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1-1-2005

## Annual Report, 2004

City of Bella Villa

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# **CITY OF BERKELEY MISSOURI**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**JUNE 30, 2004**



*6140 North Hanley Road Berkeley, Missouri 63134*  
*[www.cityofberkeley.us](http://www.cityofberkeley.us)*

**CITY OF BERKELEY, MISSOURI**

**Comprehensive Annual Financial Report  
For The Fiscal Year Ended June 30, 2004**

Prepared by the Finance Department  
Dorian Stewart, Finance Director

**CITY OF BERKELEY, MISSOURI**  
**FINANCIAL REPORT**

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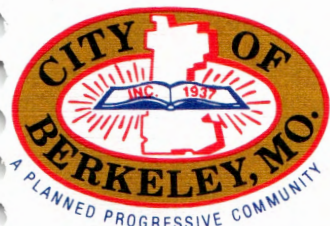
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**FINANCIAL REPORT**

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December 1, 2004

To the Honorable Mayor, City Council and Citizens of the City of Berkeley:

The comprehensive annual financial report of the City of Berkeley, Missouri (the City) for the fiscal year ended June 30, 2004, is hereby submitted. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the 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 both 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 conformity with U.S. generally accepted accounting principles (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 were 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 financial statements of the City for the fiscal year ended June 30, 2004, are free of material misstatement. The independent audit involved 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; and evaluating the overall 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 June 30, 2004, are fairly presented in conformity with GAAP. The independent auditor's 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 Management's Discussion and Analysis (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 report of the independent auditors.



## **Profile of the Government**

The City is a community of approximately 10,000 residents located five (5) miles northwest of the western city limits of the City of St. Louis. The City is located on the eastern edge of Lambert-St. Louis International Airport and is bisected by Highway I-170. The City extends just south of Highway I-70 and extends northward nearly to Highway I-270. The City covers 4.92 square miles and is bordered by the City of Hazelwood on the north; the Cities of Ferguson, Kinloch, and Cool Valley to the east; Bel Ridge and St. John to the south and Woodson Terrace and Lambert-St. Louis International Airport to the west. The North Hanley stop of the MetroLink light rail mass transit system is located in the City.

The City was incorporated in 1937 as a charter city under Missouri statute. The City now operates as a Home Rule Charter City, with a Council/Manager form of government. The charter was approved by the citizens of the City in 1957 and amended in 1960, 1963, 1972, and 1986.

Under the Home Rule Charter, the City has seven (7) City Council Members. Five (5) are elected from the City's five (5) wards and the Mayor and one (1) Councilperson-at-large are elected by the entire City. Under the Charter, the Mayor is referred to as a Councilman and all further references to the City Council include the Mayor. All elected officials serve four (4) year terms.

The City Manager is appointed by the City Council and serves at the pleasure of the elected body. The City Manager is responsible for directing, supervising, and monitoring all City departments, personnel, and operations. The City Manager is charged with managing the City in a fiscally prudent and proficient manner on a day-to-day basis and reports directly to the City Council.

The City is comprised of six (6) departments: (i) Administration/Finance, (ii) Municipal Court, (iii) Police Protection, (iv) Fire Protection, (v) Public Works, and (vi) Parks, and Recreation. Department Directors report directly to the City Manager, while supervisors report to their respective department heads.

The City Council directly controls the appointed positions of City Manager, Municipal Judge, and City Clerk. The City Attorney is appointed by the City Manager, with the approval of the City Council. All other employees serve under a performance based personnel system established by the City Charter. The City Manager, the Chief Administrative Officer of the City, serves at the pleasure of the mayor and City Council and is directed to carry out all matters of policy decided by the City Council. The City Clerk is the City's chief record keeper and in addition to recording all minutes of Council proceedings and preparing City Council agenda, notifications, etc., will perform such other duties as required by the City. The City Attorney is the City's chief legal counsel, also serving at the pleasure of the elected body. The City Attorney is responsible for providing legal guidance to the Mayor, City Council, and the City Manager.

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 appropriations to the Finance Director. These requests are then used as a starting point for developing a proposed budget. The Finance Director presents this proposed budget to the City Manager for review. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the financial statements for the governmental funds.

## **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 economic condition and outlook of the City has been stable in recent years. The City's housing stock, geographic location, and variety of services have kept real estate marketable. Commercial vacancies remain modest while the potential for further retail and industrial development appears favorable within the next five years.

The City's tax structure relies primarily on all sales taxes and utility taxes. Utility tax receipts are likely to continue to increase at a modest rate. Property taxes and sales tax receipts are expected to stabilize or increase slightly in the coming year. General sales tax receipts decreased in fiscal year 2003 due to uncertainty in the economy. The City has demonstrated its ability to compress government expenditures to accommodate a tight economy or temporary downturn in revenue. It is anticipated this trait will continue.

**Long-term financial planning.** Park renovations and new program planning is slated for completion in spring of 2005. Recreation operating costs will be covered by fees charged and the quarter cent sales tax.

All stormwater projects with the Department of Natural Resources (DNR) are nearing completion, and no new grants have been accepted to date. Expenditures for stormwater projects should be minimal unless new grants are found.

The City continues to evaluate the City's transportation system. Several projects are in the planning stages. Partial funding for these is anticipated to come from grant funding.

In an effort to improve local economy, the City is working to redevelop two significant projects. Use of TIF and TDD tools will be necessary to undertake these projects. Upon the completion of this redevelopment, these projects are anticipated to contribute growth to City's tax revenues.

**Cash management policies and practices.** Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. Treasury, and repurchase agreements. The maturities of the investments range from three months to three years, with a weighted average maturity of one year and three months. The average yield on investments was 1% for the government and an average yield of 8.5% for the police and firemen's pension fund. The higher rate of return for the pension fund is attributable to the long-term character of most of its investment holdings.

**Risk management.** The City maintains risk management programs by purchasing liability and property insurance through private insurance carriers. The City strives to obtain the lowest cost for insurance without sacrificing coverage.

The City has implemented a risk management program. As part of this comprehensive plan, various control techniques, including employee accident prevention training, safety meetings, and departmental first aid training have been implemented to minimize accident-related losses.

**Pension.** The City sponsors a single-employer defined benefit pension plan for its full-time police officers and firemen. Each year, an independent actuary engaged by the pension plan calculates the amount



of the annual contribution that the City must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. The City has been able to fully fund its annual required contribution to the pension plan as determined by the actuary in nearly every year since the plan's inception. As a result of the City's conservative funding policy, the City has succeeded as of June 30, 2004, in funding 100% of the present value of the projected benefits earned by employees.

The City also provides pension benefits for its non-uniformed employees. These benefits are provided through LAGERS, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. For 2004, the City's annual actual pension cost was equal to the required contribution, as determined by the 2004 actuarial valuation. For the valuation year ended 2004, LAGERS has funded 180% of projected required funds with a full funding period projected at 15 years.

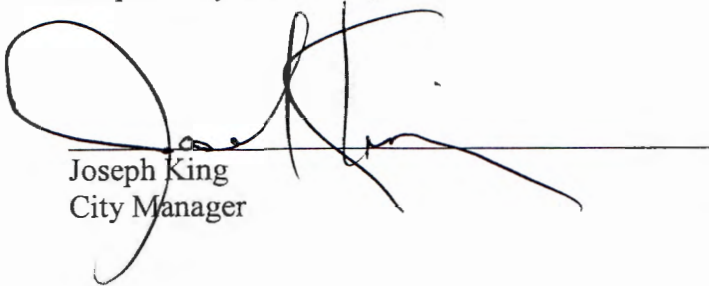
### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report in seven previous years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

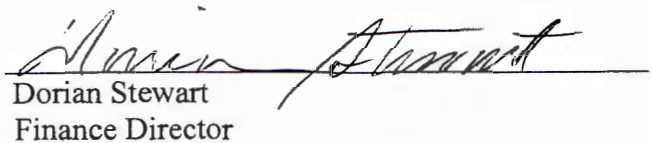
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully Submitted,



Joseph King  
City Manager



Dorian Stewart  
Finance Director

**CITY OF BERKELEY, MISSOURI**  
**PRINCIPAL OFFICIALS**

---

**MAYOR**

Kyra Watson

**CITY COUNCIL MEMBERS**

Gwen Verges, Ward I  
Irene Calton, Ward II  
Lee Etta Hoskins, Ward III  
Louvenia Mathison, Ward IV  
Jean Montgomery, Ward V  
Babatunde Deinbo, Councilperson-at-Large

