial projects, Chesterfield Commons (2,000,000 square feet of retail) and Chesterfield Groves (186,000 square feet of mixed use) have been completed or are currently being completed in Chesterfield Valley. Wal-Mart, Target Greatland, World Market, Lowe's Home Improvement Center, Sam's Club, Office Max, Michael's, PetSmart, Radio Shack, Best Buy, Red Robin, LongHorn Steakhouse, Subway, Hometown Buffet, Babies 'R Us, Red Lobster, St. Louis Bread Company, Olive Garden, O'Charley's, Chesterfield Galaxy 14 Cine, The Home Depot, and many others are located in Chesterfield Commons. The Monarch-Chesterfield Levee, which protects Chesterfield Valley, has been restored to its original 100-year level of protection. Assisted by the tax increment financing ("TIF") district designation, the Monarch-Chesterfield Levee District and the City are raising the 11 miles of levee surrounding Chesterfield Valley to a 500-year flood event level. In addition, the City, using Economic Development Act ("EDA") grant funds, installed pumps in Chesterfield Valley to dramatically improve interior drainage.

Based on current projections, continued development of the entire City is inevitable. The City's assessed valuation of \$1,886,264,185 as of January 1, 2009 an increase of 305% from \$465,549,049 as of January 1, 1988, the time of the City's incorporation.

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

The voters of the City approved a ½-cent capital improvement sales tax for street and sidewalk improvements in 1997. These funds are being used to repay debt on the general obligation bonds approved at the same time for major reconstruction projects which were refunded in 2007. In addition, the sales tax will be used to fund major street and sidewalk improvements in the future. It is anticipated that approximately \$3 million dollars will be available from the ½-cent sales tax to fund continued major street and sidewalk improvements well into the future.

The City continues to explore options based on a residents' survey concerning park improvements. Some recommendations from the study included exploring opportunities to partner with St. Louis County, Missouri and private providers of recreational services to acquire open space in the City, and provide walking paths and an outdoor amphitheatre and lake in the Central Park. In response to these efforts, voters passed a ½-cent sales tax for

parks that took effect in April 2005. During 2006 through 2009, the City worked on purchasing park land and constructing amenities with the resources from this sales tax.

In November 2005, voters in Chesterfield Valley approved the creation of a Transportation Development District (TDD) which levies an additional $\frac{3}{8}$ -cent sales tax in that area. The sales tax took effect in March 2006. In November 2006, the TDD issued \$22,450,000 bonds with the average rate from 3.75% to 4.125%. The TDD will fund over \$25 million in significant transportation-related improvement projects including: realignment and creation of a single signalized intersection at Wild Horse Creek, Long and Kehrs Mill Roads; widening of Long Road from Chesterfield Airport Road to Wild Horse Creek Road; roadway construction on Chesterfield Airport Road at Spirit of St. Louis Boulevard; levee trail; Long Road overpass; Wild Horse Creek re-alignment; and area improvements at Olive and Chesterfield Airport Roads.

Debt Administration. At year-end, the City had eight debt issues outstanding. These issues include \$4,930,000 in general obligation bonds for parks, \$1,170,000 in certificates of participation related to the City's capital lease obligation for the construction of a Public Works Facility, \$14,210,000 in certificates of participation related to the City's capital lease obligation for the City Hall, \$16,515,000 in a 2005 crossover refunding bond for streets and sidewalks, \$23,590,000 in certificates of participation for Parks from 2005, and \$14,235,000 in certificates of participation for park and recreation improvements from 2008 and 2009.

Retirement Plan. The City sponsors a single-employer defined contribution retirement plan for its employees. All employees are eligible to participate in the plan after they have completed one year of service and attained the age of 18. Per City ordinance, the City contributes an amount equal to 8% of compensation of eligible participants. No contribution is required from employees. All employees are fully vested (100%) after five years of service. In 2009, the City Council decided to provide all eligible employees with an additional 1% or 2% of their payroll. The City's contribution for 2009 was \$1,014,041 or approximately 9.4% of covered payroll. Total covered payroll for the year was \$10,776,730 or 90.7% of the City's total payroll of \$11,878,738.

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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the City for its CAFR issued for the fiscal year ended December 31, 2008. This was the nineteenth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the City received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 2009. This was the nineteenth consecutive year that the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document met the program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The preparation of this report would not have been completed without the efficient and dedicated services of the entire administrative staff of the various departments of the City.

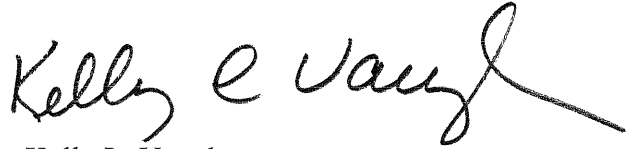
We would like to especially acknowledge the dedicated services and assistance of the staff members in the Finance and Administration Department. The Finance and Administration staff members were key components of maintaining the City's accounting systems and their contributions were invaluable.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael G. Herring", with a stylized, sweeping flourish at the end.

Michael G. Herring
City Administrator

A handwritten signature in black ink, appearing to read "Kelly L. Vaughn", with a long, horizontal flourish extending to the right.

Kelly L. Vaughn
Director of Finance & Administration



*690 Chesterfield Parkway West
Chesterfield, MO 63017
www.chesterfield.mo.us*

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Chesterfield
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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



President

Executive Director

CITY OF CHESTERFIELD, MISSOURI
City Officials

MAYOR

John Nations

COUNCIL MEMBERS

Ward 1:

Barry Flachsbart

Matt Segal

Ward 2:

Bruce Geiger

Lee Erickson

Ward 3:

Michael Casey

Randy Logan

Ward 4:

Connie Fults

Robert Nation

CITY ADMINISTRATOR

Michael G. Herring

**DIRECTOR OF FINANCE AND
ADMINISTRATION**

Kelly L. Vaughn

CITY CLERK

Judy Naggiar

POLICE CHIEF

Ray Johnson

**DIRECTOR OF PLANNING AND
PUBLIC WORKS**

Michael O. Geisel

**DIRECTOR OF PARKS AND
RECREATION**

Darren Dunkle

CITY ATTORNEY

Robert M. Heggie

JUDGE

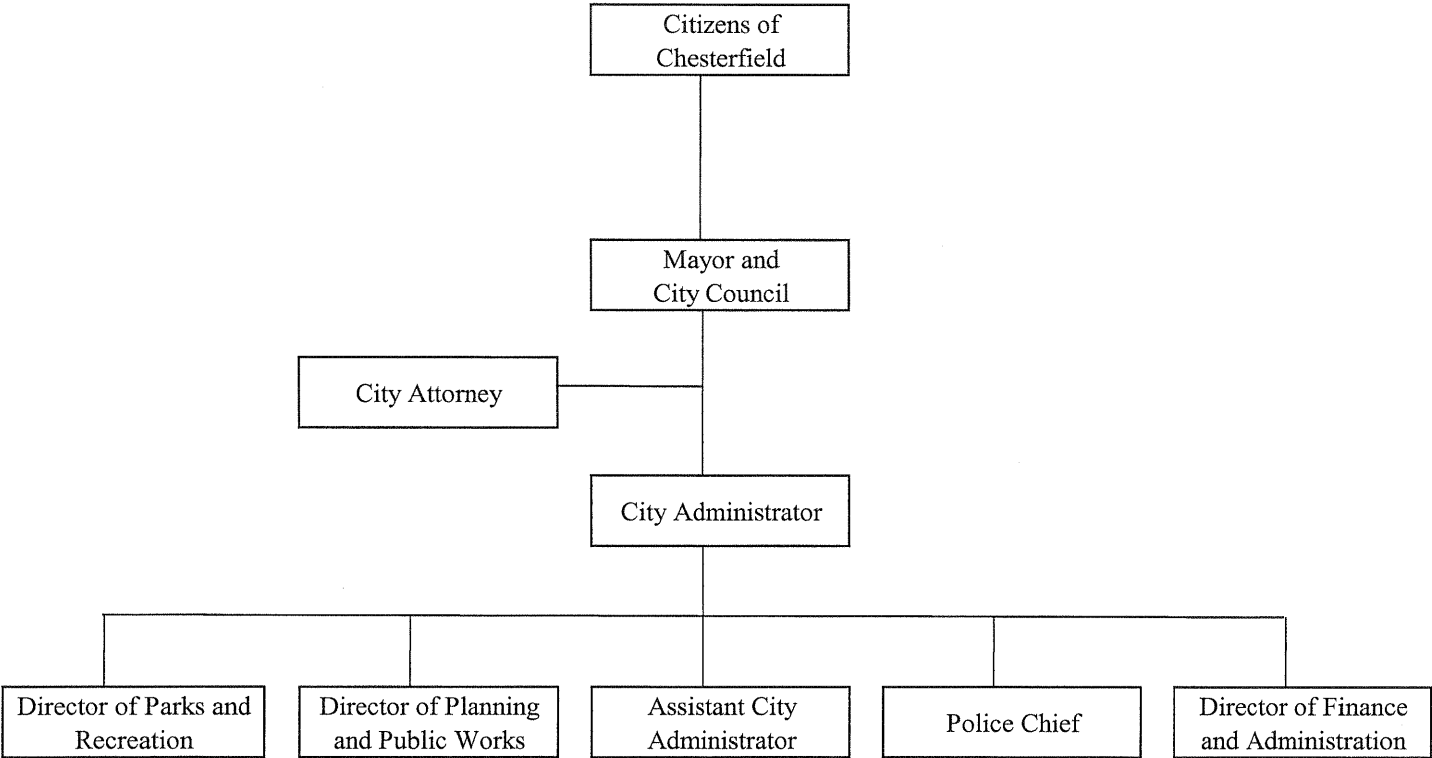
Richard K. Brunk

PROSECUTING ATTORNEY

Tim Engelmeyer

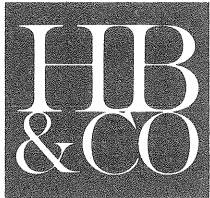
City of Chesterfield, Missouri

Organizational Chart 2009



THIS PAGE LEFT BLANK INTENTIONALLY

Financial Section



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

INDEPENDENT AUDITORS' REPORT

June 21, 2010

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF CHESTERFIELD, MISSOURI** (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of December 31, 2009, and the respective changes in financial position thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial report-

- ☐ 16100 Chesterfield Parkway West, Suite 125, Chesterfield, Missouri 63017-4829, 636-532-9525, Fax 636-532-9055
- ☐ 1000 Washington Square, P.O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

www.hbclp.com

POLARIS
INTERNATIONAL

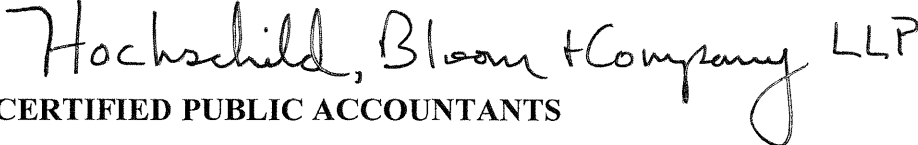
Member: Polaris International with Firms in Principal U.S. and International Cities

ing and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

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

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

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


CERTIFIED PUBLIC ACCOUNTANTS

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

As management of the City of Chesterfield, Missouri (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report along with the City's financial statements, including the footnotes that follow this Management's Discussion and Analysis.

Financial Highlights

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent fiscal year by \$152,138,279. The City has unrestricted net assets totaling \$14,196,436.
- General revenues for governmental activities were \$26,509,649, which included \$25,280,932 (95.4%) in sales, gross receipts, and sewer lateral taxes. Property taxes accounted for \$618,841 (2.3%) of general revenues.
- Net expense from the various functions of governmental activities was \$25,217,268. General government was \$2,555,662 (10.1%), public works was \$7,827,239 (31.0%), public safety was \$7,718,462 (30.6%), parks and recreation was \$3,491,901 (13.8%), development was \$854,705 (3.4%), planning was \$708,222 (2.8%), and community development was \$246,792 (1.0%).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$36,878,777, a decrease of \$17,771,549 in comparison with the prior year. Approximately 37.2% of this total amount or \$13,729,665 is available for spending at the City's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$13,880,954 (71.1%) of total General Fund expenditures.
- The City's total debt decreased by \$3,363,021 (4.2%) during the current fiscal year due to normal payments, the retirement of the Series 1999 General Obligation Bonds, and the issuance of new certificates of participation.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information.

Government-wide Financial Statements

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

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

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued vacation leave).

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

The government-wide financial statements can be found on pages 25 and 26 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

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

The City adopts an annual appropriated budget for its General Fund, Chesterfield Valley Tax Increment Financing Special Revenue Fund, Capital Improvement Sales Tax Trust Special Revenue Fund, Parks Sales Tax Special Revenue Fund, Sewer Lateral Special Revenue Fund,

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

Parks 1998 Debt Service Fund, Public Works Facility 1995 and 2002 Debt Service Fund, R & S 1997 and 1999 Debt Service Fund, City Hall Debt Service Fund, Parks Phase I & II Debt Service Fund, and Parks Construction Capital Projects Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

The governmental funds financial statements can be found on pages 27 through 30 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The statement of fiduciary net assets can be found on page 31 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32 through 46 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 47 through 54 of this report.

Other Supplementary Information

The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 56 through 69 of this report.

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

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

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, the net assets of \$152,138,279 increased in 2009 by approximately 0.9% as compared to the previous year.

At the end of 2009, the City had positive balances in all three categories of net assets.

The largest portion of the City's net assets, \$121,457,371 in 2009 (an increase of approximately 3.7% from 2008), reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens. Consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

		Governmental Activities	
		December 31	
		2009	2008
Assets			
Current and other assets	\$	41,186,242	58,803,246
Capital assets, not depreciated		110,448,824	102,187,671
Capital assets, net		80,567,424	73,674,827
Total assets		232,202,490	234,665,744
Liabilities			
Long-term liabilities		76,617,638	79,980,659
Other liabilities		3,446,573	3,839,187
Total liabilities		80,064,211	83,819,846
Net Assets			
Invested in capital assets, net of related debt		121,457,371	117,138,329
Restricted		16,484,472	19,381,550
Unrestricted		14,196,436	14,326,019
Total net assets	\$	152,138,279	150,845,898

An additional portion of the City's net assets, \$16,684,472 in 2009, represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

The remaining category of the City's net assets represents an *unrestricted net assets* balance of \$14,196,436 in 2009 which may be used to meet the City's ongoing obligations to citizens and creditors.

Governmental Activities

Governmental activities increased the City's net assets by \$1,292,381. Key elements of this are as follows:

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

Governmental Activities			
For the years			
ended December 31			
	2009	2008	
Revenues			
Program revenues:			
Charges for services	\$ 3,254,246	3,038,042	
Operating grants and contributions	5,094,736	4,197,473	
Capital grants and contributions	2,202,831	1,364,332	
General revenues:			
Taxes	25,899,773	27,561,470	
Investment income	522,906	2,039,470	
Miscellaneous	86,970	1,104,362	
Total revenues	<u>37,061,462</u>	<u>39,305,149</u>	
Expenses			
General government	3,239,574	3,104,859	
Parks and recreation	4,529,859	4,114,605	
Judicial	221,809	212,013	
Planning	733,341	618,783	
Development	854,705	785,752	
Public works	14,701,716	14,402,877	
Public safety	8,309,249	8,311,227	
Community development	246,792	244,572	
Interest and fiscal charges	2,932,036	3,797,796	
Total expenses	<u>35,769,081</u>	<u>35,592,484</u>	
Changes in net assets	<u>1,292,381</u>	<u>3,712,665</u>	
Net assets - beginning of year	<u>150,845,898</u>	<u>147,133,233</u>	
Net assets - end of year	<u>\$ 152,138,279</u>	<u>150,845,898</u>	

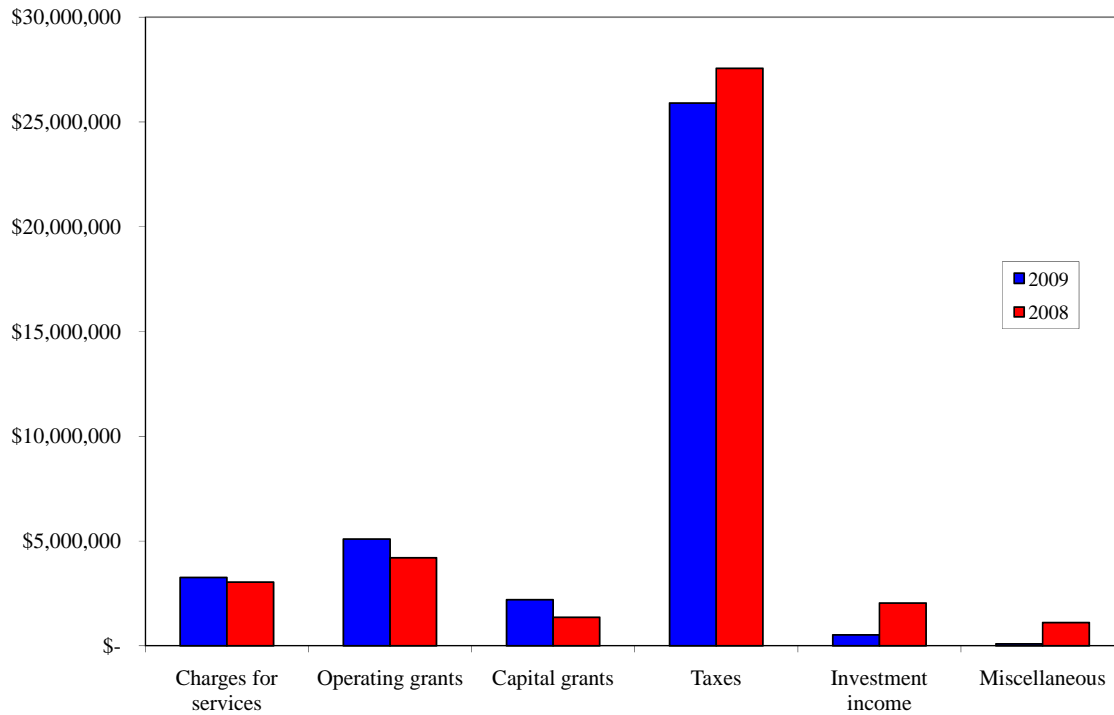
Changes in Net Assets

In 2009 the City's total revenues on a government-wide basis was \$37,061,462, a decrease of \$2,243,687 as compared to 2008. This decrease was primarily attributable to a decrease in sales tax revenues in 2009.

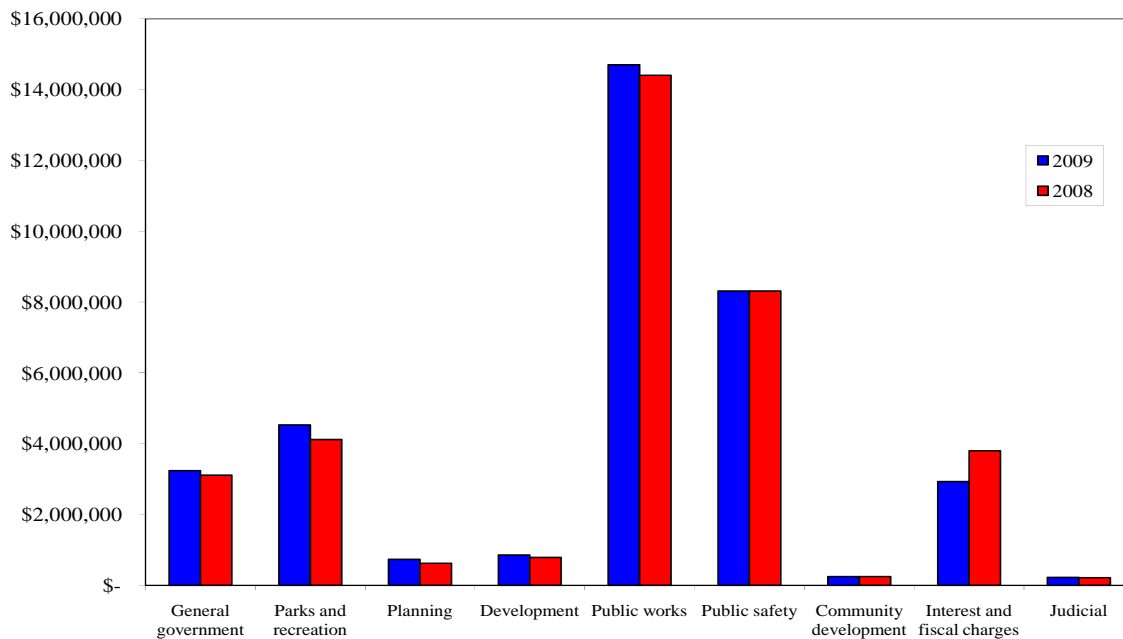
While the total revenues decreased \$2,243,687 (5.7%) from last year, total expenses increased slightly \$176,597 (0.5%) from last year. As a result, the change in net assets had a decrease of \$2,420,284 (65.2%).

CITY OF CHESTERFIELD, MISSOURI
Management's Discussion and Analysis
December 31, 2009

City of Chesterfield, Missouri
Revenues by Source Comparison

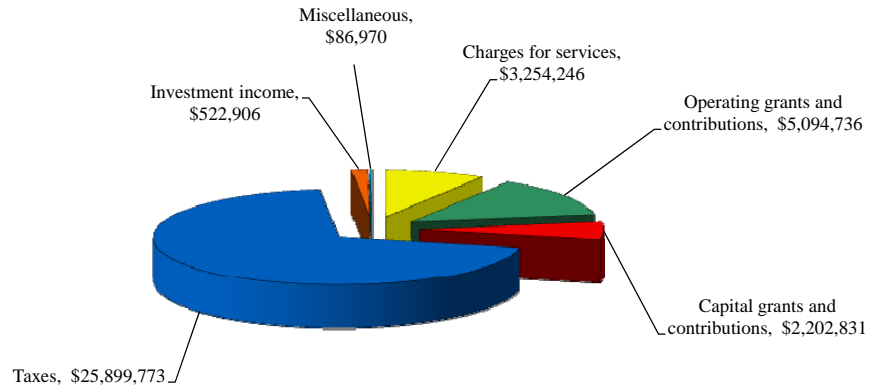


City of Chesterfield, Missouri
Expenses by Function Comparison

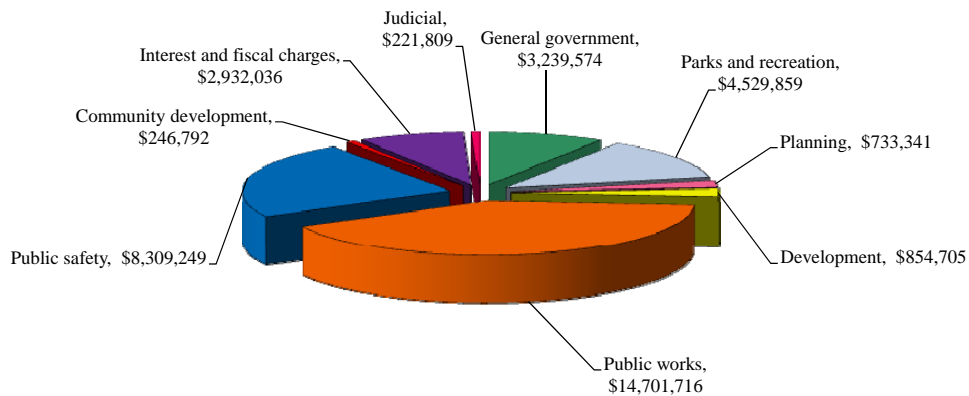


CITY OF CHESTERFIELD, MISSOURI
Management's Discussion and Analysis
December 31, 2009

City of Chesterfield, Missouri
Revenues by Source for Fiscal Year 2009



City of Chesterfield, Missouri
Expenses by Function for Fiscal Year 2009



City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

Financial Analysis of the City's Funds

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

Governmental Funds

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

General Fund

At the end of year 2009, the unreserved fund balance of the General Fund was \$13,880,954, while the total fund balance was \$14,223,588. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers out. Unreserved fund balance represents 62.0% of total General Fund expenditures and transfers out of \$22,391,410, while total fund balance represents 63.5% of total General Fund expenditures and transfers out.

The fund balance in the City's General Fund decreased by \$477,728 (3.2%) from the prior year fund balance compared to a \$215,339 (1.5%) increase in 2008. The change of the current year's fund balance is mainly due to:

- Utility gross receipts decreased \$292,498 mainly due to the large wireless telephone settlements in 2008 that were one time payments.
- Sales taxes decreased \$524,923 as a result of decreased spending in the Saint Louis region. General Fund sales taxes are collected as part of a pool of Saint Louis County cities and are not a direct reflection of sales in the City of Chesterfield.
- Investment income decreased \$285,941 as the returns offered by various investments decreased in 2009.
- Court fines and fees increased \$131,956 in 2009.
- Expenditures were up by \$432,281. The increase was spread across many departments and is a reflection of increased personnel cost related to health insurance and salary increases in 2009.
- Other financing uses were \$765,748 less than in the prior year as a result of smaller transfers to other funds.

Other Major Governmental Funds

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

- Parks Sales Tax Fund ended 2009 with fund balance of \$3,152,803, a decrease of \$501,177 (13.7%) over the prior year. This ½ cent sales tax generated total revenue of \$5,748,769 in 2009, a decrease of \$442,130 (7.1%). During 2009, \$1,103,885 was transferred to the Parks Construction Fund to pay for capital expenditures, \$58,116 was transferred to the General Fund for park expenses, and \$2,656,451 was transferred to various nonmajor debt service funds for the payment of long-term debt.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

- Capital Improvement Sales Tax Trust Fund ended the year with unreserved fund balance of \$418,438, a decrease of 52.6% from the prior year. The decrease was due to decreased tax revenues amounting to \$455,581. The Trust Fund transferred \$1,986,728 to other funds for debt service expenditures.
- Parks Construction Fund decreased by \$1,848,992 (10.8%). The decrease was due to \$14,149,136 in capital outlay. The fund issued \$10,316,188 in debt to finance the continuation of the Parks Phase II project. An additional \$2,260,891 was transferred in from the General Fund and Parks Sales Tax Fund for the Parks Phase II project.
- Chesterfield Valley Tax Increment Financing Fund decreased by \$4,338,209 from the previous fund balance. This decrease was a result of \$4,543,378 in capital outlay as the fund winds down.
- R & S Debt Service Fund ended the year 2009 with an unreserved fund balance of \$5,660, a decrease of \$10,152,466. The decrease was a result of the payoff of the General Obligation Bonds Series 1999.

Fiduciary Funds

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

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

At the end of 2009, cash and cash equivalents had decreased \$138,422 (to \$2,599,632) from 2008 due to normal activity.

General Fund Budgetary Highlights

Final results for any given year will generally differ from that year's adopted budget. The final revised budget of the City's General Fund expenditures for 2009 was \$20,156,206, which differs from the original adopted budget of \$19,193,769 by \$962,437.

After transfers, the General Fund ended the year with an operating decrease of \$477,728. This decrease was \$469,059 less than the estimated amount of (\$946,787) from the final revised budget as a result of lower transfers and management of budgetary expenditures. Municipal taxes, charges for services, and investment income all had negative variances. The total of these categories represent almost 64% of total revenue. The negative variances represented approximately 2.8% of total revenues. The remaining revenue categories all had positive variances. As a result, total revenues were (\$105,063) less than the estimated amount of \$21,846,369.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

Capital Assets

The City has invested \$191,016,248 in a broad range of capital assets, including park facilities, roads, buildings, machinery and equipment, and automobiles and trucks. This amount represents a net increase for the current fiscal year (including additions and deductions) of \$15,153,750. In 2009, the City's capital asset detail was as follows:

Capital Assets, Net of Depreciation			
December 31			
		2009	2008
Land	\$	28,950,938	20,013,934
Right-of-way		76,452,659	75,338,257
Buildings and other improvements		31,947,462	26,347,937
Machinery and equipment		2,016,623	2,016,857
Automobiles and trucks		2,180,678	2,141,789
Infrastructure (including construction-in progress)		49,467,888	50,003,724
Total	\$	<u>191,016,248</u>	<u>175,862,498</u>

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

Long-term Debt

At the end of December 2009, the City had outstanding long-term debt obligations for governmental activities in the amount of \$76,617,638 compared to \$79,980,659 in 2008. Of this amount, \$21,445,000 is general obligation bonds. Certificates of participation outstanding totaled \$53,205,000. The 4.2% or \$3,363,021 decrease in the City's long-term debt obligations is primarily due to the City retiring \$10,770,000 in the General Obligation Bonds Series 1999. The City issued \$10,245,000 in certificates of participation for park and recreation improvements.

The City's governmental activities debt is detailed below:

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

Outstanding Long-term Debt Obligations			
	December 31		Percent Change
	2009	2008	
Certificates of Participation Series 2002	\$ 1,170,000	1,345,000	(13.0%)
Certificates of Participation (Government Center) Series 2004	14,210,000	14,600,000	(2.7)
Certificates of Participation (Park) Series 2005	23,590,000	24,215,000	(2.6)
Certificates of Participation (Park) Series 2008	4,550,000	4,720,000	(3.6)
Certificates of Participation (Park) Series 2009A	3,990,000	-	100.0
Certificates of Participation (Park) Series 2009B	5,695,000	-	100.0
General Obligation Bonds (R & S) Series 1999	-	10,770,000	(100.0)
General Obligation Bonds (R & S) Series 2005	16,515,000	17,165,000	(3.8)
General Obligation Bonds (Parks) Series 2008	4,930,000	5,255,000	(6.2)
Total	\$ <u>74,650,000</u>	<u>78,070,000</u>	(4.4%)

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for fiscal year 2009 was \$188,626,418.

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

Economic Factors and Next Year's Budget

- The fiscal year 2010 annual budget for General Fund expenditures is \$19,212,405, a decrease of \$943,801 (4.7%) from the 2009 amended budget.
- Capital Improvement Fund revenue budget for 2010 is \$5,049,542, a decrease of \$1,808,413 from the 2009 amended budget. The decrease is mostly related to a one-time grant that was received in 2009.
- Park Sales Tax Fund revenue budget for 2010 is \$6,785,051, a decrease of \$344,483 from the 2009 amended budget.
- Chesterfield Valley Tax Increment Financing Fund expenditure budget for 2010 is \$1,926,079, a decrease of \$2,621,231 from the 2009 amended budget. The fund is budgeted to spend all available funds in 2010.
- Park Construction Fund revenue budget for 2010 is \$20,000, a decrease of \$130,000 from the 2009 amended budget due to lower rates of return on investments and lower principle to invest.
- Parks 1998 Debt Service Fund expenditure budget for 2010 is \$882,278, an increase of \$417,913 from the 2009 amended budget.
- For 2010, the City will experience several changes in revenue sources for the General Fund. The City participates in the St. Louis County sales tax pool, and at the end of 2009, the City lost one-half of the one percent county-wide sales tax to the sales tax pool.