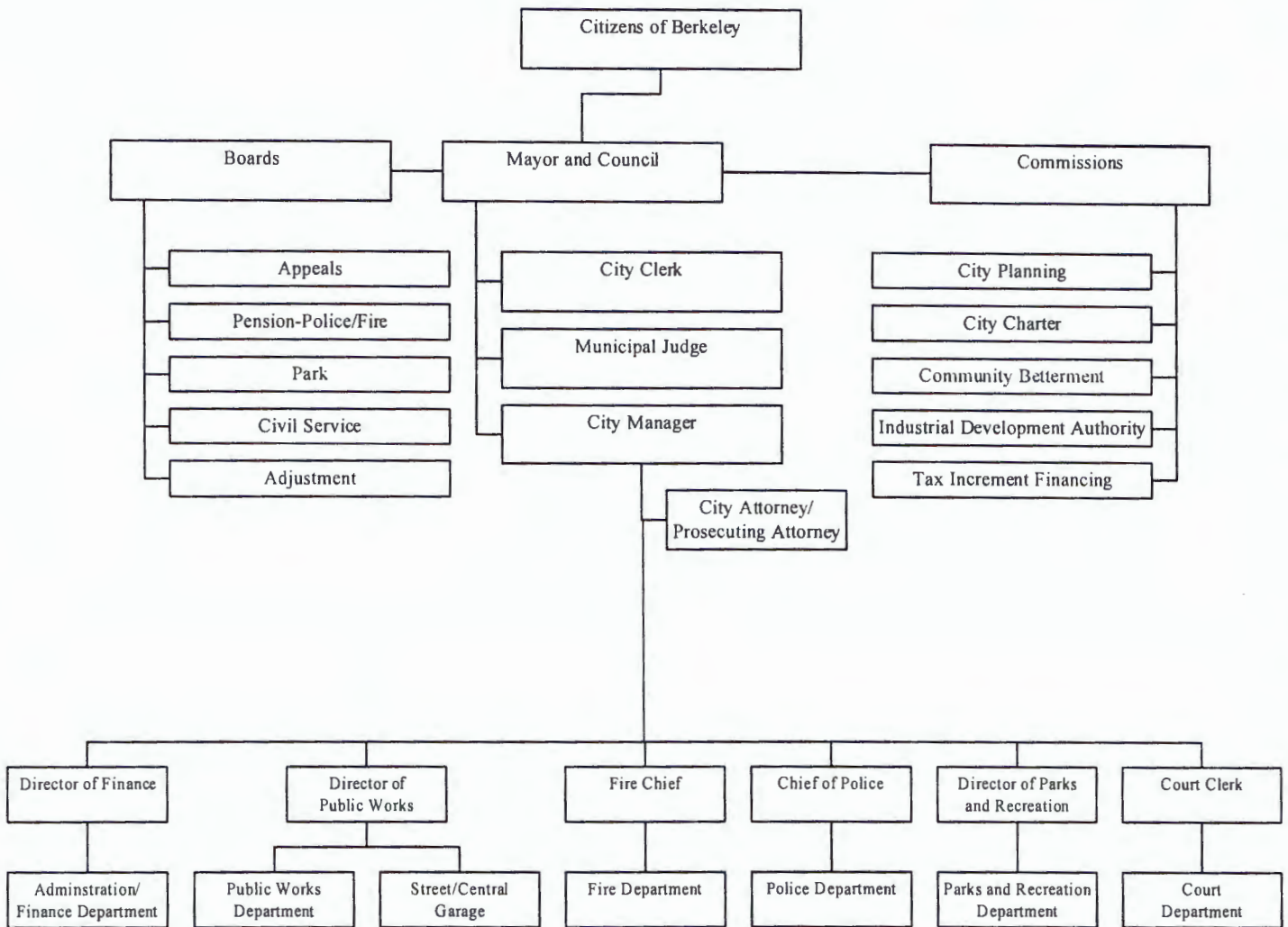
**COUNCIL-APPOINTED OFFICIALS**

Joseph King, City Manager  
Donnell Smith, City/Prosecuting Attorney  
Carol Calendar, City Clerk  
Jennifer H. Fisher, Municipal Judge

**MANAGEMENT STAFF**

Dorian E. Stewart, Finance Director  
Robert N. Jenne, Chief of Police  
Henry Williams, Fire Chief  
Jon W. Langerack, Director of Public Works  
Jeffrey D. Powell, Director of Parks and Recreation  
Diane L. Downey, Municipal Court Clerk

# CITY OF BERKELEY, MISSOURI ORGANIZATION CHART







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

## INDEPENDENT AUDITORS' REPORT

November 9, 2004

Honorable Mayor and City Council  
**CITY OF BERKELEY, MISSOURI**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF BERKELEY, MISSOURI** (the City) as of and for the year ended June 30, 2004, which collectively comprise the City's basic financial statements as listed in the accompanying 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2004, and the respective changes in financial position, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

During 2004, the City has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

- 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



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The Management's Discussion and Analysis and Budgetary Comparison Information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the 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 purpose of additional analysis and is not a required part of the basic financial statements. This supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements take as a whole.

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

*Hochschild, Bloom & Company LLP*

**CERTIFIED PUBLIC ACCOUNTANTS**



**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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This section of the City of Berkeley's (the City) financial report presents an easily readable analysis of the City's financial activities based on currently known facts, decisions and conditions. We encourage readers to consider the information presented here in conjunction with additional information, which is furnished in our letter of transmittal. Due to the fact that this is the first year the current financial reporting model has been used, comparisons with the previous year are limited. For a comprehensive understanding of the financial statements, please review the City's financial statements, including the footnotes that follow the Management's Discussion and Analysis (MD&A).

**Financial Highlights**

On a government-wide basis, the City's total liabilities exceeded its assets for the most recent fiscal year by \$449,223.

Governmental activities had net assets of (\$449,223). This negative amount is due to tax increment revenue bonds and notes, including accrued interest, totaling \$747,622 outstanding at year-end for a development not owned by the City.

The cost of the City's government activities was \$10,505,663 in fiscal year 2004.

As of June 30, 2004, the City's governmental funds reported combined ending fund balances of \$70,624.

**Overview of the Financial Statements**

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide Financial Statements**

The first set of financial statements are the government-wide statements which report information about the City as a whole using accounting methods similar to those used by private-sector businesses. The two government-wide statements, statement of net assets and statement of activities, report the City's net assets and how they have changed.

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. Increases and decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The statement of net assets also provides information on unrestricted and restricted net assets and net assets invested in capital assets, net of related debt.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of timing of related cash flows.



**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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The statement of activities presents the various functions of the City and the degree by which they are supported by charges for services, federal and state grants, tax revenues and investment income.

The government activities of the City include administrative, public safety, public works, and parks and recreation as well as interest and fiscal charges.

The government-wide financial statements can be found on pages 12 and 13 of this report.

### **Fund Financial Statements**

The second set of statements are fund financial statements, which provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. The funds of the City can be divided into the following two categories: governmental fund and fiduciary funds. It should be noted that the City does not have any proprietary funds.

- 1. Governmental Funds** - Governmental funds tell how general governmental services were financed in the short-term as well as what financial resources remain available for future spending to finance City programs.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

The City maintains several individual governmental funds according to their type (General, Special Revenue, and Debt Service Funds). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Park Fund, Capital Fund, and Public Building Bonds/Interest Sinking Fund which are considered to be major funds. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements.

The governmental fund financial statements can be found on pages 14 through 17 of this report.



**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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2. **Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the City. The City is the trustee or fiduciary responsible for assets, which can be used only for the trust beneficiaries per trust arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The City's Pension Trust Fund is reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The statement of fiduciary net assets can be found on pages 18 and 19 of this report.

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

The notes to the financial statements 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 20 through 39 of this report.

### **Required Supplemental Information**

In addition to the basic financial statements and notes to the financial statements, this report presents required supplementary information concerning the City's budgetary comparisons for the General Fund, Park Fund, and Capital Fund, which can be found on pages 41 through 47 of this report.

### **Other Supplemental Information**

The combining and individual fund statements provide fund level detail for all nonmajor governmental funds. These statements and schedules can be found on pages 50 through 56 of this report.

### **Financial Analysis of the City as a Whole**

This is the first year that the City has presented its financial statements under the new reporting model required by the Government Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Because this reporting model significantly changes both the recording and presentation of financial data, the City has not restated prior fiscal years for the purpose of providing comparative information for the MD&A. In future years when prior year information is available, a comparative analysis of government-wide data will be included in this report.

### **Net Assets**

The City's combined net assets were (\$449,223).

The condensed statement of net assets for governmental activities was as follows:

**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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	<u>June 30, 2004</u>
<b>ASSETS</b>	
Current and other assets	\$1,676,234
Capital assets, net	<u>2,903,667</u>
Total Assets	<u>4,579,901</u>
<b>LIABILITIES</b>	
Long-term debt outstanding	3,841,674
Other liabilities	<u>1,187,450</u>
Total Liabilities	<u>5,029,124</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	2,840,550
Restricted	513,382
Unrestricted	<u>(3,740,763)</u>
Total Net Assets	<u>(\$ 449,223)</u>

As shown in the above schedule, the liabilities exceeded assets by (\$449,223) at the close of the current year. This deficit balance is due to the City's tax increment financing (TIF) long-term debt which is due in more than one year, and which will be paid out of TIF revenue. The TIF debt is not a general obligation of the City as was noted under the financial highlights. The property is not owned by the City.

A portion of the City's net assets reflects its investment of \$2,903,667 in capital assets (e.g. land, buildings, and equipment) less any related outstanding debt used to acquire those assets of \$63,117. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments 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 liquidated for these liabilities.

**Changes in Net Assets**

The City's total revenue on a government-wide basis was \$9,262,981. Taxes represent 68% of the City's revenue. Charges for services represent 22%, and the remainder is interest earnings, state and federal aid (intergovernmental), sale of assets, and miscellaneous revenues.

The total cost of all programs and services was \$10,505,663. The City's expenses cover a range of typical city services. The largest program was public safety (police and fire).

The condensed statement of activities for governmental activities was as follows:



**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>For The Year Ended <u>June 30, 2004</u></b>
<b>REVENUES</b>	
Program revenues:	
Charges for services	\$ 2,029,061
Operating grants and contributions	629,384
Capital grants and contributions	133,084
General revenues:	
Taxes	6,337,627
Sale of assets	32,000
Investment income	24,639
Miscellaneous	<u>77,186</u>
Total Revenues	<u>9,262,981</u>
 <b>EXPENSES</b>	
General government	2,614,777
Public safety	5,526,657
Public works	1,611,440
Parks and recreation	460,710
Interest expense	<u>292,079</u>
Total Expenses	<u>10,505,663</u>
 <b>CHANGE IN NET ASSETS</b>	 (1,242,682)
 <b>NET ASSETS, JULY 1</b>	 <u>793,459</u>
 <b>NET ASSETS, JUNE 30</b>	 ( <u>\$ 449,223</u> )

Governmental activities decreased the City's net assets by \$1,242,682. Since this is the first year for government-wide reporting, detailed changes from last year to this cannot be reported.

**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 on the City's governmental funds is to provide information and balances of available spendable 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.

**CITY OF BERKELEY, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2004**

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At the end of the current fiscal year, the unreserved fund balance of the General Fund was (\$1,142,323), while the total fund balance of all governmental funds was \$70,624.

The fund balance in the City's General Fund decreased by \$1,411,157 from the prior year's fund balance. The change of the current fiscal year's fund balance is mainly due to:

- Sales tax revenues decreased due to the general trend evidenced in a slowing economy
- Lower interest rates and less available capital to invest

### **Fiduciary Funds**

The City maintains fiduciary funds for the assets of the uniformed personnel through the Police and Firemen's Retirement Fund Plan. As of the end of the current fiscal year ending June 30, 2004, the net assets of the Pension Trust Fund totaled \$11,709,123. This represents an increase of \$729,861 in total net assets over the last fiscal year. This change is primarily due to increases in the market value of the Pension Trust Fund's investments.

### **General Fund Budgetary Highlights**

The budget for the City's General Fund expenditures for the fiscal year ending June 30, 2004 was \$8,280,084.

The General Fund ended the year with an operating deficit of \$1,411,157.

### **Capital Assets and Debt Administration**

#### **Capital Assets**

The City invested \$651,675 in a broad range of capital assets, including park facilities, vehicles, and equipment. Capital assets, net of depreciation, increased for the current fiscal year (including additions and deletions) of \$111,367.

Capital assets net of depreciation for governmental activities was as follows:

	<u>June 30, 2004</u>
Land	\$ 343,123
Buildings and improvements	356,331
Improvements	433,001
Machinery	744,852
Furniture and fixtures	13,244
Vehicles	<u>1,013,116</u>
Total Capital Assets, Net Of Depreciation	<u>\$2,903,667</u>

**CITY OF BERKELEY, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

All depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

Additional information on the City's capital assets can be found in Note C.

**Long-term Debt**

At the end of the fiscal year 2004, the City has outstanding long-term debt obligations for governmental activities in the amount of \$3,816,536 compared to \$3,927,211 in fiscal year 2003. Of this amount, \$2,725,000 are general obligation bonds, \$63,117 are capital lease obligations, \$508,866 are TIF notes payable and bonds, \$280,797 are compensated absences, and \$238,756 are accrued interest. A 3% decrease in total long-term debt outstanding is noted below.

The City's governmental activities outstanding long-term debt obligations are as follows:

	<b>June 30</b>	
	<b>2004</b>	<b>2003</b>
Compensated absences	\$ 280,797	222,967
General obligation bonds	2,725,000	2,860,000
Capital lease obligations	63,117	49,624
TIF bonds	483,866	582,316
TIF note payables	25,000	25,000
TIF accrued interest	238,756	187,304
Total Outstanding Debt	<b>\$3,816,536</b>	<b>3,927,211</b>

State statutes limit the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for fiscal year 2004 was \$18.066 million.

In 2003 the City refunded its general obligation bonds in order to save \$583,000 in future debt service payments

The City's underlying general obligation credit rating as of June 30, 2004 was:

Moody's Investor's Service, Inc. -- Aa

Additional information on the City's long-term debt can be found in Note D.

**Economic Factors and Next Year's Budgets and Rates**

The fiscal year 2005 General Fund budget is \$11,136,280, an increase of 0% over the 2004 budget appropriation.



**CITY OF BERKELEY, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2004**

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**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

City of Berkeley  
Department of Finance  
6140 N. Hanley Road  
Berkeley, MO 63134

The City reports the Industrial Development Authority (IDA) as a discretely presented component unit. Complete financial statements of the IDA can be obtained from their administrative office of the City at 6140 North Hanley Road, Berkeley, MO 63134.

**CITY OF BERKELEY, MISSOURI**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2004**

	<b>Primary Government Governmental Activities</b>	<b>Component Unit Industrial Development Authority</b>
<b>ASSETS</b>		
Cash and investments	\$ 636,810	1,506
Receivables (net):		
Taxes	317,674	-
Other	653,480	40,417
Other assets	68,270	65,000
Capital assets, net	2,903,667	-
Total Assets	4,579,901	106,923
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	364,002	-
Deferred revenue	442,915	-
Due to others	118,141	-
Short-term note payable	200,000	-
Accrued interest	25,138	-
Net pension obligation	62,392	-
Long-term liabilities:		
Due within one year	200,725	-
Due in more than one year	3,615,811	-
Total Liabilities	5,029,124	-
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	2,840,550	-
Restricted:		
Capital projects	-	101,462
Debt service	513,382	-
Unrestricted	(3,803,155)	5,461
Total Net Assets	\$ (449,223)	106,923

**CITY OF BERKELEY, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2004**

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes In Net Assets	
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Primary	Component
					Governmental	Unit
				Governmental	Industrial Development Authority	
<b>Governmental Activities</b>						
General government	\$ 2,614,777	589,176	-	20,203	(2,005,398)	-
Public safety	5,526,657	1,150,073	-	94,319	(4,282,265)	-
Public works	1,611,440	260,551	629,384	18,562	(702,943)	-
Parks and recreation	460,710	29,261	-	-	(431,449)	-
Interest expense	292,079	-	-	-	(292,079)	-
Total Governmental Activities	<u>\$ 10,505,663</u>	<u>2,029,061</u>	<u>629,384</u>	<u>133,084</u>	<u>(7,714,134)</u>	<u>-</u>
<b>Component Unit - IDA</b>	<u>\$ 12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12)</u>
<b>General Revenues</b>						
Taxes:						
Property					2,010,011	-
Sales					2,035,388	-
Utility					1,933,356	-
Business licenses					358,872	-
Sale of assets					32,000	-
Investment income					24,639	-
Miscellaneous					77,186	2,506
Total General Revenues					<u>6,471,452</u>	<u>2,506</u>
<b>CHANGE IN NET ASSETS</b>					(1,242,682)	2,494
<b>NET ASSETS, JULY 1</b>					<u>793,459</u>	<u>104,429</u>
<b>NET ASSETS, JUNE 30</b>					<u>\$ (449,223)</u>	<u>106,923</u>

See notes to financial statements



**CITY OF BERKELEY, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2004**

	<u>Major Funds</u>				<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Parks</u>	<u>Capital</u>	<u>Public Building Bonds/Interest Sinking</u>	<u>Other Governmental Funds</u>	
<b>ASSETS</b>						
Cash	\$ -	191,632	206,780	-	238,398	636,810
Receivables, net of allowances where applicable:						
Taxes	143,117	57,109	81,999	35,449	-	317,674
Other	642,190	-	-	-	11,290	653,480
Due from other funds	3,476	-	144,417	876,981	131,923	1,156,797
Inventory	16,525	-	-	-	-	16,525
<b>Total Assets</b>	<b>\$ 805,308</b>	<b>248,741</b>	<b>433,196</b>	<b>912,430</b>	<b>381,611</b>	<b>2,781,286</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued liabilities	\$ 77,610	25,016	46,467	-	-	149,093
Accrued salaries and benefits payable	206,899	8,010	-	-	-	214,909
Deferred revenues	353,207	46,641	-	471,874	-	871,722
Note payable	200,000	-	-	-	-	200,000
Due to others	118,141	-	-	-	-	118,141
Due to other funds	991,774	54,724	28,319	78,220	3,760	1,156,797
<b>Total Liabilities</b>	<b>1,947,631</b>	<b>134,391</b>	<b>74,786</b>	<b>550,094</b>	<b>3,760</b>	<b>2,710,662</b>
<b>Fund Balances</b>						
Reserved for:						
Debt service	-	-	-	362,336	151,046	513,382
Encumbrances	-	538	275	-	-	813
Unreserved - undesignated, reported in:						
General Fund	(1,142,323)	-	-	-	-	(1,142,323)
Special Revenue Funds	-	113,812	358,135	-	226,805	698,752
<b>Total Fund Balances</b>	<b>(1,142,323)</b>	<b>114,350</b>	<b>358,410</b>	<b>362,336</b>	<b>377,851</b>	<b>70,624</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$ 805,308</b>	<b>248,741</b>	<b>433,196</b>	<b>912,430</b>	<b>381,611</b>	<b>2,781,286</b>