City of Chesterfield, Missouri
Management's Discussion and Analysis
December 31, 2009

- Health insurance costs continue to increase for the City, which may lead to a change in the how the City provides this insurance to its employees and how much each employee is required to contribute.
- The City budgeted an increase in sales tax revenue of 1.0% for 2010. The City will closely monitor sales tax receipts throughout the year and amend the budget if necessary.

Requests for Information

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

THIS PAGE LEFT INTENTIONALLY BLANK

CITY OF CHESTERFIELD, MISSOURI
Statement of Net Assets
December 31, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 33,222,921
Receivables, net	6,396,566
Deferred charges	1,217,621
Other assets	349,134
Capital assets not being depreciated	110,448,824
Capital assets, net of accumulated depreciation	<u>80,567,424</u>
Total assets	<u>232,202,490</u>
LIABILITIES	
Accounts payable and accrued liabilities	1,928,894
Accrued salaries and other benefits	435,493
Accrued interest payable	694,056
Unearned revenue	328,733
Other liabilities	59,397
Long-term liabilities:	
Due within one year	4,895,198
Due in more than one year	<u>71,722,440</u>
Total liabilities	<u>80,064,211</u>
NET ASSETS	
Invested in capital assets, net of related debt	121,457,371
Restricted:	
Debt service	1,804,800
Capital project	9,458,765
Parks improvement project	3,152,803
Tax increment financing projects	1,359,832
Sewer lateral repair project	708,272
Unrestricted	<u>14,196,436</u>
Total net assets	<u><u>\$ 152,138,279</u></u>

CITY OF CHESTERFIELD, MISSOURI
Statement of Activities
For the year ended December 31, 2009

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net Revenues (Expenses) and Change in Net Assets Governmental Activities</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Governmental activities:					
General government	\$ 3,239,574	683,912	-	-	(2,555,662)
Parks and recreation	4,529,859	1,027,958	10,000	-	(3,491,901)
Judicial	221,809	1,317,384	-	-	1,095,575
Planning	733,341	25,119	-	-	(708,222)
Developmental services	854,705	-	-	-	(854,705)
Public works	14,701,716	139,747	4,585,978	2,148,752	(7,827,239)
Public safety	8,309,249	60,126	476,582	54,079	(7,718,462)
Community development	246,792	-	-	-	(246,792)
Interest and fiscal charges	2,932,036	-	22,176	-	(2,909,860)
Total governmental activities	<u>\$ 35,769,081</u>	<u>3,254,246</u>	<u>5,094,736</u>	<u>2,202,831</u>	<u>(25,217,268)</u>
General revenues:					
Taxes:					
Property taxes, levied for debt service					618,841
Sales and local use taxes					16,212,514
Gross receipts taxes (includes franchise tax)					8,512,571
Miscellaneous taxes (includes sewer lateral)					555,847
Unrestricted interest earnings					522,906
Miscellaneous					86,970
Total general revenues					<u>26,509,649</u>
Changes in net assets					1,292,381
Net assets - beginning of year					<u>150,845,898</u>
Net assets - end of year					<u>\$ 152,138,279</u>

CITY OF CHESTERFIELD, MISSOURI
Balance Sheet
Governmental Funds
December 31, 2009

	Major Funds					Nonmajor Funds	
		Capital Improvement Sales Tax Trust	Parks Construction	Chesterfield Valley Tax Increment Financing	R&S Debt Service	Other Governmental Funds	Total Governmental Funds
	General	Parks Sales Tax					
ASSETS							
Cash and investments	\$ 11,029,031	2,138,471	-	15,904,339	2,065,358	5,660	33,222,921
Receivables:							
Municipal taxes	1,532,198	1,084,559	922,415	-	-	493,571	4,032,743
Intergovernmental	1,011,406	10,000	981,107	-	-	-	2,002,513
Interest	4,856	-	-	95	-	-	4,951
Other	352,208	4,151	-	-	-	-	356,359
Due from other funds	1,284,945	30	-	-	-	-	1,284,975
Prepays	342,634	6,500	-	-	-	-	349,134
Total assets	<u>\$ 15,557,278</u>	<u>3,243,711</u>	<u>1,903,522</u>	<u>15,904,434</u>	<u>2,065,358</u>	<u>5,660</u>	<u>41,253,596</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 403,824	38,179	195,356	558,360	705,526	-	1,928,894
Accrued salaries and other benefits	381,873	48,575	5,045	-	-	-	435,493
Due to other funds	30	-	1,284,683	-	-	262	1,284,975
Deferred revenue	488,566	4,154	-	-	-	173,340	666,060
Other liabilities	59,397	-	-	-	-	-	59,397
Total liabilities	<u>1,333,690</u>	<u>90,908</u>	<u>1,485,084</u>	<u>558,360</u>	<u>705,526</u>	<u>201,251</u>	<u>4,374,819</u>
Fund balances							
Reserved:							
Prepays	342,634	6,500	-	-	-	-	349,134
Unreserved, reported in:							
General Fund - designated for subsequent year expenditures	151,289	-	-	-	-	-	151,289
General Fund - undesignated	13,729,665	-	-	-	-	-	13,729,665
Special Revenue Funds	-	3,146,303	418,438	-	1,359,832	762,262	5,686,835
Capital Project Funds	-	-	-	15,346,074	-	-	15,346,074
Debt Service Funds	-	-	-	-	5,660	1,610,120	1,615,780
Total fund balances	<u>14,223,588</u>	<u>3,152,803</u>	<u>418,438</u>	<u>15,346,074</u>	<u>1,359,832</u>	<u>2,372,382</u>	<u>36,878,777</u>
Total liabilities and fund balances	<u>\$ 15,557,278</u>	<u>3,243,711</u>	<u>1,903,522</u>	<u>15,904,434</u>	<u>2,065,358</u>	<u>5,660</u>	<u>41,253,596</u>

CITY OF CHESTERFIELD, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2009

Total fund balances - governmental funds	\$ 36,878,777
--	---------------

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds financial statements. This is the amount by which capital assets (\$260,094,698) exceeded accumulated depreciation (\$69,078,450) as of December 31, 2009.	191,016,248
--	-------------

Property taxes are assessed by the City, but are not collected as of December 31, 2009 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	173,340
---	---------

Court fines receivable as of December 31, 2009 are deferred within the governmental funds financial statements. This amount is recognized in the government-wide financial statements.	163,987
--	---------

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as liabilities within the governmental funds financial statements. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported on the government-wide statement of net assets. Discounts, premiums, and bond issuance costs are reported in the governmental funds financial statements when debt was issued, whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements. Balances as of December 31, 2009 are:

Accrued compensated absences, vacation, and compensatory time-off	(753,014)
Accrued interest on outstanding debts as of year-end 2009	(694,056)
Bonds, notes payable, and lease obligations outstanding	(74,650,000)
Unamortized bond premium	(1,214,624)
Unamortized bond issuance cost	1,217,621
	1,217,621

Total net assets of governmental activities	<u><u>\$ 152,138,279</u></u>
---	------------------------------

CITY OF CHESTERFIELD, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2009

	Major Funds						Nonmajor Funds	
	General	Parks Sales Tax	Capital Improvement Sales Tax Trust	Parks Construction	Chesterfield Valley Tax Increment Financing	R&S Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES								
Municipal taxes	\$ 13,453,921	5,748,769	4,891,301	-	-	-	955,549	25,049,540
Licenses and permits	1,315,006	-	-	-	-	-	-	1,315,006
Intergovernmental	5,212,432	10,000	1,014,350	-	-	-	63,077	6,299,859
Charges for services, net	129,664	1,015,662	-	-	-	-	-	1,145,326
Court fines and forfeitures	1,318,916	-	-	-	-	-	-	1,318,916
Investment income, net arbitrage	241,735	32,769	-	28,080	32,569	182,743	5,010	522,906
Miscellaneous	69,632	25,407	73,204	3,900	328	-	-	172,471
Total revenues	21,741,306	6,832,607	5,978,855	31,980	32,897	182,743	1,023,636	35,824,024
EXPENDITURES								
Current:								
Legislative	79,561	-	-	-	-	-	-	79,561
Administrative	2,915,394	-	-	-	-	-	-	2,915,394
Police services	7,975,244	-	-	-	-	-	19,998	7,995,242
Judicial	218,642	-	-	-	-	-	-	218,642
Planning and zoning	716,731	-	-	-	-	-	-	716,731
Developmental services	834,007	-	-	-	-	-	-	834,007
Public works	5,018,487	-	182,404	-	-	-	427,305	5,628,196
Parks and recreation	-	3,450,284	-	-	-	-	-	3,450,284
Capital outlay	1,771,347	65,048	4,681,344	14,149,136	4,543,378	-	5,041	25,215,294
Debt service:								
Principal	-	-	-	-	-	11,420,000	2,245,000	13,665,000
Interest and fiscal charges	-	-	-	-	-	901,937	2,198,650	3,100,587
Debt issuance costs	-	-	-	308,915	-	-	-	308,915
Total expenditures	19,529,413	3,515,332	4,863,748	14,458,051	4,543,378	12,321,937	4,895,994	64,127,853
Excess (deficiency) of revenues over (under) expenditures	2,211,893	3,317,275	1,115,107	(14,426,071)	(4,510,481)	(12,139,194)	(3,872,358)	(28,303,829)
OTHER FINANCING SOURCES (USES)								
Issuance of long-term debt	-	-	-	10,245,000	-	-	-	10,245,000
Premium on issuance of long-term debt	-	-	-	71,188	-	-	-	71,188
Transfers in	68,556	-	407,496	2,260,891	-	1,986,728	3,953,946	8,677,617
Transfers out	(2,861,997)	(3,818,452)	(1,986,728)	-	-	-	(10,440)	(8,677,617)
Sale of capital assets	103,820	-	-	-	172,272	-	-	276,092
Total other financing sources (uses), net	(2,689,621)	(3,818,452)	(1,579,232)	12,577,079	172,272	1,986,728	3,943,506	10,592,280
Net change in fund balances	(477,728)	(501,177)	(464,125)	(1,848,992)	(4,338,209)	(10,152,466)	71,148	(17,711,549)
Fund balances:								
Beginning of year	14,701,316	3,653,980	882,563	17,195,066	5,698,041	10,158,126	2,301,234	54,590,326
End of year	\$ 14,223,588	3,152,803	418,438	15,346,074	1,359,832	5,660	2,372,382	36,878,777

CITY OF CHESTERFIELD, MISSOURI
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended December 31, 2009

Net change in fund balances - governmental funds \$ (17,711,549)

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

The governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets meeting the capitalization threshold is allocated over their estimated useful lives and recorded as depreciation expense. This is the amount by which capital outlays over the capitalization threshold totaling \$20,063,391 exceeded depreciation (\$5,687,082) in the current period. 14,376,309

The net effect of various miscellaneous transactions involving capital assets:

Disposal of assets	(356,961)	
Contributed capital assets	<u>1,134,402</u>	777,441

Adjustments to revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds financial statements:

Property taxes for Park Debt Service Fund		82,444
---	--	--------

Court fines revenue in the statement of activities that do not provide current financial resources is not reported as revenues in the governmental funds financial statements.		20,592
--	--	--------

Bond proceeds are reported as financing sources in the governmental funds financial statements and thus contribute to the net change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the liability in the statement of net assets.

Debt issued during the current year:		
Parks construction certificates of participation	(10,245,000)	
Premium on parks construction certificates of participation	(71,188)	
Issuance costs	308,915	
Repayments during the current year:		
Annual principal payments on bonds and certificates of participation	<u>13,665,000</u>	3,657,727

Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

This adjustment combines the net changes of the following:

Accrued compensated absences	(79,134)	
Accrued interest on bonds	171,232	
Amortized bond issuance cost	(96,024)	
Amortized bond premium	<u>93,343</u>	89,417

Change in net assets of governmental activities		<u><u>\$ 1,292,381</u></u>
---	--	----------------------------

CITY OF CHESTERFIELD, MISSOURI
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2009

	<u>Agency Funds</u>
ASSETS	
Cash and investments	<u>\$ 2,599,632</u>
 LIABILITIES	
Accounts payable	\$ 371,590
Deposits held in escrow	<u>2,228,042</u>
Total liabilities	<u>\$ 2,599,632</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(1) Summary of Significant Accounting Policies

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

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

(a) *The Financial Reporting Entity*

The City defines its financial reporting entity in accordance with the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14). GASB 14 requirements for inclusion of component units are based primarily upon whether the City's governing body has any significant amount of financial accountability for potential component units. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on the City. Based on this criteria, the City has determined that its financial reporting entity consists of the City (primary government) and no other reporting units.

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

The government-wide financial statements (e.g., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The City has determined that the General Fund, Park Sales Tax Fund, Capital Improvement Sales Tax Trust Fund, Parks Construction Fund, Chesterfield Valley Tax Increment Financing Fund, and R&S Debt Service Fund are major governmental funds. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds are reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balances for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements.

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

controlled. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Fund Types

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

The following are the City's governmental major funds:

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

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

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

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

Chesterfield Valley Tax Increment Financing Fund - The Chesterfield Valley Tax Increment Financing Fund is a Special Revenue Fund used to account for financial resources to be used for infrastructure and transportation projects in the Chesterfield Valley.

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

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds that account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes and Debt Service Funds that account for the accumulation of resources for and repayment of general obligation long-term debt principal, interest, and related costs.

Fiduciary Fund Type

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

(c) Measurement Focus and Basis of Accounting

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

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

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

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. For the City, available is defined as expected to be received within 60 days of fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due (e.g., matured).

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

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

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

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

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

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

(d) *Encumbrances*

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(e) Cash and Cash Equivalents

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

(f) Investments

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

(g) Capital Assets

Capital assets, which include buildings, other improvements, machinery and equipment, automobiles and trucks, and infrastructure (e.g., streets, sidewalks, roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements, net of accumulated depreciation. Capital assets are defined by the City as assets with an estimated useful life in excess of one year with an initial individual cost of \$5,000 or more. Infrastructure assets are defined as streets with a cost of at least \$250,000; sidewalks with a cost of at least \$50,000; land improvements with a cost of at least \$5,000; and all buildings, building improvements, and land.

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

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

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

(h) Compensated Absences

The City grants vacation to all full-time employees based on years of continuous service, and compensatory time is granted to all nonexempt employees for hours worked in excess of a normal work week that are not taken within the current biweekly pay period. These benefits are allowed to accumulate and to carry over, with limitation, into the next calendar year and will be paid to employees upon resignation, retirement, or death. Sick leave benefits do not vest and, accordingly, are recorded as expenditures when paid. The entire accrued benefit liability related to the City's compensated absences in the amount of \$753,014 has been recorded in the government-wide financial statements.

(i) Capital Contributions

Capital contributions within public works represent government grants and other aid used to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

subject to claim for reimbursement. Amounts received from other governments that are not restricted for capital purposes are reflected as intergovernmental revenue.

(j) *Interfund Transactions*

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

Transfers

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

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

(k) *Deferred Revenue*

The City has received inspection fees in advance from various developers. These fees are recognized as revenue as the City performs the inspections of the developments. This revenue is recorded in the government-wide statements as unearned revenue and as deferred revenue in the fund financial statements. Also included in the fund financial statements in deferred revenue are property tax revenues and court fines that are not collected within 60 days following the end of the current period.

(l) *Reserved Fund Balances*

Within the governmental funds financial statements, reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriation or is legally segregated for a specific future use. Reserved fund balances at December 31, 2009 are comprised of prepaids.

(m) *Long-term Liabilities*

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

(n) *Amortization*

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

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

(o) *Use of Estimates*

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(2) Cash and Investments

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

At December 31, 2009, the City's bank balances were either fully insured by federal depository insurance or collateralized with securities held by the City or by its agent in the City's name. The time certificates of deposit were under collateralized by \$44,558 on December 31, 2009.

The following is a reconciliation of the City's deposit and investment balances at December 31, 2009:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Fiduciary Net Assets	Total
Cash and cash equivalents	\$ 26,503,836	1,099,632	27,603,468
Investments	6,719,085	1,500,000	8,219,085
	<u>\$ 33,222,921</u>	<u>2,599,632</u>	<u>35,822,553</u>

Interest Rate Risk

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

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

The City's goal is to match its investments with its anticipated cash flow requirements. No investments shall mature and become payable more than five years from the date of purchase. The investments of the primary government had the following maturities as of December 31, 2009:

	Fair Market Value	No Maturity	Less Than One Year	1 - 5 Years
Primary Government				
Repurchase agreements	\$ 9,481,934	-	9,481,934	-
Money market	14,126,704	14,126,704	-	-
Collateralized certificates of deposit	6,719,085	-	6,521,807	197,278
Total primary government	<u>30,327,723</u>	<u>14,126,704</u>	<u>16,003,741</u>	<u>197,278</u>
Fiduciary Funds				
Money market	128	128	-	-
Collateralized certificates of deposit	1,500,000	-	1,500,000	-
Total fiduciary funds	<u>1,500,128</u>	<u>128</u>	<u>1,500,000</u>	<u>-</u>
Grand total investments	<u>\$ 31,827,851</u>	<u>14,126,832</u>	<u>17,503,741</u>	<u>197,278</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

Credit Risk

The City's investment policy seeks to minimize credit risk, the risk of loss due to the failure of the security issuer by:

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

According to the investment policy, any agency security purchased must be senior debt and rated with the highest debt rating by Moody's Investor Services, Inc. and Standard and Poor's Corporation. The following table provides information on the credit ratings associated with the City's investments as of December 31, 2009, excluding obligations of the United States government or obligations explicitly guaranteed by the United States government.

	<u>Fair Market Value</u>	<u>Average Credit Quality (Moody's)</u>
Collateralized certificates of deposit	\$ 8,219,085	N/A
Money market*	14,126,832	Unrated
Repurchase agreements*	9,481,934	N/A

* Collateralized by United States Treasury securities

Concentration of Credit Risk

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

United States Treasury securities - up to 100% of total investments
United States Agency securities - no more than 60% of total investments
Collateralized certificates of deposit - no more than 50% of total investments
Collateralized repurchase agreements - no more than 50% of total investments
United States agency callable securities - no more than 35% of total investments
Commercial paper - no more than 10% of total investments
Bankers acceptances - no more than 10% of total investments

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

	<u>Fair Market Value</u>	<u>Percent of Total Investments</u>
Collateralized certificates of deposit	\$ 8,219,085	25.8 %
Money market*	14,126,832	44.4
Repurchase agreements*	9,481,934	29.8

* Collateralized by United States Treasury securities

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

Custodial Credit Risk

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

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

(3) Receivables, Net of Allowances

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

	<u>Municipal Taxes</u>	<u>Intergovern- mental</u>	<u>Interest</u>	<u>Other</u>	<u>Total Receivables</u>
Governmental Activities					
General Fund	\$ 1,532,198	1,011,406	4,856	352,208	2,900,668
Parks Sales Tax Fund	1,084,559	10,000	-	4,151	1,098,710
Capital Improvement Sales Tax Trust Fund	922,415	981,107	-	-	1,903,522
Parks Construction Fund	-	-	95	-	95
Nonmajor other governmental funds	493,571	-	-	-	493,571
Total governmental activities	<u>\$ 4,032,743</u>	<u>2,002,513</u>	<u>4,951</u>	<u>356,359</u>	<u>6,396,566</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(4) Capital Assets

The following is a summary of changes in capital assets - governmental activities for the year ended December 31, 2009:

	<u>Balance December 31 2008</u>	<u>Transfers And Additions</u>	<u>Transfers And Retirements</u>	<u>Balance December 31 2009</u>
Governmental Activities				
<i>Capital assets not being depreciated:</i>				
Land	\$ 20,013,934	9,109,501	172,497	28,950,938
Right-of-way	75,338,257	1,114,402	-	76,452,659
Construction in progress	6,835,480	6,610,042	8,400,295	5,045,227
Total capital assets not being depreciated	<u>102,187,671</u>	<u>16,833,945</u>	<u>8,572,792</u>	<u>110,448,824</u>
<i>Capital assets being depreciated:</i>				
Buildings	15,052,090	6,972,188	-	22,024,278
Other improvements	19,646,387	29,512	-	19,675,899
Machinery and equipment	4,419,155	482,839	225,120	4,676,874
Automobiles and trucks	3,847,938	747,775	480,553	4,115,160
Infrastructure	96,458,576	4,531,829	1,836,742	99,153,663
Total capital assets being depreciated	<u>139,424,146</u>	<u>12,764,143</u>	<u>2,542,415</u>	<u>149,645,874</u>
<i>Less - Accumulated depreciation for:</i>				
Buildings	3,161,007	463,705	-	3,624,712
Other improvements	5,189,533	938,470	-	6,128,003
Machinery and equipment	2,402,298	437,191	179,238	2,660,251
Automobiles and trucks	1,706,149	570,304	341,971	1,934,482
Infrastructure	53,290,332	3,277,412	1,836,742	54,731,002
Total accumulated depreciation	<u>65,749,319</u>	<u>5,687,082</u>	<u>2,357,951</u>	<u>69,078,450</u>
Total capital assets being depreciated, net	<u>73,674,827</u>	<u>7,077,061</u>	<u>184,464</u>	<u>80,567,424</u>
Governmental activities - capital assets, net	<u>\$ 175,862,498</u>	<u>23,911,006</u>	<u>8,757,256</u>	<u>191,016,248</u>

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

Governmental Activities	
General government	\$ 535,003
Parks and recreation	1,069,617
Planning	9,458
Public works	3,867,492
Public safety	<u>205,512</u>
Total deprecation expense, governmental activities	<u>\$ 5,687,082</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(5) Accounts Payable

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

(6) Restricted Net Assets

The government-wide statement of net assets reports \$16,484,472 of restricted net assets, all of which is restricted by enabling legislation.

(7) Property Taxes

The City's property tax is levied each September based on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are billed in November, due and collectible on December 31, and delinquent after December 31. Liens are placed on property for delinquent taxes on January 1 following the due date. During 2009, the City levied a tax rate of \$0.03 per \$100 of assessed valuation. The tax levy is for the retirement of general obligation bonds payable.

Taxes levied for 2009 are recorded as receivables, net of estimated uncollectible amounts; however, revenue recognition on all property tax receivables not collected within 60 days after year-end is deferred on the fund financial statements and recognized as revenue in the government-wide financial statements. The 2008 levy was due and collectible within the City's fiscal year ended December 31, 2009.

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

(8) Risk Management

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

The City, along with various other local governments, participates in an insurance trust for workers' compensation and for general liability matters (St. Louis Area Insurance Trust (SLAIT)). The purpose of this trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment from each entity to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust; however, the City is contingently liable to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed. The City's 2009 premium payments to the trust were \$421,664.

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

(9) Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the assets and liabilities of the deferred compensation plan are not included in the accompanying basic financial statements.

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(10) Retirement Plan

In 1989, the City established a money purchase retirement plan (a defined contribution plan) funded through Manufacturers Life Insurance Company. In 2005, the City switched the administrator to Hartford Investment. All employees are eligible to participate in the plan after they have completed one year of service and attained the age of 18. Per City ordinance, the City contributes an amount equal to 8% of compensation of eligible participants. In addition, all eligible employees received an extra 1% or 2% for 2008 and 2009. No contribution is required from employees. All employees are fully vested (100%) after five years of credited service. The City's contribution for 2009 was \$1,014,041 or 9.4% of covered payroll less any forfeitures from terminated nonvested employees.

Total covered payroll for the year was \$10,776,730 or 91% of the total City payroll of \$11,878,738.

(11) Interfund Balances

Individual fund interfund receivable and payable balances as of December 31, 2009 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Improvement Sales Tax Trust Fund	\$ 1,284,683
General Fund	Nonmajor governmental funds	262
Parks Sales Tax Fund	General Fund	30
		<u>\$ 1,284,975</u>

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2010.

(12) Obligations Under Operating Lease Agreements

The City leases equipment under certain operating lease agreements with terms in excess of one year. Annual aggregate lease payments remaining under the terms of the operating lease agreements as of December 31, 2009 are as follows:

2010	\$ 28,784
2011	<u>2,987</u>
	<u>\$ 31,771</u>

(13) Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended December 31, 2009:

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

	Balance December 31 2008	Additions	Reductions	Balance December 31 2009	Amounts Due Within One Year
Compensated absences	\$ 673,880	991,221	(912,087)	753,014	705,198
General obligation bonds	33,190,000	-	(11,745,000)	21,445,000	2,120,000
Plus - Issuance premium	281,621	-	(26,347)	255,274	-
Certificates of participation	44,880,000	10,245,000	(1,920,000)	53,205,000	2,070,000
Plus - Issuance premium	955,158	71,188	(66,996)	959,350	-
Total	<u>\$79,980,659</u>	<u>11,307,409</u>	<u>(14,670,430)</u>	<u>76,617,638</u>	<u>4,895,198</u>

Compensated absences are generally liquidated by the General Fund.

General Obligation Bonds Payable

In February 2008, the City issued \$5,255,000 in General Obligation Refunding Bonds Series 2008, the proceeds of which were used to advance refund \$5,245,000 of outstanding Series 1998 General Obligation Bonds. The Series 2008 bonds bear interest ranging from 2.95% to 3.5% and are repaid through a Debt Service Fund.

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

In May 1999, the City issued \$15,125,000 in General Obligation Bonds Series 1999 in order to finance capital expenditures within the City. The Series 1999 bonds bear interest ranging from 4.2% to 6% and are repaid through a Debt Service Fund. The outstanding principal was fully retired in 2009.

The annual principal and interest requirements to maturity of the General Obligation Bonds as of December 31, 2009 are as follows:

December 31	General Obligation Bonds		
	Principal	Interest	Totals
2010	\$ 2,120,000	740,654	2,860,654
2011	2,215,000	673,393	2,888,393
2012	2,270,000	603,871	2,873,871
2013	2,375,000	531,565	2,906,565
2014	2,455,000	451,354	2,906,354
2015 - 2019	<u>10,010,000</u>	<u>1,021,719</u>	<u>11,031,719</u>
	<u>\$ 21,445,000</u>	<u>4,022,556</u>	<u>25,467,556</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

Certificates of Participation

In September 2009, the City issued \$4,550,000 in Certificates of Participation (Series 2009A), which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated September 1, 2009 between the City and Wells Fargo Bank (the trustee/lessor). The trustee has agreed to execute and deliver certificates pursuant to a declaration and indenture of trust to finance the City's renovation and improvement of the City's Central Park and the Chesterfield Valley Athletic Complex. The base rentals constitute rent for the Parks Administration and Maintenance Facility and real property on which the Facility is situated pursuant to the lease. The certificates of participation bear interest ranging from .50% to 3.45% and will be repaid through a transfer of Park Sales Tax Fund operating revenues to a Debt Service Fund.

In September 2009, the City issued \$5,695,000 in Taxable Certificates of Participation (Series 2009B), which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated September 1, 2009 between the City and Wells Fargo Bank (the trustee/lessor). The trustee has agreed to execute and deliver certificates pursuant to a declaration and indenture of trust to finance the City's renovation and improvement of the City's Central Park and the Chesterfield Valley Athletic Complex. The base rentals constitute rent for the Parks Administration and Maintenance Facility and real property on which the Facility is situated pursuant to the lease. The certificates of participation bear interest ranging from 5.625 % to 6.3% and will be repaid through a transfer of Park Sales Tax Fund operating revenues to a Debt Service Fund.

In December 2008, the City issued \$4,720,000 in Certificates of Participation (Series 2008), which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated December 1, 2008 between the City and Wells Fargo Bank (the trustee/lessor). The trustee has agreed to execute and deliver certificates pursuant to a declaration and indenture of trust to finance the City's renovation and improvement of the City's Central Park and the Chesterfield Valley Athletic Complex. The base rentals constitute rent for the land pursuant to the lease. The certificates of participation bear interest ranging from 3.25% to 5.375% and will be repaid through a transfer of Park Sales Tax Fund operating revenues to a Debt Service Fund.

In January 2005, the City issued \$25,710,000 in Certificates of Participation (Series 2005), which represent proportionate interests in base rentals to be paid by the City pursuant to an annually renewable lease/purchase agreement dated January 1, 2005 between the City and Wells Fargo Bank (the trustee/lessor). The trustee has agreed to execute and deliver certificates pursuant to a declaration and indenture of trust to finance the City's acquisition and construction of park land and parks and recreation amenities. The base rentals constitute rent for the land and amenities pursuant to the lease. The certificates of participation bear interest ranging from 3% to 5% and will be repaid through a transfer of Park Sales Tax Fund operating revenues to a Debt Service Fund.

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

In November 2002, the City issued \$2,325,000 in Certificates of Participation (Series 2002), which the City and the trustee, BNY Trust Company of Missouri, have entered into a base lease, pursuant to which the City, as lessor, has leased to the Trustee, as lessee, the real estate on which the City's maintenance facility is located, together with all improvements now or to be situated thereon for rent. The Series 2002 Certificates of Participation have been delivered and sold for the purpose of providing funds, together with other funds of the City, to pay the costs of: 1) refunding \$2,235,000 outstanding principal amount of

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

Certificates of Participation Series 1995, which were issued to provide funds to acquire and construct a new maintenance facility for the City; 2) funding a Debt Service Reserve Fund for the certificates; and 3) paying the costs of delivering the certificates. The certificates of participation bear interest from 2% to 4.2% and are repaid through a transfer of General Fund operating revenues to a Debt Service Fund.