See notes to financial statements

**CITY OF BERKELEY, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2004**

Total Fund Balances - Total Governmental Funds	\$	70,624
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 funds. The cost of the assets is \$7,655,040 and the accumulated depreciation is \$4,751,373.		2,903,667
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		428,807
The net pension obligation is not a current financial obligation and, therefore, is not reported in the funds.		(62,392)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Accrued compensated absences		(280,797)
Accrued interest on outstanding debt		(263,894)
Unamortized debt issuance costs		51,745
Bonds, notes payable, and lease obligations outstanding		<u>(3,296,983)</u>
Total Net Assets Of Governmental Activites	\$	<u>(449,223)</u>

**CITY OF BERKELEY, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Parks	Capital	Public Building Bonds/Interest Sinking	Other Governmental Funds	
<b>REVENUES</b>						
Property taxes	\$ 1,036,475	424,900	-	272,640	260,309	1,994,324
Sales taxes	1,348,167	-	570,137	-	79,205	1,997,509
Utility taxes	1,933,356	-	-	-	-	1,933,356
Licenses, permits, fines, and other fees	2,060,469	29,261	-	-	-	2,089,730
Intergovernmental	687,466	-	-	-	-	687,466
Sewer lateral fees	-	-	-	-	89,979	89,979
Grants	-	-	94,319	-	18,562	112,881
Interest income	15,933	3,093	112	3,015	2,486	24,639
Other income	205,508	89	-	-	25,064	230,661
Total Revenues	<u>7,287,374</u>	<u>457,343</u>	<u>664,568</u>	<u>275,655</u>	<u>475,605</u>	<u>9,160,545</u>
<b>EXPENDITURES</b>						
Current:						
General government	2,566,223	-	-	-	72	2,566,295
Public safety	4,741,816	-	-	-	236,810	4,978,626
Public works	1,317,572	-	-	-	57,273	1,374,845
Parks and recreation	-	404,691	-	-	-	404,691
Capital outlay	51,224	-	705,226	-	31,085	787,535
Debt service:						
Debt principal	15,397	-	16,313	220,000	98,450	350,160
Interest and other costs	4,237	-	-	263,976	13,438	281,651
Total Expenditures	<u>8,696,469</u>	<u>404,691</u>	<u>721,539</u>	<u>483,976</u>	<u>437,128</u>	<u>10,743,803</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,409,095)</u>	<u>52,652</u>	<u>(56,971)</u>	<u>(208,321)</u>	<u>38,477</u>	<u>(1,583,258)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	2,062	2,062
Proceeds from capital lease	-	-	45,203	-	-	45,203
Proceeds of refunding bond	-	-	-	2,725,000	-	2,725,000
Transfers out	(2,062)	-	-	-	-	(2,062)
Payment to refunded escrow agent	-	-	-	(2,640,000)	-	(2,640,000)
Total Other Financing Sources (Uses)	<u>(2,062)</u>	<u>-</u>	<u>45,203</u>	<u>85,000</u>	<u>2,062</u>	<u>130,203</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(1,411,157)</u>	<u>52,652</u>	<u>(11,768)</u>	<u>(123,321)</u>	<u>40,539</u>	<u>(1,453,055)</u>
FUND BALANCES, JULY 1	<u>268,834</u>	<u>61,698</u>	<u>370,178</u>	<u>485,657</u>	<u>337,312</u>	<u>1,523,679</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ (1,142,323)</u>	<u>114,350</u>	<u>358,410</u>	<u>362,336</u>	<u>377,851</u>	<u>70,624</u>

See notes to financial statements



**CITY OF BERKELEY, 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 JUNE 30, 2004**

Net Change In Fund Balances - Total Governmental Funds \$ (1,453,055)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.	135,233
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations) is to decrease net assets.	(23,866)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	102,436
The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.	
Debt issued:	
General obligation refunding bonds	(2,725,000)
Capital leases payable	(45,203)
Issuance costs	54,740
Total	(2,715,463)
Repayments:	
Bonds, notes, and capital lease payable	2,990,160
Amortization	(2,986)
Total	2,987,174
Contributions to certain pension plans use current financial resources and are recorded in full as expenditures in the governmental funds, however, these disbursements increase the net pension obligation in the statement of activities	271,711 (155,129)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Accrued interest on bonds.	(62,182)
In governmental funds, personnel costs are measured by the amount of financial resources used, which does not include the increase in accrued, compensated absences. These expenses are recorded in the statement of activities.	(57,830)
Change In Net Assets Of Governmental Activities	\$ (1,242,682)

**CITY OF BERKELEY, MISSOURI**  
**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**  
**JUNE 30, 2004**

	<u>Police And Firefighters Pension Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 380,393	2,468
Restricted cash	-	141,959
Investments:		
Common stock	7,391,816	-
U.S. Treasury securities	19,796	-
Corporate bonds	483,330	-
Mutual funds	3,366,121	-
Property tax receivable	26,203	-
Due from others	41,464	-
Total Assets	<u>11,709,123</u>	<u>144,427</u>
<b>LIABILITIES</b>		
Deposits	<u>-</u>	<u>144,427</u>
<b>NET ASSETS</b>	<u><u>\$ 11,709,123</u></u>	<u><u>-</u></u>

**CITY OF BERKELEY, MISSOURI**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -**  
**PENSION TRUST FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**ADDITIONS**

Employer contribution	\$	218,945
Interest and dividend income		321,088
Net increase in fair value of investments		772,271
Employee contributions		184,658
Total Additions		1,496,962

**DEDUCTIONS**

Services		91,424
Benefit payments		571,183
Refund of contributions		104,494
Total Deductions		767,101

**CHANGE IN NET ASSETS**

729,861

NET ASSETS HELD IN TRUST FOR PENSION  
 BENEFITS, JULY 1

10,979,262

NET ASSETS HELD IN TRUST FOR PENSION  
 BENEFITS, JUNE 30

\$ 11,709,123



# CITY OF BERKELEY, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The CITY OF BERKELEY, MISSOURI (the City) was incorporated in 1937. The City operates under the Council-Manager form of government. The Council consists of seven members, one of whom is Mayor. The Mayor and one other Council member are elected at-large; the other five are representatives elected from each ward. The Council functions under a constitutional charter approved by the Citizens of the City in 1957 and 1960.

The accounting policies and financial reporting practices of the City conform to U.S. generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies of the City are described below:

#### 1. Reporting Entity

The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board (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 (PCU). The City is financially accountable if it appoints a voting majority of a PCU's governing body and is able to impose its will on that PCU, or there is a potential for the PCU to provide specific financial benefits to, or impose specific financial burdens on, the City. The City's financial reporting entity consists of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

#### Related Organizations

The members of the governing board of Industrial Development Authority (IDA) are appointed by the Mayor. Although the City cannot "impose its will" on the IDA, the City provides a material subsidy to the IDA primarily to finance the operations of the organization. The financial activity of the IDA is included in the City's financial statements as a discretely presented component unit. Complete financial statements of the IDA can be obtained from their administrative offices of the City at 6140 North Hanley Road, Berkeley, MO 63134.

#### 2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Government-wide and Fund Financial Statements (Continued)**

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 or segment. 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 or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted interest earnings, and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current fixed period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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

**Park Fund** - The Park Fund provides funding for the operation of the Parks and Recreation Department.

**Capital Fund** - The Capital Fund provides funding for all capital improvement projects relating to the construction, maintenance, and repair of physical infrastructure.

**Public Building Bonds/Interest Sinking Fund** - The Public Building Bonds/Interest Sinking Fund provides funding for payment of principal, interest, and other related costs from outstanding bonded indebtedness.

Additionally, the government reports the following fiduciary fund types:

**Pension Trust Fund** - This fund is used to account for assets held in a trustee capacity for the City's eligible employees.

**Agency Funds** - These funds account for the 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 the governmental funds. 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 Municipal Court Bond Fund and Pool Campaign Fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contribution, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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.