The annual principal and interest requirements to maturity of the certificates of participation as of December 31, 2009 are as follows:

<u>December 31</u>	<u>Certificates of Participation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 2,070,000	2,256,116	4,326,116
2011	2,210,000	2,190,377	4,400,377
2012	2,375,000	2,114,953	4,489,953
2013	2,530,000	2,033,839	4,563,839
2014	2,700,000	1,946,528	4,646,528
2015 - 2019	15,655,000	7,961,993	23,616,993
2020 - 2024	17,320,000	4,106,625	21,426,625
2025 - 2029	6,660,000	1,007,322	7,667,322
2030 - 2031	1,685,000	99,920	1,784,920
	<u>\$ 53,205,000</u>	<u>23,717,673</u>	<u>76,922,673</u>

(14) Interfund Transfers

Individual fund transfers for the year ended December 31, 2009 are as follows:

	<u>Transfers From</u>				<u>Total</u>
	<u>General Fund</u>	<u>Park Sales Tax Fund</u>	<u>Capital Improvement Sales Tax Trust Fund</u>	<u>Other Nonmajor Governmental Funds</u>	
<u>Transfers To</u>					
General Fund	\$ -	58,116	-	10,440	68,556
Capital Improvement					
Sales Tax Trust Fund	407,496	-	-	-	407,496
Parks Construction Fund	1,157,006	1,103,885	-	-	2,260,891
R&S Debt Service Fund	-	-	1,986,728	-	1,986,728
Other nonmajor governmental funds	1,297,495	2,656,451	-	-	3,953,946
	<u>\$ 2,861,997</u>	<u>3,818,452</u>	<u>1,986,728</u>	<u>10,440</u>	<u>8,677,617</u>

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

CITY OF CHESTERFIELD, MISSOURI
Notes to Basic Financial Statements
December 31, 2009

(15) Commitments and Contingencies

Various legal claims have arisen during the normal course of business which, in the opinion of management after discussion with legal counsel, will not result in any material liability to the City.

In March 2009, the City entered into an agreement with the City of Maryland Heights and St. Louis County to fund a portion of the Highway 141 extension from Olive Boulevard to Page Avenue. The City's portion of the total estimated cost of \$60,000,000 is \$5,000,000, with the City of Maryland Heights contributing an equal amount. The remainder will be paid by the County with \$20,000,000 in assistance from the American Recovery and Reinvestment Act. As of December 31, 2009, the City has paid none of their portion.

At December 31, 2009, the City was committed to a construction project for an amphitheater in the amount of \$7,007,611.

(16) Pledged Revenues

The City has pledged a portion of future parks sales tax revenues to repay \$25,710,000 in certificates of participation (series 2005), \$4,720,000 in certificates of participation (series 2008), \$4,550,000 in certificates of participation (series 2009A), and \$5,695,000 in taxable certificates of participation (series 2009B) to finance park improvements throughout the City. The certificates are payable solely from the sales taxes generated by a 1/4 cent parks sales tax. These taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$56,405,334 payable through December 2031. For the current year, principal and interest paid and total sales tax revenues were \$2,689,471 and \$5,748,769, respectively.

(17) Future Accounting Pronouncements

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), establishes standards for the measurement and recording of the estimated historical cost for land associated with right-of-way and easements. GASB 51 will be effective for the City for the year ending December 31, 2010. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), establishes standards for the policies and disclosures for fund balance among other things. GASB 54 will be effective for the City for the year ending December 31, 2011. The City, however, has not yet completed its assessment of the statement or the potential impact of the statement on its financial position.



*690 Chesterfield Parkway West
Chesterfield, MO 63017
www.chesterfield.mo.us*

Required Supplementary Information

CITY OF CHESTERFIELD, MISSOURI
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the year ended December 31, 2009

Schedule 1

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Municipal taxes:				
Utility gross receipts	\$ 6,773,128	7,823,128	7,881,477	58,349
Sales taxes	6,063,313	6,063,313	5,572,444	(490,869)
Total municipal taxes	12,836,441	13,886,441	13,453,921	(432,520)
Licenses and permits	1,257,838	1,257,838	1,315,006	57,168
Intergovernmental:				
Motor fuel and vehicle sales taxes	1,831,926	1,831,926	1,752,716	(79,210)
Cigarette tax	153,630	153,630	136,695	(16,935)
Road and bridge tax	2,054,182	2,054,182	1,889,209	(164,973)
Grants and other	365,381	895,531	1,433,812	538,281
Total intergovernmental	4,405,119	4,935,269	5,212,432	277,163
Charges for services:				
Inspection and subdivision fees	120,915	120,915	57,697	(63,218)
Zoning applications	7,946	7,946	4,780	(3,166)
Police reports	5,415	5,415	5,477	62
False alarms	32,960	32,960	32,525	(435)
Other charges	41,500	41,500	29,185	(12,315)
Total charges for services	208,736	208,736	129,664	(79,072)
Court fines and forfeitures	1,168,964	1,168,964	1,318,916	149,952
Investment income	337,500	337,500	241,735	(95,765)
Miscellaneous	51,621	51,621	69,632	18,011
Total revenues	20,266,219	21,846,369	21,741,306	(105,063)
EXPENDITURES	19,193,769	20,156,206	19,529,413	626,793
Excess of revenues over expenditures	1,072,450	1,690,163	2,211,893	521,730
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	68,556	68,556
Transfers out	(1,236,299)	(2,800,800)	(2,861,997)	(61,197)
Sale of capital assets	163,850	163,850	103,820	(60,030)
Total other financing sources (uses), net	(1,072,449)	(2,636,950)	(2,689,621)	(52,671)
Net change in fund balance	\$ 1	(946,787)	(477,728)	469,059

CITY OF CHESTERFIELD, MISSOURI
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the year ended December 31, 2009

Schedule 1

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
EXPENDITURES				
General government:				
Legislative - Mayor's Office and City Council:				
Personal services	\$ 66,448	66,448	66,316	132
Contractual services	17,150	15,650	11,108	4,542
Commodities	800	2,300	2,137	163
Total legislative	<u>84,398</u>	<u>84,398</u>	<u>79,561</u>	<u>4,837</u>
Administrative:				
City clerk:				
Personal services	199,968	200,968	200,568	400
Contractual services	38,000	37,000	32,164	4,836
Commodities	2,500	2,500	960	1,540
City Administrator:				
Personal services	249,465	252,465	252,360	105
Contractual services	8,850	8,850	7,710	1,140
Commodities	100	100	77	23
Community development				
Personal services	182,053	194,053	192,597	1,456
Contractual services	52,700	54,450	54,156	294
Commodities	300	300	261	39
Finance:				
Personal services	474,571	474,571	470,310	4,261
Contractual services	107,065	107,065	98,454	8,611
Commodities	2,120	2,120	1,174	946
Central services:				
Personal services	100,000	130,000	126,594	3,406
Contractual services	986,250	1,011,450	1,011,652	(202)
Commodities	52,000	89,925	86,340	3,585
Information systems:				
Personal services	217,769	219,969	219,843	126
Contractual services	133,000	130,800	125,349	5,451
Commodities	58,400	58,400	34,825	23,575
Capital outlay	20,000	20,000	-	20,000
Total administrative	<u>2,885,111</u>	<u>2,994,986</u>	<u>2,915,394</u>	<u>79,592</u>
Police services:				
Personal services	7,443,164	7,412,314	7,369,290	43,024
Contractual services	407,616	407,616	394,862	12,754
Commodities	206,686	211,686	211,092	594
Capital outlay	330,550	376,550	375,971	579
Total police services	<u>8,388,016</u>	<u>8,408,166</u>	<u>8,351,215</u>	<u>56,951</u>
Judicial:				
Personal services	162,825	162,825	161,808	1,017
Contractual services	60,700	60,200	56,148	4,052
Commodities	400	900	686	214
Total judicial	<u>223,925</u>	<u>223,925</u>	<u>218,642</u>	<u>5,283</u>

CITY OF CHESTERFIELD, MISSOURI
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the year ended December 31, 2009

Schedule 1

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
EXPENDITURES (continued)				
General government (continued):				
Planning and zoning:				
Personal services	694,284	694,284	669,188	25,096
Contractual services	48,915	47,915	45,687	2,228
Commodities	3,000	3,000	1,856	1,144
Total planning and zoning	<u>746,199</u>	<u>745,199</u>	<u>716,731</u>	<u>28,468</u>
Development:				
Personal services	693,860	738,860	737,706	1,154
Contractual services	83,550	90,030	88,890	1,140
Commodities	12,300	12,300	7,411	4,889
Capital outlay	22,000	72,813	62,843	9,970
Total development	<u>811,710</u>	<u>914,003</u>	<u>896,850</u>	<u>17,153</u>
Public works:				
Administration and engineering:				
Personal services	671,204	596,204	586,858	9,346
Contractual services	108,795	109,923	96,654	13,269
Commodities	17,900	17,900	16,660	1,240
Capital outlay	46,740	46,740	7,419	39,321
Street and sewer maintenance:				
Personal services	1,620,927	1,630,927	1,629,633	1,294
Contractual services	535,975	628,750	617,036	11,714
Commodities	526,180	516,180	457,611	58,569
Capital outlay	498,100	594,968	579,772	15,196
Vehicle maintenance:				
Personal services	384,615	383,115	331,311	51,804
Contractual services	193,350	194,850	194,582	268
Commodities	527,500	527,500	317,997	209,503
Capital outlay	99,700	79,966	71,310	8,656
Building maintenance:				
Personal services	394,424	394,424	370,863	23,561
Contractual services	302,500	333,000	332,891	109
Commodities	51,500	51,500	50,386	1,114
Capital outlay	46,000	15,500	15,151	349
Street lighting - contractual services:				
Contractual services	26,500	26,500	16,005	10,495
Commodities	2,500	2,500	-	2,500
Intergovernmental - capital outlay	-	635,082	658,881	(23,799)
Total public works	<u>6,054,410</u>	<u>6,785,529</u>	<u>6,351,020</u>	<u>434,509</u>
Total expenditures	<u>\$ 19,193,769</u>	<u>20,156,206</u>	<u>19,529,413</u>	<u>626,793</u>

CITY OF CHESTERFIELD, MISSOURI
Parks Sales Tax Fund - Special Revenue Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended December 31, 2009

Schedule 2

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Municipal taxes:				
Sales taxes	\$ 6,276,005	6,076,005	5,748,769	(327,236)
Intergovernmental	-	-	10,000	10,000
Park charges and fees	974,692	974,692	1,015,662	40,970
Investment income	78,837	78,837	32,769	(46,068)
Miscellaneous	-	-	25,407	25,407
Total revenues	<u>7,329,534</u>	<u>7,129,534</u>	<u>6,832,607</u>	<u>(296,927)</u>
EXPENDITURES				
Parks and recreation	4,191,828	3,707,824	3,450,284	257,540
Capital outlay	<u>420,351</u>	<u>238,994</u>	<u>65,048</u>	<u>173,946</u>
Total expenditures	<u>4,612,179</u>	<u>3,946,818</u>	<u>3,515,332</u>	<u>431,486</u>
Excess of revenues over expenditures	<u>2,717,355</u>	<u>3,182,716</u>	<u>3,317,275</u>	<u>134,559</u>
OTHER FINANCING USES				
Transfers out	<u>(2,717,355)</u>	<u>(3,821,240)</u>	<u>(3,818,452)</u>	<u>2,788</u>
Net change in fund balance	<u>\$ -</u>	<u>(638,524)</u>	<u>(501,177)</u>	<u>137,347</u>

CITY OF CHESTERFIELD, MISSOURI
Capital Improvement Sales Tax Trust Fund - Special Revenue Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the year ended December 31, 2009

Schedule 3

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Municipal taxes:				
Sales taxes	\$ 5,570,594	5,570,594	4,891,301	(679,293)
Intergovernmental	1,144,796	1,208,200	1,014,350	(193,850)
Investment income	5,957	5,957	-	(5,957)
Miscellaneous income	73,204	73,204	73,204	-
Total revenues	<u>6,794,551</u>	<u>6,857,955</u>	<u>5,978,855</u>	<u>(879,100)</u>
EXPENDITURES				
Public works	178,484	182,484	182,404	80
Capital outlay	4,900,000	5,103,566	4,681,344	422,222
Total expenditures	<u>5,078,484</u>	<u>5,286,050</u>	<u>4,863,748</u>	<u>422,302</u>
Excess of revenues over expenditures	<u>1,716,067</u>	<u>1,571,905</u>	<u>1,115,107</u>	<u>(456,798)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	407,496	407,496	-
Transfers out	(1,994,065)	(1,994,065)	(1,986,728)	7,337
Total other financing sources (uses), net	<u>(1,994,065)</u>	<u>(1,586,569)</u>	<u>(1,579,232)</u>	<u>7,337</u>
Net change in fund balance	<u>\$ (277,998)</u>	<u>(14,664)</u>	<u>(464,125)</u>	<u>(449,461)</u>

CITY OF CHESTERFIELD, MISSOURI
Chesterfield Valley Tax Increment Financing Fund - Special Revenue Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended December 31, 2009

Schedule 4

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ 100,000	100,000	32,569	(67,431)
Miscellaneous	-	-	328	328
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>32,897</u>	<u>(67,103)</u>
EXPENDITURES				
Capital outlay	<u>3,300,000</u>	<u>4,547,310</u>	<u>4,543,378</u>	<u>3,932</u>
Deficiency of revenues under expenditures	<u>(3,200,000)</u>	<u>(4,447,310)</u>	<u>(4,510,481)</u>	<u>(63,171)</u>
OTHER FINANCING SOURCES				
Sale of capital assets	-	172,272	172,272	-
Net change in fund balance	<u>\$ (3,200,000)</u>	<u>(4,275,038)</u>	<u>(4,338,209)</u>	<u>(63,171)</u>

CITY OF CHESTERFIELD, MISSOURI
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual
For the year ended December 31, 2009

EXPLANATION OF BUDGETARY PROCESS

The City prepares and legally adopts an annual budget for the General Fund, the Chesterfield Valley Tax Increment Financing Special Revenue Fund, the Capital Improvement Sales Tax Trust Special Revenue Fund, Parks Sales Tax Special Revenue Fund, the Sewer Lateral Fund, all Debt Service Funds, and all Capital Project Funds. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. The Council follows the procedures outlined below in establishing the budgetary data:

1. During or before the last week of November, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures, estimated revenue of the fund for the budget year, and the means of financing them.
2. On December 1, the City Administrator presents the proposed budget at a Public Hearing prior to a regularly scheduled City Council meeting. The budget is adopted at a regular City Council meeting by resolution.
3. Copies of the proposed budget are made available for public inspection in the office of the City Clerk for at least 10 days prior to passage of the budget. At least one public hearing is held on the budget by the City Council. Notice of the hearing is given by publication in a newspaper with general circulation in the City.
4. The budget is adopted by the City Council by the affirmative vote of a majority of the members of the City Council and approval by the Mayor on or before the last day preceding the budget year. If the budget has not been passed and approved by this time, then the budget and appropriations for the current fiscal year shall be deemed to be rebudgeted and reappropriated for the budget year until a new budget is adopted and approved.
5. All appropriations lapse at year-end, outstanding encumbrances are reappropriated in the subsequent fiscal year budget to provide for the liquidation of the prior commitments.

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

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

The legal level of budgetary control for the original adopted annual budget for the Chesterfield Valley Tax Increment Financing Special Revenue Fund, Parks Sales Tax Special Revenue Fund, Capital Improvement Sales Tax Trust Special Revenue Fund, Sewer Lateral Special Revenue Fund, all Debt Service Funds, and all Capital Project Funds is defined as the budgeted appropriation amount at the department level.

CITY OF CHESTERFIELD, MISSOURI
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual
For the year ended December 31, 2009

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

Other Supplementary Information

Special Revenue Funds

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

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

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

Debt Service Funds

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

Parks 1998 - This fund is used to account for the accumulation of resources and payment of general obligation principal and interest on the parks General Obligation Bond issue, Series 2008 which advance refunded the General Obligation Bond issue, Series 1998.

Public Works Facility 1995 and 2002 - This fund is used to account for the accumulation of resources and payment of principal and interest on the Public Works Facility Certificates of Participation, Series 1995 and 2002.

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

Parks Phase I & II - This fund is used to account for the accumulation of resources and payment of principal and interest on the 2005, 2008, and 2009A & B Certificates of Participation.

CITY OF CHESTERFIELD, MISSOURI

Schedule 5

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	<u>Nonmajor Special Revenue Funds</u>			<u>Nonmajor Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Police Forfeiture</u>	<u>Sewer Lateral</u>	<u>Total Special Revenue</u>		
ASSETS					
Cash and investments	\$ 59,031	611,199	670,230	1,409,832	2,080,062
Receivables:					
Municipal taxes	-	119,681	119,681	373,890	493,571
Total assets	<u>\$ 59,031</u>	<u>730,880</u>	<u>789,911</u>	<u>1,783,722</u>	<u>2,573,633</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 5,041	22,608	27,649	-	27,649
Due to other funds	-	-	-	262	262
Deferred revenue	-	-	-	173,340	173,340
Total liabilities	<u>5,041</u>	<u>22,608</u>	<u>27,649</u>	<u>173,602</u>	<u>201,251</u>
Fund balances					
Unreserved, reported in:					
Special Revenue Funds	53,990	708,272	762,262	-	762,262
Debt Service Funds	-	-	-	1,610,120	1,610,120
Total fund balances	<u>53,990</u>	<u>708,272</u>	<u>762,262</u>	<u>1,610,120</u>	<u>2,372,382</u>
Total liabilities and fund balances	<u>\$ 59,031</u>	<u>730,880</u>	<u>789,911</u>	<u>1,783,722</u>	<u>2,573,633</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2009

Schedule 6

	<u>Nonmajor Special Revenue Funds</u>			<u>Nonmajor Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Police Forfeiture</u>	<u>Sewer Lateral</u>	<u>Total Special Revenue</u>		
REVENUES					
Municipal taxes	\$ -	419,152	419,152	536,397	955,549
Intergovernmental	40,901	-	40,901	22,176	63,077
Investment income	-	1,117	1,117	3,893	5,010
Total revenues	<u>40,901</u>	<u>420,269</u>	<u>461,170</u>	<u>562,466</u>	<u>1,023,636</u>
EXPENDITURES					
Current:					
Police services	19,998	-	19,998	-	19,998
Public works	-	427,305	427,305	-	427,305
Capital outlay	5,041	-	5,041	-	5,041
Debt service:					
Principal	-	-	-	2,245,000	2,245,000
Interest and fiscal charges	-	-	-	2,198,650	2,198,650
Total expenditures	<u>25,039</u>	<u>427,305</u>	<u>452,344</u>	<u>4,443,650</u>	<u>4,895,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,862</u>	<u>(7,036)</u>	<u>8,826</u>	<u>(3,881,184)</u>	<u>(3,872,358)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	3,953,946	3,953,946
Transfers out	-	(10,440)	(10,440)	-	(10,440)
Total other financing sources (uses), net	<u>-</u>	<u>(10,440)</u>	<u>(10,440)</u>	<u>3,953,946</u>	<u>3,943,506</u>
Net change in fund balances	15,862	(17,476)	(1,614)	72,762	71,148
Fund balances:					
Beginning of year	38,128	725,748	763,876	1,537,358	2,301,234
End of year	<u>\$ 53,990</u>	<u>708,272</u>	<u>762,262</u>	<u>1,610,120</u>	<u>2,372,382</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2009

Schedule 7

	<u>Parks 1998</u>	<u>Public Works Facility 1995 and 2002</u>	<u>City Hall</u>	<u>Parks Phase I & II</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 1,178,512	231,316	2	2	1,409,832
Receivables:					
Municipal taxes	373,890	-	-	-	373,890
Total assets	<u>\$ 1,552,402</u>	<u>231,316</u>	<u>2</u>	<u>2</u>	<u>1,783,722</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to other funds	\$ -	262	-	-	262
Deferred revenue	173,340	-	-	-	173,340
Total liabilities	<u>173,340</u>	<u>262</u>	<u>-</u>	<u>-</u>	<u>173,602</u>
Fund balances	1,379,062	231,054	2	2	1,610,120
Total liabilities and fund balances	<u>\$ 1,552,402</u>	<u>231,316</u>	<u>2</u>	<u>2</u>	<u>1,783,722</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Debt Service Funds
For the year ended December 31, 2009

Schedule 8

	Parks	Public Works		Parks	
	1998	Facility	City	Phase I & II	Total
		1995 and 2002	Hall		
REVENUES					
Municipal taxes	\$ 536,397	-	-	-	536,397
Intergovernmental	-	-	-	22,176	22,176
Investment income	2,855	998	2	38	3,893
Total revenues	539,252	998	2	22,214	562,466
EXPENDITURES					
Debt service:					
Principal	325,000	175,000	390,000	1,355,000	2,245,000
Interest and fiscal charges	139,166	52,803	672,210	1,334,471	2,198,650
Total expenditures	464,166	227,803	1,062,210	2,689,471	4,443,650
Excess (deficiency) of revenues over (under) expenditures	75,086	(226,805)	(1,062,208)	(2,667,257)	(3,881,184)
OTHER FINANCING SOURCES					
Transfers in	-	224,886	1,062,170	2,666,890	3,953,946
Net change in fund balances	75,086	(1,919)	(38)	(367)	72,762
Fund balances:					
Beginning of year	1,303,976	232,973	40	369	1,537,358
End of year	\$ 1,379,062	231,054	2	2	1,610,120

CITY OF CHESTERFIELD, MISSOURI
Sewer Lateral Fund - Nonmajor Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended December 31, 2009

Schedule 9

	Original And Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Municipal taxes	\$ 425,988	419,152	(6,836)
Investment income	14,666	1,117	(13,549)
Total revenues	<u>440,654</u>	<u>420,269</u>	<u>(20,385)</u>
EXPENDITURES			
Public works	440,654	427,305	13,349
Deficiency of revenues under expenditures	<u>-</u>	<u>(7,036)</u>	<u>(7,036)</u>
OTHER FINANCING USES			
Transfers out	-	(10,440)	(10,440)
Net change in fund balances	<u>\$ -</u>	<u>(17,476)</u>	<u>(17,476)</u>

CITY OF CHESTERFIELD, MISSOURI
Parks 1998 - Nonmajor Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the year ended December 31, 2009

Schedule 10

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Property taxes	\$ 500,000	536,397	36,397
Investment income	10,000	2,855	(7,145)
Total revenues	<u>510,000</u>	<u>539,252</u>	<u>29,252</u>
EXPENDITURES			
Debt service:			
Principal	325,000	325,000	-
Interest and fiscal charges	139,365	139,166	199
Total expenditures	<u>464,365</u>	<u>464,166</u>	<u>199</u>
Net change in fund balance	<u>\$ 45,635</u>	<u>75,086</u>	<u>29,451</u>

CITY OF CHESTERFIELD, MISSOURI
Public Works Facility 1995 and 2002 - Nonmajor Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the year ended December 31, 2009

Schedule 11

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ 4,000	4,000	998	(3,002)
EXPENDITURES				
Debt service:				
Principal	175,000	175,000	175,000	-
Interest and fiscal charges	51,425	52,825	52,803	22
Total expenditures	<u>226,425</u>	<u>227,825</u>	<u>227,803</u>	<u>22</u>
Deficiency of revenues under expenditures	(222,425)	(223,825)	(226,805)	(2,980)
OTHER FINANCING SOURCES				
Transfers in	226,425	224,875	224,886	11
Net change in fund balance	<u>\$ 4,000</u>	<u>1,050</u>	<u>(1,919)</u>	<u>(2,969)</u>

CITY OF CHESTERFIELD, MISSOURI
City Hall - Nonmajor Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the year ended December 31, 2009

Schedule 12

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ 300	300	2	(298)
EXPENDITURES				
Debt service:				
Principal	390,000	390,000	390,000	-
Interest and fiscal charges	667,550	672,250	672,210	40
Total expenditures	<u>1,057,550</u>	<u>1,062,250</u>	<u>1,062,210</u>	<u>40</u>
Deficiency of revenues under expenditures	(1,057,250)	(1,061,950)	(1,062,208)	(258)
OTHER FINANCING SOURCES				
Transfers in	1,057,550	1,057,550	1,062,170	4,620
Net change in fund balance	<u>\$ 300</u>	<u>(4,400)</u>	<u>(38)</u>	<u>4,362</u>

CITY OF CHESTERFIELD, MISSOURI
Parks Phase I & II - Nonmajor Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the year ended December 31, 2009

Schedule 13

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	22,176	22,176	-
Investment income	600	600	38	(562)
Total revenues	<u>600</u>	<u>22,776</u>	<u>22,214</u>	<u>(562)</u>
EXPENDITURES				
Debt service:				
Principal	795,000	1,355,000	1,355,000	-
Interest and fiscal charges	<u>1,249,944</u>	<u>1,334,473</u>	<u>1,334,471</u>	<u>2</u>
Total expenditures	<u>2,044,944</u>	<u>2,689,473</u>	<u>2,689,471</u>	<u>2</u>
Deficiency of revenues under expenditures	(2,044,344)	(2,666,697)	(2,667,257)	(560)
OTHER FINANCING SOURCES				
Transfers in	<u>2,669,679</u>	<u>3,289,531</u>	<u>2,666,890</u>	<u>(622,641)</u>
Net change in fund balance	<u>\$ 625,335</u>	<u>622,834</u>	<u>(367)</u>	<u>(623,201)</u>

Capital Projects Major Fund

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

Debt Service Major Fund

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

Fiduciary Fund Types

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds.

Agency Funds

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

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

Highway 40 Trust Fund - This fund is used to account for collection and release of monies for future roadway improvements contemplated in a construction development within the City. Collection of monies ensure completion of projects and restoration of the surrounding area. An inspection by the City is necessary to release funds.

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

CITY OF CHESTERFIELD, MISSOURI
Parks Construction Fund - Capital Projects Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the year ended December 31, 2009

Schedule 14

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ 150,000	150,000	28,080	(121,920)
Miscellaneous	-	-	3,900	3,900
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>31,980</u>	<u>(118,020)</u>
EXPENDITURES				
Capital outlay	18,116,738	18,116,738	14,149,136	3,967,602
Debt service:				
Debt issuance costs	-	310,966	308,915	2,051
Total expenditures	<u>18,116,738</u>	<u>18,427,704</u>	<u>14,458,051</u>	<u>3,969,653</u>
Deficiency of revenues under expenditures	<u>(17,966,738)</u>	<u>(18,277,704)</u>	<u>(14,426,071)</u>	<u>3,851,633</u>
OTHER FINANCING SOURCES				
Issuance of long-term debt	-	10,245,000	10,245,000	-
Premium on issuance of long-term debt	-	71,188	71,188	-
Transfers in	-	2,260,890	2,260,891	1
Total other financing sources	<u>-</u>	<u>12,577,078</u>	<u>12,577,079</u>	<u>1</u>
Net change in fund balance	<u>\$ (17,966,738)</u>	<u>(5,700,626)</u>	<u>(1,848,992)</u>	<u>3,851,634</u>

CITY OF CHESTERFIELD, MISSOURI
R&S Debt Service Fund - Debt Service Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the year ended December 31, 2009

Schedule 15

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment income	\$ 136,546	136,546	182,743	46,197
EXPENDITURES				
Debt service:				
Principal	11,420,000	11,420,000	11,420,000	-
Interest and fiscal charges	900,829	901,979	901,937	42
Total expenditures	<u>12,320,829</u>	<u>12,321,979</u>	<u>12,321,937</u>	<u>42</u>
Deficiency of revenues under expenditures	(12,184,283)	(12,185,433)	(12,139,194)	46,239
OTHER FINANCING SOURCES				
Transfers in	1,994,065	1,994,065	1,986,728	(7,337)
Net change in fund balance	<u>\$ (10,190,218)</u>	<u>(10,191,368)</u>	<u>(10,152,466)</u>	<u>38,902</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Fiduciary Net Assets
Agency Funds
December 31, 2009

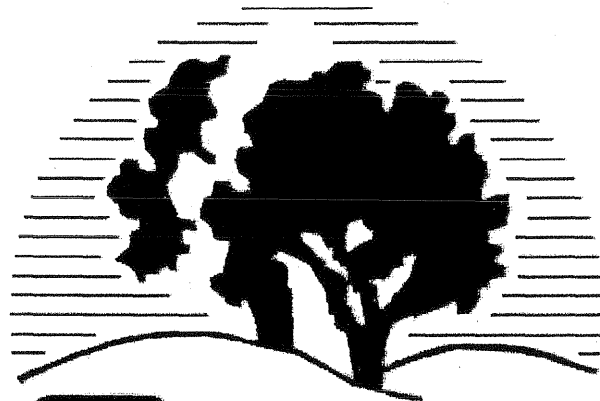
Schedule 16

	<u>Court Bond Fund</u>	<u>Explorer's Fund</u>	<u>Highway 40 Trust Fund</u>	<u>Miscellaneous Escrow Fund</u>	<u>Total Agency Funds</u>
ASSETS					
Cash and investments	<u>\$ 93,680</u>	<u>18,317</u>	<u>353,273</u>	<u>2,134,362</u>	<u>2,599,632</u>
LIABILITIES					
Accounts payable	\$ -	18,317	353,273	-	371,590
Deposits held in escrow	<u>93,680</u>	<u>-</u>	<u>-</u>	<u>2,134,362</u>	<u>2,228,042</u>
Total liabilities	<u>\$ 93,680</u>	<u>18,317</u>	<u>353,273</u>	<u>2,134,362</u>	<u>2,599,632</u>

CITY OF CHESTERFIELD, MISSOURI
Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the year ended December 31, 2009

Schedule 17

	Balance December 31 2008	Additions	Deductions	Balance December 31 2009
Court Bond Fund				
Assets - cash and investments	\$ 101,990	22,904	31,214	93,680
Liabilities - deposits held in escrow	\$ 101,990	22,904	31,214	93,680
Explorer's Fund				
Assets - cash and investments	\$ 17,920	2,507	2,110	18,317
Liabilities - accounts payable	\$ 17,920	2,507	2,110	18,317
Highway 40 Trust Fund				
Assets - cash and investments	\$ 352,321	952	-	353,273
Liabilities - accounts payable	\$ 352,321	952	-	353,273
Miscellaneous Escrow Fund				
Assets - cash and investments	\$ 2,265,823	201,452	332,913	2,134,362
Liabilities - deposits held in escrow	\$ 2,265,823	201,452	332,913	2,134,362
Total - All Agency Funds				
Assets - cash and investments	\$ 2,738,054	227,815	366,237	2,599,632
Liabilities:				
Accounts payable	\$ 370,241	3,459	2,110	371,590
Deposits held in escrow	2,367,813	224,356	364,127	2,228,042
Total liabilities	\$ 2,738,054	227,815	366,237	2,599,632



e City of
Chesterfield

*690 Chesterfield Parkway West
Chesterfield, MO 63017
www.chesterfield.mo.us*

Statistical Section

CITY OF CHESTERFIELD, MISSOURI
Statistical Section
December 31, 2009

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

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	71 - 74
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	75 - 78
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	79 - 83
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	84 - 85
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	86 - 88

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

Table 1

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

Functions/Programs	December 31							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:								
Invested in capital assets, net of related debt	\$ 98,156,258	100,479,329	102,724,442	106,461,560	109,037,358	115,267,934	117,138,329	121,457,371
Restricted	32,087,452	30,772,578	30,719,989	31,608,907	34,529,805	23,417,047	19,381,550	16,484,472
Unrestricted	(39,180,430)	(36,474,538)	(33,197,547)	(23,133,146)	(9,797,015)	8,448,252	14,326,019	14,196,436
Total governmental activities net assets	<u>\$ 91,063,280</u>	<u>94,777,369</u>	<u>100,246,884</u>	<u>114,937,321</u>	<u>133,770,148</u>	<u>147,133,233</u>	<u>150,845,898</u>	<u>152,138,279</u>

Source: Basic financial statements

2002 was the year GASB Statement 34 was implemented.