**4. Cash, Cash Equivalents, and Investments**

Cash equivalents represent deposits in bank money market accounts and short-term investments. Investments are carried at fair value or cost which approximates fair value. Fair value for investments are determined by closing market prices at year-end as reported by the investment custodian. Certain cash and investments have been restricted for escrow liabilities.

**5. Compensated Absences**

Vacations accrue to employees based on months of continuous service. An employee can carry over into the next year up to 2 years worth of earned vacation days. Upon departure of employment from the City, an employee is entitled to payment for accrued vacation. Vacation expense is not accrued in the respective governmental types as it is earned since it is not expected to be paid from current available resources. Sick leave accrues based upon continuous months of service with the City and may accumulate up to 100 days. Accumulated sick leave will not be paid upon termination of service.

**6. Deferred Revenue**

Deferred revenue in the fund financial statements is composed of property tax revenues, court receivable, and weed/grass cutting receivable which are not collected within 60 days following the end of the current period.

**7. Allowance**

Other receivables include court receivables and weed/grass cutting receivable totaling \$433,904 and \$116,866, respectively. The allowance for uncollectibles for these receivables is \$216,952 and \$75,990, respectively.

**8. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded, is employed by the governmental funds. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and are reported as a reservation of fund balance to indicate that a portion of the fund balance is not available for subsequent appropriation.

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Capital Assets**

Capital assets, which include buildings and improvements, machinery, furniture and fixtures, vehicles, and infrastructure assets (e.g., streets, sidewalks, roads, bridges, and similar items), are reported in the governmental activities columns in the government-wide financial statements, net of accumulated depreciation. Capital assets are charged to expenditures as purchased in the governmental fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair market value as of the date of the donation.

Capital assets are defined by the City as assets with an initial, individual cost of \$500 or more, and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. Other costs for repairs and maintenance are expensed as incurred.

The City has elected not to record the historical cost of infrastructure placed in service prior to July 1, 2003. Additionally, there were no infrastructure additions in the current year.

Depreciation on exhaustible assets is recorded as an allocated expense in the statement of activities with accumulated depreciation reflected in the statement of net assets and is provided on the straight-line basis over the estimated useful lives as follows:

Assets	Years
Machinery and equipment	10
Buildings and equipment	10
Furniture and fixtures	10
Vehicles	10
Infrastructure	20 - 40

**10. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported and amortized over the term of the related debt.

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

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**10. Long-term Obligations (Continued)**

are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt services expenditures.

**11. Interfund Transactions**

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses) in the governmental fund types.

In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**12. Reserved Fund Balances**

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 are comprised of debt service and encumbrances.

**13. Inventories**

Inventories of the General Fund are adjusted to periodic physical counts and are valued at cost utilizing the first-in, first-out method of valuation. Inventories consist of expendable supplies and are charged to expense at the time of consumption.

**14. Use of Estimates**

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**1. Deposits (Continued)**

Insurance Corporation. As of June 30, 2004, the City's bank deposits totaled \$875,501. Of the balance, \$158,186 was insured by the Federal Depository Insurance Corporation and \$717,315 was uninsured. Prior to the date of this report, the City obtained additional collateral for appropriate compliance.

**2. Investments**

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. The Pension Trust Fund is also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership, but excluding any debt of the City itself and individual insurance policies. Investments are stated at fair value.

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

	June 30, 2004			<b>Carrying Amount/ Fair Value</b>
	Categories			
	<u>1</u>	<u>2</u>	<u>3</u>	
Common stock	\$ -	7,391,816	-	7,391,816
U.S. Treasury securities	-	19,796	-	19,796
Corporate bonds	-	483,330	-	483,330
	\$ -	7,894,942	-	7,894,942
Amounts to reconcile to statement of net assets:				
Mutual funds				3,366,121
Total Investments				\$11,261,063

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - CAPITAL ASSETS**

The following is a summary of changes in capital assets:

	<u>For The Year Ended June 30, 2004</u>			
	<u>Balance June 30 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30 2004</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 343,123	-	-	343,123
Capital assets being depreciated:				
Buildings and improvements	2,143,361	-	-	2,143,361
Improvements	-	433,491	-	433,491
Machinery	2,008,118	187,889	-	2,196,007
Furniture and fixtures	118,038	-	-	118,038
Vehicles	2,469,120	30,295	78,395	2,421,020
Total Capital Assets Being Depreciated	<u>6,738,637</u>	<u>651,675</u>	<u>78,395</u>	<u>7,311,917</u>
Less - Accumulated depreciation for:				
Buildings and improvements	1,761,116	25,914	-	1,787,030
Improvements	-	490	-	490
Machinery	1,234,870	216,285	-	1,451,155
Furniture and fixtures	99,231	5,563	-	104,794
Vehicles	1,194,243	268,190	54,529	1,407,904
Total Accumulated Depreciation	<u>4,289,460</u>	<u>516,442</u>	<u>54,529</u>	<u>4,751,373</u>
Total Capital Assets Being Depreciated, Net	<u>2,449,177</u>	<u>135,233</u>	<u>23,866</u>	<u>2,560,544</u>
Governmental Activities Capital Assets, Net	<u>\$2,792,300</u>	<u>135,233</u>	<u>23,866</u>	<u>2,903,667</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 49,256
Public safety	267,563
Public works	146,879
Parks and recreation	<u>52,744</u>
Total Depreciation Expense - Governmental Activities	<u>\$516,442</u>

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT**

**Changes in Long-term Liabilities**

Long-term liability activity was as follows:

	<b>For The Year Ended June 30, 2004</b>				
	<u>June 30</u> <u>2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30</u> <u>2004</u>	<u>Due Within</u> <u>One Year</u>
Governmental activities:					
Compensated absences	\$ 222,967	57,830	-	280,797	-
General obligation bonds	2,860,000	2,725,000	2,860,000	2,725,000	170,000
Capital lease obligations payable	49,624	45,203	31,710	63,117	30,725
TIF bonds	582,316	-	98,450	483,866	-
TIF note payable	25,000	-	-	25,000	-
TIF accrued interest	<u>187,304</u>	<u>64,890</u>	<u>13,438</u>	<u>238,756</u>	<u>-</u>
Total Governmental Activities	<u>\$3,927,211</u>	<u>2,892,923</u>	<u>3,003,598</u>	<u>3,816,536</u>	<u>200,725</u>

**General Obligation Bonds Payable**

In December 1997, the City issued \$4,500,000 in General Obligation Bonds (Series 1993) due in varying amounts through March 1, 2013 with interest at 4.8% to 7.5%.

In December 2003, the City issued \$2,725,000 in General Obligation Refunding Bonds (Series 2003) due in varying amounts through March 1, 2013 with interest at 1.3% to 3.55%.

The 2003 Refunding bonds were issued to refund the 1997 bonds with total debt of \$2,725,000. The transaction resulted in an economic gain of \$561,434 and a reduction of \$583,140 in future debt service payments.

Aggregate maturities required on general obligation bonds are as follows:

<u>For The Years</u> <u>Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 170,000	75,415	245,415
2006	175,000	73,205	248,205
2007	310,000	70,230	380,230
2008	320,000	63,720	383,720
2009	330,000	56,040	386,040
2010 - 2014	<u>1,420,000</u>	<u>122,750</u>	<u>1,542,750</u>
	<u>\$2,725,000</u>	<u>461,360</u>	<u>3,186,360</u>



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE D - LONG-TERM DEBT (Continued)**

**Tax Increment Finance (TIF) Revenue Bonds and TIF Note Payable**

On June 28, 1993 the City TIF Commission issued \$885,000 in Series 1993 A TIF revenue bonds. The bonds are payable solely from and secured as to the payment of principal and interest by a) a pledge of the Payment in Lieu of Taxes and b) subject to annual appropriation by the City Council, Economic Activity Tax Revenues. The taxing power of the City is not pledged to the payment of the bonds either as to principal or interest. The bonds do not constitute a general obligation of the City, nor do they constitute an indebtedness of the City within the meaning of any constitutional, statutory, or charter provision, limitation, or restriction.

The bonds become due on May 1, 2013 (subject to mandatory redemption prior to maturity) and bear interest at 6.5% per annum (computed on the basis of a 360-day year) payable annually on May 1 beginning on May 1, 1994.

At June 30, 2004 the balance of outstanding TIF bonds is \$483,866 with accrued interest of \$198,339.

Since annual repayment amounts for the TIF bonds and TIF notes payable will be determined based on future revenues, a schedule of debt service requirements to maturity cannot be established.

On April 26, 1988 the Industrial Development Authority of the City advanced the TIF Finance Commission of the City \$25,000 for purposes of payment of redevelopment project costs as provided by the TIF Act.

In consideration of this advance, a \$25,000 promissory note was signed providing for repayment upon demand of principal plus accrued interest at the rate of 10% per annum. At June 30, 2004 the TIF note accrued interest was \$40,417.

This note does not constitute a general obligation of the City.