Table 2

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

		For the years ended December 31							
		2002	2003	2004	2005	2006	2007	2008	2009
EXPENSES									
Primary Government									
Governmental activities:									
General government		\$ 2,779,184	2,596,258	2,732,076	2,820,464	2,828,371	3,012,569	3,104,859	3,239,574
Parks and recreation		1,733,646	1,759,887	1,819,602	1,200,554	3,279,634	3,631,874	4,114,605	4,529,859
Judicial		173,865	169,118	177,183	184,064	182,869	189,701	212,013	221,809
Planning		629,707	588,615	592,138	578,915	646,653	642,805	618,783	733,341
Development		-	-	-	-	-	-	785,752	854,705
Public works		16,058,649	14,763,996	12,830,243	14,714,417	14,847,845	10,246,596	14,402,877	14,701,716
Public safety		6,733,157	6,540,437	6,694,462	6,877,264	7,099,546	7,405,868	8,311,227	8,309,249
Community development		177,757	179,090	139,090	65,848	153,130	493,543	244,572	246,792
Interest on long-term debt		6,604,298	4,594,305	5,598,446	5,485,774	5,172,635	4,691,663	3,797,796	2,932,036
Total primary government expenses		34,890,263	31,191,706	30,583,240	31,927,300	34,210,683	30,314,619	35,592,484	35,769,081
PROGRAM REVENUES									
Primary Government									
Governmental activities:									
Charges for services:									
General government		496,784	541,361	621,344	635,359	694,115	667,663	740,083	683,912
Parks and recreation		419,918	420,887	459,308	778,892	868,600	1,012,857	977,961	1,027,958
Judicial		836,305	809,258	833,990	852,979	942,244	997,433	1,212,561	1,317,384
Planning		26,129	20,850	27,332	24,219	34,853	38,137	23,412	25,119
Public works		450,323	314,534	391,134	63,105	108,644	106,480	30,634	139,747
Public safety		161,588	63,924	49,255	39,342	41,293	47,106	53,391	60,126
Operating grants and contributions		378,601	4,901,639	4,005,610	3,623,959	4,036,605	4,614,543	4,197,473	5,094,736
Capital grants and contributions		28,119	1,396,652	365,850	1,464,064	417,894	2,374,841	1,364,332	2,202,831
Total primary government program revenues		2,797,767	8,469,105	6,753,823	7,481,919	7,144,248	9,859,060	8,599,847	10,551,813
Net Revenues (Expenses)									
Total primary government net expense		(32,092,496)	(22,722,601)	(23,829,417)	(24,445,381)	(27,066,435)	(20,455,559)	(26,992,637)	(25,217,268)
General Revenues and Other Changes in Net Assets									
Primary Government									
Governmental activities:									
Taxes:									
Property taxes		7,181,111	7,184,039	9,074,627	11,210,863	13,665,140	1,102,310	592,791	618,841
Sales taxes		12,621,361	12,961,633	13,764,998	19,524,090	22,574,494	22,281,097	17,635,148	16,212,514
Gross receipts tax (includes franchise tax)		4,789,699	4,985,577	5,013,234	5,473,216	5,617,717	6,267,218	8,766,303	8,512,571
Miscellaneous taxes (includes sewer lateral)		402,731	549,249	465,261	420,758	600,668	588,441	567,228	555,847
Investment earnings		1,022,026	486,186	524,489	2,020,949	3,211,400	3,098,984	2,039,470	522,906
Miscellaneous		4,755,027	270,006	456,323	485,942	229,843	480,594	1,104,362	86,970
Total primary government		30,771,955	26,436,690	29,298,932	39,135,818	45,899,262	33,818,644	30,705,302	26,509,649
Changes in Net Assets									
Total primary government		\$ (1,320,541)	3,714,089	5,469,515	14,690,437	18,832,827	13,363,085	3,712,665	1,292,381

Source: Basic financial statements

Note: The City participates in the county-wide sales tax sharing pool, therefore, sales tax is not the City's own source revenue.

2002 was the year GASB Statement 34 was implemented.

Table 3

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

	December 31							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005 (2)(3)</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund:								
Reserved	\$ 277,809	314,738	364,560	275,267	292,748	309,602	351,498	342,634
Unreserved	12,072,726	11,244,722	10,817,879	11,996,698	12,458,806	14,176,375	14,349,818	13,880,954
Total General Fund	<u>\$ 12,350,535</u>	<u>11,559,460</u>	<u>11,182,439</u>	<u>12,271,965</u>	<u>12,751,554</u>	<u>14,485,977</u>	<u>14,701,316</u>	<u>14,223,588</u>
All other governmental funds:								
Reserved	\$ -	-	-	225	2,330	-	-	6,500
Unreserved, reported in:								
Special Revenue Funds	22,317,105	21,811,714	23,147,435	23,265,228	24,330,552	13,447,429	10,998,460	5,686,835
Capital Project Funds	3,452	-	-	20,465,583	17,217,974	13,886,084	17,195,066	15,346,074
Debt Service Funds	9,513,950	9,751,696	8,388,403	24,695,143	28,515,584	19,653,766	11,695,484	1,615,780
Total all other governmental funds	<u>\$ 31,834,507</u>	<u>31,563,410</u>	<u>31,535,838</u>	<u>68,426,179</u>	<u>70,066,440</u>	<u>46,987,279</u>	<u>39,889,010</u>	<u>22,655,189</u>

Source: Basic financial statements.

- (1) The City began to report full accrual information in 2002 when it implemented GASB Statement No. 34. Ten years of data will be reported as it is accumulated.
- (2) In 2005, the City issued certificates of participation for parks. The proceeds were deposited in the Parks Construction Fund and the Capital Projects Fund. This presented the substantial increase in unreserved fund balance for Capital Projects Fund.
- (3) In 2005, the City crossover refunded the general obligation bonds for streets and sidewalks. The proceeds from bonds Series 2005 were presented as cash refunding escrow.

Table 4

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

	For the years ended December 31							
	2002	2003	2004	2005 (2)(3)	2006	2007	2008	2009
REVENUES								
Municipal taxes	\$ 23,810,751	26,088,776	27,821,141	33,643,318	43,693,416	29,088,401	26,871,744	25,049,540
Licenses and permits	1,052,996	1,115,271	1,223,489	1,276,560	1,379,243	1,941,746	1,325,226	1,315,006
Intergovernmental	3,717,677	5,454,920	4,347,485	4,683,411	4,199,971	5,136,608	5,313,490	6,299,859
Charges for services, net	589,478	557,289	593,756	908,601	1,057,308	1,208,166	1,084,311	1,145,326
Court fines and forfeitures	836,305	751,382	811,406	876,978	886,948	991,696	1,186,960	1,318,916
Investment income, net arbitrage	987,111	346,057	524,489	2,020,949	3,211,400	3,098,986	2,039,470	522,906
Miscellaneous	398,475	482,723	319,757	874,166	244,591	529,255	182,235	172,471
Total revenues	<u>31,392,793</u>	<u>34,796,418</u>	<u>35,641,523</u>	<u>44,283,983</u>	<u>54,672,877</u>	<u>41,994,858</u>	<u>38,003,436</u>	<u>35,824,024</u>
EXPENDITURES								
Government	2,447,091	2,291,412	2,300,146	2,301,756	2,460,393	2,658,362	3,785,219	2,994,955
Police services	6,393,749	6,411,744	6,494,154	6,693,967	6,884,131	7,283,151	7,657,346	7,995,242
Judicial	172,506	170,479	176,164	183,888	181,150	189,993	212,160	218,642
Planning and zoning	616,432	578,545	587,488	568,524	636,259	636,912	607,082	716,731
Development	-	-	-	-	-	-	769,796	834,007
Public works	10,738,816	9,158,419	8,967,526	8,375,518	9,682,059	6,773,775	8,762,130	5,628,196
Parks and recreation	1,237,505	1,251,006	1,417,304	3,669,292	2,768,369	2,848,683	3,220,587	3,450,284
Capital outlay	7,243,084	6,161,779	4,312,287	12,071,186	9,306,321	11,316,516	11,992,426	25,215,294
Debt service:								
Principal	7,187,714	8,048,468	8,523,797	12,023,986	15,804,389	27,547,419	8,464,192	13,665,000
Interest and fiscal charges	2,780,020	4,525,739	5,688,028	5,186,436	5,289,874	4,240,900	4,141,994	3,100,587
Debt issuance costs	906,064	-	344,757	671,131	-	-	211,034	308,915
Total expenditures	<u>39,722,981</u>	<u>38,597,591</u>	<u>38,811,651</u>	<u>51,745,684</u>	<u>53,012,945</u>	<u>63,495,711</u>	<u>49,823,966</u>	<u>64,127,853</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,330,188)</u>	<u>(3,801,173)</u>	<u>(3,170,128)</u>	<u>(7,461,701)</u>	<u>1,659,932</u>	<u>(21,500,853)</u>	<u>(11,820,530)</u>	<u>(28,303,829)</u>
OTHER FINANCING SOURCES (USES)								
Issuance of long-term debt	6,520,494	2,629,417	18,540,298	44,384,395	299,688	-	4,720,000	10,245,000
Refunding of long-term debt	50,780,542	-	654,262	945,638	-	-	5,255,000	-
Premium on issuance of long-term debt	-	-	-	-	-	-	24,935	71,188
Sale of capital assets	177,094	109,584	65,975	111,535	160,230	156,115	182,665	276,092
Payments to escrow agent	(39,065,314)	-	(16,495,000)	-	-	-	(5,245,000)	-
Transfers in	13,053,101	29,354,033	28,962,676	36,987,211	28,658,350	24,786,853	15,515,877	8,677,617
Transfers out	<u>(13,053,101)</u>	<u>(29,354,033)</u>	<u>(28,962,676)</u>	<u>(36,987,211)</u>	<u>(28,658,350)</u>	<u>(24,786,853)</u>	<u>(15,515,877)</u>	<u>(8,677,617)</u>
Total other financing source (uses)	<u>18,412,816</u>	<u>2,739,001</u>	<u>2,765,535</u>	<u>45,441,568</u>	<u>459,918</u>	<u>156,115</u>	<u>4,937,600</u>	<u>10,592,280</u>
Net change in fund balances	<u>\$ 10,082,628</u>	<u>(1,062,172)</u>	<u>(404,593)</u>	<u>37,979,867</u>	<u>2,119,850</u>	<u>(21,344,738)</u>	<u>(6,882,930)</u>	<u>(17,711,549)</u>
Debt service as a percentage of noncapital expenditures								
	32.67%	55.84%	71.14%	80.99%	87.72%	169.54%	48.67%	63.26%

(1) The City began to report full accrual information in 2002 when it implemented GASB 34. Ten years of data will be reported as it is accumulated.

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

Table 5

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

Fiscal Year	Real Property			Personal Property	Railroad and Utilities	Total Taxable Assessed Total	Total Direct Tax Rate
	Residential Property	Commercial Property	Agricultural Property				
2000	\$ 896,862	\$ -	\$ -	\$ 225,781	\$ 15,328	\$ 1,137,971	0.10
2001	1,023,122	-	-	235,079	17,702	1,275,903	0.06
2002	1,047,229	-	-	242,743	18,849	1,308,821	0.06
2003	813,951	296,483	1,657	232,851	14,350	1,359,292	0.06
2004	830,445	301,374	1,656	230,121	14,332	1,377,928	0.06
2005	933,248	352,577	1,622	246,081	14,784	1,548,312	0.06
2006	944,720	371,196	1,620	262,980	15,279	1,595,795	0.06
2007	1,153,500	452,116	1,442	271,041	15,186	1,893,285	0.06
2008	1,171,642	467,500	1,459	289,434	14,740	1,944,775	0.03
2009	1,103,428	490,039	1,329	275,453	16,015	1,886,264	0.03

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

(2) Assessments are based on a percentage of estimated actual values. Real property is classified as residential, agricultural, or commercial. Residential property is assessed at 19%, agricultural is assessed at 12%, and commercial is assessed at 32%. All railroad and utility property is assessed at 32%. All personal property is assessed at 33 1/3%. Real property is reassessed biannually in odd-numbered years.

(3) The City was incorporated on June 1, 1988. No property tax was levied by the City until 1995 when the voters approved an \$11 million general obligation bond issue for parks. The entire levy funds debt service.

(4) The City participates in the county-wide sales tax sharing pool, therefore, sales tax is not the City's own source revenue.

Table 6

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

	December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Taxes levied on all property in the City:										
City of Chesterfield	0.100	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.030	0.030
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
St. Louis County	0.580	0.580	0.580	0.580	0.580	0.558	0.558	0.558	0.558	0.523
Special School District	0.623	0.835	0.849	0.864	0.905	0.840	0.824	0.908	0.918	0.938
St. Louis Community College	0.240	0.230	0.232	0.231	0.237	0.223	0.223	0.200	0.201	0.214
St. Louis County Library	0.140	0.140	0.140	0.140	0.150	0.150	0.150	0.150	0.150	0.140
Metropolitan St. Louis Sewer District (Extension)	0.020	0.019	0.019	0.019	0.019	0.019	0.019	0.014	-	-
Metropolitan Zoological Park and Museum District	0.232	0.222	0.222	0.226	0.276	0.265	0.261	0.233	0.234	0.249
Sheltered Workshop	0.085	0.085	0.085	0.085	0.085	0.082	0.085	0.085	0.090	0.074
Total	<u>2.050</u>	<u>2.201</u>	<u>2.217</u>	<u>2.235</u>	<u>2.342</u>	<u>2.227</u>	<u>2.210</u>	<u>2.238</u>	<u>2.212</u>	<u>2.198</u>
School districts (2):										
Parkway	3.590	3.603	3.455	3.511	3.692	3.709	3.641	3.733	3.900	3.410
Rockwood	4.480	4.525	4.421	4.439	4.633	4.507	4.418	3.999	3.923	4.008
Fire protection districts (3):										
Metro West	1.030	1.021	0.972	0.997	1.098	1.028	1.091	1.001	1.060	0.977
Monarch	1.020	1.019	0.995	0.979	1.067	1.061	1.060	0.988	1.059	0.826

Notes:

- (1) The City levied property tax in 1995 when the voters approved an \$11 million general obligation bond issue for parks. The entire levy funds debt service.
- (2) All property is located in one of the two school districts whose boundaries include part of the City.
- (3) All property is located in one of the two fire protection districts whose boundaries include part of the City.
- (4) In 2008, Metropolitan St. Louis Sewer District implemented a new impervious stormwater rate in lieu of the property tax rate.