**Capital Leases**

The City has entered into lease agreements for financing the acquisition of office and street repair equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

<b>Assets</b>	
Machinery and equipment	\$118,457
Less - Accumulated depreciation	<u>33,637</u>
	<u>\$ 84,820</u>

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE D - LONG-TERM DEBT (Continued)**

A schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of June 30, 2004 is as follows:

<b>For The Years</b>	
<b><u>Ended June 30</u></b>	
2005	\$35,973
2006	<u>34,816</u>
Total Minimum Lease Payments	70,789
Less - Amount representing interest	<u>7,672</u>
 Present Value Of Future Minimum Lease Payments	 <u>\$63,117</u>

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS**

The City maintains a single-employer, defined benefit pension plan (Police and Firemen's Retirement Fund of the City of Berkeley, Missouri) which covers all full-time police and firefighters and participates in the state-wide Missouri Local Government Retirement System, an agent multiple-employer, defined benefit pension plan which covers all of the other City full-time employees.

**1. Police and Firemen's Retirement Fund of the City of Berkeley, Missouri (the Plan)**

***Plan Description and Provisions***

The Plan is a single-employer, defined benefit pension plan that covers all of the City's full-time police and firefighters employees. The Plan was created and is governed by City ordinance. The payroll for employees covered by the Plan for the year ended June 30, 2004, which is the date of the latest actuarial valuation available, was \$2,856,489 and the City's total payroll was \$5,258,286.

The Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the City's basic financial statements. Information about the Plan is provided in a summary plan description.

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)**

**1. Police and Firemen's Retirement Fund of the City of Berkeley, Missouri (the Plan)  
(Continued)**

Membership in the Plan is comprised of the following:

<u>Group</u>	<u>June 30 2004</u>
Retirees and beneficiaries currently receiving benefits	40
Active employees	75
Vested terminated employees	<u>7</u>
	<u>122</u>

All full-time police and firefighters of the City are eligible to participate in the Plan. Monthly benefit payments are determined by application of a benefit ratio to participant's final average salary for the full five years preceding retirement. In determining the benefit ratio, a participant may receive credit for a maximum of 25 year's employment. The Plan also provides for disability and surviving spouse benefits. Benefits in the Plan vest after 10 years of service.

The Plan is funded, in accordance with City ordinances, by taxes levied for such purpose and contributions by participants based on 6% of compensation. The City ordinances governing the Plan do not require the funding of pension costs accrued by other than taxes levied for such purposes. The City assesses a tax of \$.108 per \$100 of assessed valuation for its contribution to the Plan.

The Plan's funding policy provides for actuarially determined periodic contributions (made in accordance with assessed valuation and employee contributions) at rates that for individual employees increases gradually over time so that sufficient assets will be available to pay benefits when due. The employee's contribution rate for the City's employee group as a whole has tended to remain level as a percentage of annual covered payroll. The contribution rate for normal cost is determined using the Aggregate Cost Method.

The information presented in the required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Aggregate cost method
Amortization method	Using assumed rate of 8% over various years
Amortization period	Closed
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	8%
Projected salary increases	3%
Inflation rate	1%



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)**

**1. Police and Firemen's Retirement Fund of the City of Berkeley, Missouri (the Plan)  
(Continued)**

*Annual Pension Cost*

Current year annual pension costs for the Plan are shown in the trend information. Annual required contributions were made by the Plan. There is no net pension obligation for the Plan.

*Trend Information*

Historical trend information about the Plan is presented herewith as required supplementary information. This information is intended to help users assess the Plans' funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparison with other Public Employee Retirement Systems (PERS).

<b>Police And Firemen's Plan</b>			
<b>Valuation For The Actuarial Years Ended April 1</b>	<b>Annual Pension Cost</b>	<b>Percentage Contributed</b>	<b>Net Pension Obligation (Asset)</b>
2004	\$374,074	58%	\$ 62,392
2003	331,287	101	(92,737)
2002	38,937	-	(89,920)
2001	38,234	308	(128,857)
2000	37,521	315	(49,172)
1999	36,571	394	31,682
1998	284,334	51	139,218

<b>Police And Firemen's Plan</b>							
<b>Valuation For The Actuarial Years Ended April 1</b>	<b>Net Pension Obligation (Asset) Beginning Of The Year</b>	<b>Annual Required Contribution</b>	<b>Interest On Net Pension Obligation (Asset)</b>	<b>Adjustment To Annual Required Contribution</b>	<b>Annual Pension Cost</b>	<b>Actual Contri- bution</b>	<b>Net Pension Obligation (Asset) End Of The Year</b>
2004	(\$ 92,737)	\$373,255	(\$ 7,419)	\$ 8,238	\$374,074	\$218,945	\$ 62,392
2003	(89,920)	330,494	(7,194)	7,987	331,287	334,104	(92,737)
2002	(128,857)	37,800	(10,309)	11,446	38,937	-	(89,920)
2001	(49,172)	37,800	(3,934)	4,368	38,234	117,919	(128,857)
2000	31,682	37,800	2,535	(2,814)	37,521	118,375	(49,172)
1999	139,218	37,800	11,137	(12,366)	36,571	144,107	31,682
1998	-	284,334	-	-	284,334	145,116	139,218

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)**

**1. Police and Firemen's Retirement Fund of the City of Berkeley, Missouri (the Plan)  
(Continued)**

A summary of the actuarial computations is as follows:

	<b>Valuation For The Actuarial Years Beginning July 1</b>	
Present value of all future benefits	<b>\$11,994,167</b>	10,926,929
Net assets, market value	<b><u>11,709,123</u></b>	<u>10,931,618</u>
Present Value Of Future Normal Contributions Due From The City	<b><u>\$ 285,044</u></b>	<u>(4,689)</u>

*Employer Contributions*

<b>Schedule Of Employer Contributions</b>			
<b>For The Years Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2004	\$373,255	\$218,945	59%
2003	330,494	334,104	96
2002	37,800	-	-
2001	37,800	117,919	312
2000	37,800	118,375	313
1999	37,800	144,107	381

**2. Missouri Local Government Employees Retirement System (LAGERS)**

*Plan Description*

The City participates in LAGERS, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section RSMo 70.600 - 70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)**

**2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)**

***Funding Policy***

The City's full-time employees do not contribute to the pension plan. The City is required by state statute to contribute at an actuarially determined rate; the current rate is .79% (general) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by state statute.

***Annual Pension Cost***

For 2004, the City's annual pension cost of \$14,022 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2002 and/or 2003 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; b) projected salary increases of 4% per year, compounded annually, attributable to inflation; c) additional projected salary increases ranging from 0% to 4.2% per year, depending on age, attributable to seniority/merit; d) pre-retirement mortality based on the 1983 Group Annuity Mortality table; and e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back 1 year for men and 7 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 28, 2004 was 15 years.

Three-year trend information follows:

<b><u>For The Years Ended June 30</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage Of APC Contributed</u></b>
2004	\$14,022	100%
2003	12,693	100
2002	10,931	100

Schedule of funding progress follows:

<b><u>For The Valuation Years Ended February 28/29</u></b>	<b><u>Actuarial Value Of Assets</u></b>	<b><u>Entry Age Actuarial Accrued Liability (AAL)</u></b>	<b><u>Excess Assets</u></b>
2004	\$5,748,371	\$3,194,085	\$2,554,286
2003	5,377,779	2,799,498	2,578,281
2002	5,535,906	2,758,100	2,777,806



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)**

**2. Missouri Local Government Employees Retirement System (LAGERS) (Continued)**

<u>For The Valuation Years Ended February 28 /29</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Excess Assets As A Percentage Of Covered Payroll</u>
2004	180%	\$1,826,554	140%
2003	192	1,787,262	144
2002	201	1,704,602	163

Note: The above assets and AAL do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2001 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

**NOTE F - DEFERRED COMPENSATION PLAN**

The City offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The City makes contributions into the plan on behalf of certain employees. The plan permits employees to defer a portion of their salary until future years. The plan is administered by unrelated financial institutions. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City's 457 deferred compensation plan is excluded from the City's assets because it is held in trust.

**NOTE G - INTERFUND ASSETS/LIABILITIES**

Individual interfund assets and liabilities are as follows:

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - INTERFUND ASSETS/LIABILITIES (Continued)**

**Due From/To Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>June 30 2004</u>
General Fund	Park Fund	\$ 3,476
Public Building Bonds/Interest Sinking Fund	General Fund	876,981
Tax Increment Funding Fund	Capital Fund	23,949
Police Training Fund	General Fund	23,524
Police Training Fund	Capital Fund	4,370
Sewer Lateral Fund	General Fund	17,121
Sewer Lateral Fund	Parks Fund	51,248
Capital Fund	General Fund	62,437
Local Law Enforcement Block Grant Fund	General Fund	11,711
Capital Fund	Public Building Bonds/ Interest Sinking Fund	78,220
Capital Fund	Police Training Fund	<u>3,760</u>
		<u>\$1,156,797</u>
Pension Fund	General Fund	<u>\$41,464</u>

**NOTE H - PROPERTY TAXES**

The City's property tax is levied each September based on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are billed in November, due and collectible on December 31, and delinquent after December 31. Liens are placed on property for delinquent taxes on the January 1 following the due date. The City's tax rate was levied at \$.06 per \$100 of assessed valuation and is for retirement of general obligation bonds payable.

Taxes levied for 2003 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 2003 levy was due and collectible within the City's fiscal year ended June 30, 2004.

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.

Deferred revenue includes the effect of a retroactive property tax adjustment for the Bond Interest/Sinking Fund. The property tax rate was retroactively reduced from \$.36 to \$.24 per \$100 assessed value for calendar years 1998, 1999, and 2000. The estimated refund liability balance is \$442,915 at June 30, 2004.

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE I - INSURANCE**

The City carries commercial insurance for its risks of loss, including property, general umbrella, and public officials liability insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE J - CONTINGENCIES AND COMMITMENTS**

The City may be subject to various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have material adverse effect on the financial condition of the City.

The City leases equipment under certain operating lease agreements with items in excess of one year. Rental expense for the year ended June 30, 2004 was \$68,741.

Following is a schedule of minimum future lease payments:

**For The Years**  
**Ended June 30**

2005	\$ 43,356
2006	43,356
2007	40,808
2008	<u>25,976</u>
	<u>\$153,496</u>

The City has a contingent liability which consists of estimated repairs of sewer lateral of private homes within the City limits that have claims under the sewer lateral program that have been incurred but not reported. The City is obligated to repair sewer lateral systems of private homes within the City in return for collecting a fee that was approved by a vote of the Citizens. The amount of the contingent liability has not been determined, however, it is not expected to be material.

**NOTE K - TAX ANTICIPATION NOTES PAYABLE**

Tax anticipation notes payable to banks represent the amount of outstanding short-term borrowings to be repaid by collections from current year tax levies.

The City authorized \$1,200,000 in borrowings. Short-term borrowings totaled \$200,000 for the year ended June 30, 2004. The note matures February 28, 2005 at an interest rate of 3.1%.



**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE L - ACCOUNTING CHANGE AND RESTATEMENT OF FUND BALANCE**

During fiscal year 2004, the City adopted GASB Statement No. 34 (GASB No. 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*; GASB Statement No. 37 (GASB No. 37), *Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*; GASB Statement No. 38 (GASB No. 38), *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

GASB No. 34 (as amended by GASB No. 37) represents a very significant change in the financial reporting model used by state and local governments.

GASB No. 34 requires government-wide financial statements to be prepared using the accrual basis of accounting. Government-wide financial statements do not provide information by fund or account group, but distinguish between the City's governmental activities on the statement of net assets and statement of activities. Additionally, the City's statement of net assets includes capital assets and long-term liabilities of the City which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. In addition to the fixed assets previously recorded in the General Fixed Assets Account Group, the City retroactively capitalized infrastructure assets. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which continue to use the modified accrual basis of accounting for the City's General Fund, which is similar to that previously presented for these funds in the City's financial statements, although the format of financial statements has been modified by GASB No. 34.

GASB No. 34 also includes, as required supplementary information, Management's Discussion and Analysis (MD&A), which provides an analytical overview of the City's financial activities. In addition, budgetary comparison schedules are presented which compare the original and final revised budget with actual results for the General Fund.

GASB No. 38 requires certain disclosures to be made in the notes to the basic financial statements concurrent with the implementation of GASB No. 34. While this statement did not affect amounts reported in the financial statements of the City, certain note disclosures have been added and amended including descriptions of activities of major funds, future debt service and lease obligations in five year increments, and interfund balances and transactions.

These statements had a significant effect on the City's financial reporting model. All statements were retroactively applied to July 1, 2003. Restatement of net assets within the government-wide financial statements is as follows:

**CITY OF BERKELEY, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE L - ACCOUNTING CHANGE AND RESTATEMENT OF FUND BALANCE (Continued)**

General Fund, as restated	\$ 268,834
Special Revenue Funds, as restated	769,188
Debt Service Funds	<u>485,657</u>
Total Fund Equity, June 30, 2003	1,523,679
Required GASB No. 34 adjustments:	
Capital assets, net accumulated depreciation	2,792,300
Long-term and other liabilities	(3,941,619)
Revenue recognition	326,362
Net pension asset	<u>92,737</u>
Total Net Assets, June 30, 2003	<u>\$ 793,459</u>

The previously stated fund balance/net assets has been adjusted as follows:

	<u>General Fund</u>	<u>Parks Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Capital Fund</u>
Fund balance/net assets, June 30, 2003, as previously reported	\$ 95,590	59,216	72,930	335,940
Restatement for:				
Intergovernmental receivables	87,778	-	6,393	34,238
Accrued liabilities	85,466	2,482	-	-
Reclassification of debt service	<u>-</u>	<u>-</u>	<u>62,917</u>	<u>-</u>
Fund Balance/Net Assets, June 30, 2003, As Restated	<u>\$268,834</u>	<u>61,698</u>	<u>142,240</u>	<u>370,178</u>

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**



**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
<b>Property Taxes</b>			
Real estate	\$ 685,000	690,387	5,387
Personal property	355,000	297,640	(57,360)
Railroad and utility	65,000	30,345	(34,655)
Commercial surcharges fees	17,000	18,103	1,103
Total Property Taxes	<u>1,122,000</u>	<u>1,036,475</u>	<u>(85,525)</u>
<b>Utility Taxes</b>			
Electric	1,450,000	1,155,505	(294,495)
Gas	430,000	412,381	(17,619)
Telephone	267,000	186,175	(80,825)
Water	147,000	113,968	(33,032)
Cable	65,000	58,077	(6,923)
Cellular	5,500	7,250	1,750
Total Utility Taxes	<u>2,364,500</u>	<u>1,933,356</u>	<u>(431,144)</u>
<b>Sales Tax</b>	<u>1,400,000</u>	<u>1,348,167</u>	<u>(51,833)</u>
<b>Licenses</b>			
Merchants and manufacturers	405,000	358,872	(46,128)
Liquor	8,200	5,525	(2,675)
Animal	650	411	(239)
Vending machine	3,300	3,055	(245)
Sign	28,000	20,875	(7,125)
AD Valorem tax	480,000	527,154	47,154
Penalties	500	906	406
Total Licenses	<u>925,650</u>	<u>916,798</u>	<u>(8,852)</u>
<b>Permits</b>			
Building	135,000	26,286	(108,714)
Electrical	25,000	17,061	(7,939)
Plumbing	8,500	5,188	(3,312)
Mechanical	18,000	11,106	(6,894)
Occupancy	4,000	14,404	10,404
Excavation	1,400	1,023	(377)
Demolition	3,200	-	(3,200)
Trailer parking	200	157	(43)
Solid waste	-	420	420
Fence	-	357	357
Sign	1,700	3,552	1,852
Roofing	3,500	2,418	(1,082)
Rental owner	5,200	7,850	2,650
Special use	1,500	800	(700)
Total Permits	<u>207,200</u>	<u>90,622</u>	<u>(116,578)</u>

(Continued)

**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES (Continued)</b>			
<b>Fines and Court Costs</b>			
Fines, forfeitures, and penalties	865,000	1,024,897	159,897
Forfeitures and deposits	40,000	24,605	(15,395)
Police training	1,800	3,547	1,747
Total Fines and Court Costs	<u>906,800</u>	<u>1,053,049</u>	<u>146,249</u>
<b>Intergovernmental</b>			
Gasoline tax	345,000	290,750	(54,250)
Road and bridge tax	270,300	212,133	(58,167)
Cigarette tax	45,000	37,879	(7,121)
Motor vehicle sales tax	120,000	74,677	(45,323)
Motor vehicle fees	65,000	51,824	(13,176)
Grant from State Government	100,000	20,203	(79,797)
Total Intergovernmental	<u>945,300</u>	<u>687,466</u>	<u>(257,834)</u>
<b>Interest Income</b>	<u>35,950</u>	<u>15,933</u>	<u>(20,017)</u>
<b>Miscellaneous</b>			
Inspections	37,000	35,126	(1,874)
Airport parking	31,250	31,250	-
Fire reports	250	320	70
Police reports	12,000	9,955	(2,045)
Grass/weed cutting	20,000	44,824	24,824
Insurance recoveries	6,000	24,494	18,494
Sale of land	-	32,000	32,000
Other income	14,875	27,539	12,664
Total Miscellaneous	<u>121,375</u>	<u>205,508</u>	<u>84,133</u>
Total Revenues	<u>8,028,775</u>	<u>7,287,374</u>	<u>(741,401)</u>
<b>EXPENDITURES</b>			
<b>General Government:</b>			
<b>City Council</b>			
Salaries and benefits	16,031	15,790	(241)
Services	10,300	14,166	3,866
Council expenses	60,900	34,845	(26,055)
Total City Council	<u>87,231</u>	<u>64,801</u>	<u>(22,430)</u>
<b>Administration</b>			
Salaries and benefits	601,257	586,764	(14,493)
Services	1,188,825	1,704,058	515,233
Materials and supplies	18,700	14,451	(4,249)
Capital outlay	1,700	77	(1,623)
Total Administration	<u>1,810,482</u>	<u>2,305,350</u>	<u>494,868</u>
<b>City Clerk</b>			
Salaries and benefits	37,062	36,581	(481)
Services	20,050	9,131	(10,919)
Materials and supplies	1,100	607	(493)
Total City Clerk	<u>58,212</u>	<u>46,319</u>	<u>(11,893)</u>