Source: St. Louis County Collector

Table 7

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

Taxpayer	2009				2000			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
THF Chesterfield Development LLC	\$ 53,976	1	2.86	%	\$ 20,951	2	1.84	%
Pfizer, Inc.	37,788	2	2.00		-		-	
Pharmacia	31,139	3	1.65		-		-	
Chesterfield Mall	28,974	4	1.54		-		-	
Ameren UE	22,377	5	1.19		11,982	5	1.05	
FSP Timberlake Corp.	15,318	6	0.81		12,389	4	1.09	
Scott Properties LP/Scott Family Properties LP	14,657	7	0.78		-		-	
Missouri American Water Company	13,708	8	0.73		-		-	
Chesterfield Village, Inc.	11,642	9	0.62		-		-	
G&E Healthcare REIT Chesterfield Rehab H	10,465	10	0.55		-		-	
St. Lukes Episcopal Presbyterian Hospital	-		-		7,479	7	0.66	
Monsanto Company	-		-		30,656	1	2.69	
JG St. Louis West Limited Liability Co. Gal.	-		-		16,959	3	1.49	
Realty Associates	-		-		8,896	6	0.78	
Wild Horse Joint Venture	-		-		6,646	8	0.58	
St. Louis County Water	-		-		5,842	9	0.51	
Chesterfield Ridge Center	-		-		5,583	10	0.49	
Total	<u>\$ 240,044</u>		<u>12.73</u>	%	<u>\$ 127,383</u>		<u>11.18</u>	%

Source: St. Louis County Department of Collection

Table 8

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

Fiscal Year Ended December 31	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 5,425	\$ 4,925	90.8 %	\$ 380	\$ 5,305	97.8 %
2001	7,069	6,451	91.3	152	6,603	93.4
2002	7,257	6,556	90.3	(3)	6,553	90.3
2003	8,169	7,740	94.7	613	8,352	102.2
2004	9,160	8,657	94.5	534	9,190	100.3
2005	12,158	8,786	72.3	164	8,950	73.6
2006	13,365	13,083	97.9	2,685	15,768	118.8
2007 (1)	1,042	909	87.2	37	946	90.8
2008 (2)	583	510	87.5	-	510	87.5
2009	566	478	84.5	-	478	84.5

Source: St. Louis County - Collector of Revenue

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

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

Table 9

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

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Personal Income (4)	Per Capita
	General Obligation Bonds (2)	Tax Increment Notes	Tax Increment Bonds	Lease Revenue Bonds (3)	Less - Reserve for Debt Service			
2000	\$ 35,470	\$ 33,758	\$ -	\$ 20,035	\$ (1,766)	\$ 87,497	4.32 %	2,067
2001	34,175	34,710	-	19,920	(1,680)	87,125	4.30	1,862
2002	32,805	1,100	50,791	19,575	(1,570)	102,701	5.26	2,194
2003	31,365	3,571	45,020	19,050	(1,416)	97,590	4.81	2,085
2004	29,840	5,951	38,885	18,440	(1,374)	91,742	4.35	1,960
2005	46,010	6,376	29,335	43,135	(1,075)	123,781	5.72	2,645
2006	44,350	6,132	16,650	42,220	(1,059)	108,293	4.84	2,314
2007	34,990	5,574	-	41,240	(1,508)	80,296	3.49	1,716
2008	33,190	-	-	44,880	(1,537)	76,533	3.30	1,635
2009	21,445	-	-	53,205	-	74,650	3.09	1,595

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

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

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (2)	Per Capita (3)
	General Obligation Bonds	Redevelopment Bonds	Total		
2000	\$ 35,470	\$ -	\$ 35,470	3.12 %	838
2001	34,175	-	34,175	2.68	730
2002	32,805	50,791	83,596	6.39	1,786
2003	31,365	45,020	76,385	5.62	1,632
2004	29,840	38,885	68,725	4.99	1,468
2005	46,010	29,335	75,345	4.87	1,610
2006	44,350	16,650	61,000	3.82	1,303
2007	34,990	-	34,990	1.85	748
2008	33,190	-	33,190	1.71	709
2009	21,445	-	21,445	1.14	458

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

CITY OF CHESTERFIELD, MISSOURI
Net Assets by Component
Direct and Overlapping Governmental Activities Debt
As of December 31, 2009
(dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
St. Louis County	\$ 49,050	7.05 %	\$ 3,458
Monarch -Chesterfield Levee District (1)	31,005	99.70	30,912
Parkway School District (1)	142,481	24.58	35,022
Rockwood School District (1)	169,975	27.16	46,165
Monarch Fire Protection District (1)	1,225	73.47	900
Metro-West Fire Protection District	8,015	72.90	5,843
Subtotal, overlapping debt			<u>122,300</u>
City direct debt	21,445	100.00	<u>21,445</u>
Total direct and overlapping debt			<u><u>\$ 143,745</u></u>

- Notes: (1) Only portions of the school and fire districts are located within the City boundaries. The applicable amounts refer to that portion of the district that is contained within the City's boundary. Therefore, the applicable amounts refer to portions of the City's taxpayers.
- (2) Based upon a population of 46,802.

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

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

	December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$113,797	127,590	130,882	135,929	137,792	154,831	159,710	189,328	194,478	188,626
Total net debt applicable to limit	80,094	32,495	34,375	29,949	28,466	44,935	43,291	33,713	33,190	21,445
Legal debt margin	<u>\$ 33,703</u>	<u>95,095</u>	<u>96,507</u>	<u>105,980</u>	<u>109,326</u>	<u>109,896</u>	<u>116,419</u>	<u>155,615</u>	<u>161,288</u>	<u>167,181</u>
Total net debt applicable to the limit as a percentage of debt limit	70.38 %	25.47	26.26	22.03	20.66	29.02	27.11	17.81	17.07	11.37

Legal debt margin calculation for fiscal year 2009:

Assessed value	\$ 1,886,264
Debt limit (10% of assessed value)	<u>\$ 188,626</u>
Debt applicable to limit	<u>21,445</u>
Legal debt margin	<u>\$ 167,181</u>

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

Table 13

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

Fiscal Year	TIF Refunding and Improvement Bonds (1)							Park Sales Tax Bonds (2)					
	TIF Sales Tax	TIF Property Tax	Less - Operating Expense	Net Available Revenue	Debt Service		Coverage	Park Sales Tax	Less - Operating Expense	Net Available Revenue	Debt Service		Coverage
					Principal	Interest					Principal	Interest	
2002	\$ 3,068,751	\$ 5,813,966	\$ 1,030,281	\$ 7,852,436	\$ -	\$ 939,762	8.36	\$ -	\$ -	\$ -	\$ -	\$ -	-
2003	3,623,110	7,648,644	1,741,524	9,530,230	5,925,000	1,930,577	1.21	-	-	-	-	-	-
2004	4,110,227	8,362,410	2,792,932	9,679,705	6,135,000	1,834,414	1.21	-	-	-	-	-	-
2005	5,839,775	8,099,493	4,154,206	9,785,062	9,550,000	1,814,049	0.86	3,422,207	1,838,647	1,583,560	-	920,046	1.72
2006	7,550,517	14,837,448	5,468,532	16,919,433	2,980,000	1,721,609	3.60	4,907,397	4,179,091	728,306	440,000	1,089,528	0.48
2007	-	-	-	-	-	-	-	5,179,120	4,084,737	1,094,383	495,000	1,076,329	0.70
2008	-	-	-	-	-	-	-	6,190,899	3,681,644	2,509,255	560,000	1,061,480	1.55
2009	-	-	-	-	-	-	-	5,748,769	3,515,332	2,233,437	1,355,000	1,334,471	0.83

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

(1) TIF Revenue Bonds are backed by sales and property taxes in the Chesterfield Valley. During 2007, the TIF Bonds were retired.

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

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

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	School Enrollment		Unemployment Rate
				Parkway School District	Rockwood School District	
2000	42,325	\$ 2,025,965	\$ 47,867	20,193	21,034	3.5 %
2001	46,802	2,025,965	43,288	19,849	20,924	4.6
2002	46,802	1,951,550	41,698	19,657	20,511	5.4
2003	46,802	2,030,832	43,392	19,304	20,063	5.8
2004	46,802	2,110,817	45,101	18,904	19,725	5.9
2005	46,802	2,165,698	46,274	18,273	19,583	5.5
2006	46,802	2,237,166	47,801	18,787	22,174	4.6
2007	46,802	2,299,807	49,139	17,717	22,185	4.9
2008	46,802	2,321,052	49,593	19,000	22,300	5.2
2009	46,802	2,419,336	51,693	19,000	22,300	5.4

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

School enrollment information provided by Parkway and Rockwood School Districts.

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

Note: Per capita personal income for year 2006 using consumer price index for midwest state as a percent change from 2005.

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

<u>Employer</u>	<u>2009</u>				<u>2000</u>			
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	
St. Lukes Hospital	3,645	1	10.41	%	*n/a	-	*n/a	%
Pfizer	1,077	2	3.08		*n/a	-	*n/a	
Parkway School District	1,027	3	2.93		*n/a	-	*n/a	
McBride & Sons Management Co.	700	4	2.00		*n/a	-	*n/a	
Reinsurance Group of America, Inc.	607	5	1.73		*n/a	-	*n/a	
Amdocs, Inc.	550	6	1.57		*n/a	-	*n/a	
Mercy Health Plans	370	7	1.06		*n/a	-	*n/a	
Rockwood School District	363	8	1.04		*n/a	-	*n/a	
IKON Office Solutions	293	9	0.84		*n/a	-	*n/a	
Technology Partners, Inc.	289	10	0.83		*n/a	-	*n/a	
Total	<u>8,921</u>		<u>25.50</u>	%	<u>*n/a</u>		<u>*n/a</u>	%

Source: Business License database from Finance Division

*Employment information for 2000 is not available.

Table 16

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

Functions/Programs	For the years ended December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government:										
Elected officials	8	9	9	9	9	9	9	9	9	9
City Administrator	2	2	2	2	2	2	2	2	2	2
Community development	-	-	-	-	-	2	2	1	-	-
Customer service	3	4	5	4	4	5	5	3	4	4
Finance	6	6	6	6	6	6	7	7	7	7
Information systems	2	4	4	4	3	3	3	3	3	3
Court	3	3	3	3	3	3	3	3	3	3
Economic development	-	-	-	-	-	-	-	-	2	2
Planning	9	11	11	10	11	9	12	11	10	11
Police:										
Officers	86	86	84	86	80	79	83	86	87	89
Civilians	9	9	10	10	10	9	9	10	9	9
Public works:										
Engineering	16	14	16	16	16	15	16	17	18	21
Street maintenance	36	38	35	36	31	27	31	30	29	31
Vehicle maintenance	5	5	5	5	5	5	5	5	5	5
Building maintenance	-	1	6	6	6	6	6	6	7	7
Parks and recreation	10	11	12	12	18	22	24	26	30	30
Total	<u>195</u>	<u>203</u>	<u>208</u>	<u>209</u>	<u>204</u>	<u>202</u>	<u>217</u>	<u>219</u>	<u>225</u>	<u>233</u>

Source: Payroll Report, Finance Department

Table 17

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

Functions/Programs	For the years ended December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Adult arrests	1,430	1,422	1,258	1,268	1,071	1,146	994	1,099	1,132	1,679
Juvenile arrests	341	474	418	378	277	343	262	281	392	236
Parking violations	661	477	449	429	475	420	487	374	423	462
Traffic violations	10,451	10,226	9,935	8,409	8,499	9,104	9,491	9,183	12,235	12,087
Non-traffic ordinance violations	1,624	1,689	1,585	1,636	1,580	1,158	863	1,703	1,940	1,529
Public works:										
Street work orders completed	121	121	49	79	106	526	47	94	66	72
Sidewalk work orders completed	165	1,105	160	471	418	145	224	516	436	219
Tree trimming work orders completed	482	485	428	584	724	647	714	840	1,063	867
Storm sewer repairs	73	91	91	64	58	34	33	42	55	48
Sewer lateral repairs (1)	-	90	88	84	65	63	73	100	95	78
Handicap accessible sidewalk ramps installed (2)	-	39	10	44	21	15	23	18	21	52
Parks and recreation:										
Athletic field rental hours (3)	3,225	6,228	8,109	9,909	10,195	12,365	14,305	14,160	13,293	13,648
Aquatic Center admissions	37,268	40,844	40,551	29,275	28,977	38,439	40,834	56,499	52,588	44,693
Planning:										
Zoning approvals for construction	1,428	1,204	1,277	1,609	1,392	1,471	1,223	1,192	965	1,118
Building permits for new construction	938	849	867	1,024	985	981	779	157	51	74
Building permits for alterations/additions	3,261	3,010	3,163	4,093	4,176	4,416	4,491	4,824	4,173	3,714
Finance and administration:										
Business licenses issued	1,503	1,608	1,479	1,723	2,189	2,010	1,902	2,293	2,128	2,081
Vending licenses issued	879	943	931	901	978	1,005	953	773	804	846
Liquor licenses issued	178	200	95	212	237	117	125	262	159	140
Solicitor licenses issued	30	30	36	37	32	26	30	70	40	51

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

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

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

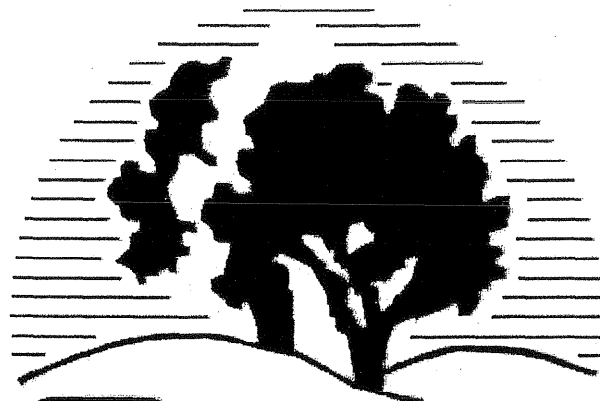
Sources: City of Chesterfield Annual Reports (2000-2009), City of Chesterfield Annual Budgets (2000-2009), various City departments

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

Functions/Programs	For the years ended December 31									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sectors	6	6	6	6	6	6	6	6	6	6
Marked patrol units	26	26	26	27	30	30	30	32	35	36
Public works:										
Streets (miles)	150	150	161	161	161	161	163	167	167	167
Streetlights	10	10	10	10	10	10	10	184	184	184
Parks and recreation:										
Acreage	200	200	200	200	200	254	293	293	295	352
Playgrounds	1	2	3	3	3	3	3	3	3	2
Baseball/softball diamonds	12	12	14	24	24	25	27	27	27	29
Soccer fields	7	7	7	7	7	9	9	9	9	9
Football fields	-	-	-	-	-	2	7	7	7	7
Multi-purpose fields	-	-	-	-	-	-	2	2	2	2
Athletic Complex	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1

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

Source: City of Chesterfield Annual Reports (2000-2009), City of Chesterfield Annual Budgets (2000-2009), various City departments



e City of
Chesterfield

*690 Chesterfield Parkway West
Chesterfield, MO 63017
www.chesterfield.mo.us*