(Continued)

**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>			
<b>General Government (Continued):</b>			
<b>Municipal Court</b>			
Salaries and benefits	109,317	105,256	(4,061)
Services	19,950	38,211	18,261
Materials and supplies	2,750	6,363	3,613
Capital outlay	-	3,423	3,423
Total Municipal Court	<u>132,017</u>	<u>153,253</u>	<u>21,236</u>
Total General Government	<u>2,087,942</u>	<u>2,569,723</u>	<u>481,781</u>
<b>Public Safety:</b>			
<b>Police Department</b>			
Salaries and benefits	2,760,119	2,721,196	(38,923)
Services	276,230	287,092	10,862
Materials and supplies	74,250	96,467	22,217
Capital outlay	27,500	31,228	3,728
Debt Service:			
Principal	-	15,397	15,397
Interest	-	4,237	4,237
Total Police Department	<u>3,138,099</u>	<u>3,155,617</u>	<u>17,518</u>
<b>Fire Department</b>			
Salaries and benefits	1,396,102	1,464,369	68,267
Services	140,325	142,163	1,838
Materials and supplies	44,200	30,529	(13,671)
Capital outlay	32,800	16,496	(16,304)
Total Fire Department	<u>1,613,427</u>	<u>1,653,557</u>	<u>40,130</u>
Total Public Safety	<u>4,751,526</u>	<u>4,809,174</u>	<u>57,648</u>
<b>Public Works:</b>			
<b>Public Works</b>			
Salaries and benefits	102,819	98,114	(4,705)
Services	5,400	38,560	33,160
Materials and supplies	3,950	2,031	(1,919)
Total Public Works	<u>112,169</u>	<u>138,705</u>	<u>26,536</u>
<b>Inspections</b>			
Salaries and benefits	270,261	234,043	(36,218)
Services	12,950	42,800	29,850
Materials and supplies	10,300	9,653	(647)
Capital outlay	4,500	-	(4,500)
Total Inspections	<u>298,011</u>	<u>286,496</u>	<u>(11,515)</u>
<b>Street Maintenance</b>			
Salaries and benefits	527,354	446,706	(80,648)
Services	103,400	89,864	(13,536)
Materials and supplies	115,950	110,529	(5,421)
Total Street Maintenance	<u>746,704</u>	<u>647,099</u>	<u>(99,605)</u>

(Continued)



**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>EXPENDITURES (Continued)</b>			
<b>Public Works (Continued):</b>			
<b>Central Garage</b>			
Salaries and benefits	123,559	111,884	(11,675)
Services	24,000	19,892	(4,108)
Materials and supplies	12,900	11,749	(1,151)
Total Central Garage	160,459	143,525	(16,934)
<b>Facility Maintenance</b>			
Salaries and benefits	105,873	86,942	(18,931)
Services	8,950	7,556	(1,394)
Materials and supplies	8,450	7,249	(1,201)
Total Facility Maintenance	123,273	101,747	(21,526)
Total Public Works	1,440,616	1,317,572	(123,044)
Total Expenditures	8,280,084	8,696,469	416,385
<b>REVENUES UNDER EXPENDITURES</b>	(251,309)	(1,409,095)	(1,157,786)
<b>OTHER FINANCING USES</b>			
Transfers out	-	(2,062)	(2,062)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (251,309)</b>	<b>(1,411,157)</b>	<b>(1,159,848)</b>
FUND BALANCE, JULY 1		268,834	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ (1,142,323)</b>	

**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - PARK FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 512,500	424,900	(87,600)
Licenses, permits, fines, and other fees	32,900	29,261	(3,639)
Intergovernmental	78,900	-	(78,900)
Interest income	6,500	3,093	(3,407)
Other income	100	89	(11)
Total Revenues	630,900	457,343	(173,557)
<b>EXPENDITURES</b>			
Salaries and benefits	302,779	243,116	(59,663)
Services	80,154	112,222	32,068
Materials and supplies	53,000	49,353	(3,647)
Capital outlay	2,500	-	(2,500)
Total Expenditures	438,433	404,691	(33,742)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 192,467</b>	<b>52,652</b>	<b>(139,815)</b>
<b>FUND BALANCE, JULY 1</b>		<b>61,698</b>	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 114,350</b>	

**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CAPITAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Sales taxes	\$ 885,000	570,137	(314,863)
Grants	-	94,319	94,319
Investment income	800	112	(688)
Total Revenues	885,800	664,568	(221,232)
<b>EXPENDITURES</b>			
Capital outlay	1,042,100	705,226	(336,874)
Debt service: principal	-	16,313	16,313
Total Expenses	1,042,100	721,539	(320,561)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(156,300)	(56,971)	99,329
<b>OTHER FINANCING SOURCES</b>			
Proceeds from capital lease	-	45,203	45,203
<b>NET CHANGE IN FUND BALANCE</b>	\$ (156,300)	(11,768)	144,532
FUND BALANCE, JULY 1		370,178	
FUND BALANCE, JUNE 30		\$ 358,410	



**CITY OF BERKELEY, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION -**  
**NOTES TO SCHEDULES OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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**Budgets and Budgetary Accounting**

The budget is required to include proposed expenditures and the means of financing them, using the modified accrual basis of accounting. Annual appropriated budgets are adopted for the General, Special Revenue (except for the Federal Police Grant Funds), and Debt Service Funds.

The City Council is required to follow these procedures in establishing the budgetary data reflected in the financial statements:

- a. Preliminary budget proposals are to be submitted by the department heads prior to February 28 for the fiscal year commencing the following July 1. These departmental proposals are to be reviewed by the Finance Director in March. From the departmental budget proposals, the Finance Director is to prepare the proposed operating budget of the City, which is to be submitted to the City Council for review and approval. The City Council is to review the propose budget with each department head in informal sessions held during May.
- b. At one of the semi-monthly Council meetings in June a public hearing is to be held providing an opportunity for citizens to comment on the proposed budget before final approval by the City Council.
- c. Prior to June 27 the budget is to be formally approved through passage of a motion by the City Council.
- d. The City Council is to exercise control over the budget at the functional level of expenditures grouped by character. For financial statement presentation purposes, the budget to actual comparison of expenditures is to be by character. Adjustments to the budget must be approved by the City Council, except as previously authorized in the Charter or by ordinance.
- e. Although it is City Council policy to control expenditures by function and character within each fund, the unfavorable variances by function or by character are not considered a violation of the City ordinances. The City ordinances relative to budgetary control embrace the Missouri State Statutes, which allow a city to appropriate funds to the extent the City has resources on hand at the beginning of the fiscal year and those anticipated to be received during the fiscal year.
- f. Any subsequent change or amendment to the adopted budget, as determined necessary by administration or Council, must be adopted by Council action through a supplemental appropriation.
- g. Appropriations lapse at the end of each fiscal year.

**Expenditures Exceeded Appropriations** -- During the year ended June 30, 2004, expenditures exceeded appropriations in the following funds:

General Fund	\$1,157,786
Tax Increment Financing Fund	1,335
Police Training Fund	14,546
Sewer Lateral Fund	7,273
Public Building Bonds/Interest-Sinking Fund	94,712

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessment, expendable trust, or major capital projects) that are legally restricted to expenditures for special purposes.

**Tax Increment Financing (TIF) Fund** -- The TIF Fund provides funding for all activity related to TIF bonds, intended to stimulate private development by providing financing for necessary public improvements.

**Police Training Fund** -- The Police Training Fund provides funding for necessary in-service training for police department personnel.

**Sewer Lateral Fund** -- The Sewer Lateral Fund provides funding for all sewer lateral projects in the City.

**Local Law Enforcement Block Grant Fund (LLEBG)** -- The LLEBG Fund accounts for Local Law Enforcement Block Grants and related expenditures.



**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2004**

	<b>Tax Increment Financing</b>	<b>Police Training</b>	<b>Sewer Lateral</b>	<b>Local Law Enforcement Block Grant</b>	<b>Total</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 115,807	-	122,034	557	238,398
Accounts receivable	11,290	-	-	-	11,290
Due from other funds	23,949	27,894	68,369	11,711	131,923
<b>Total Assets</b>	<b>\$ 151,046</b>	<b>27,894</b>	<b>190,403</b>	<b>12,268</b>	<b>381,611</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Due to other funds	\$ -	3,760	-	-	3,760
<b>Fund Balances</b>					
Reserved for debt service	151,046	-	-		151,046
Unreserved - undesignated	-	24,134	190,403	12,268	226,805
<b>Total Fund Balances</b>	<b>151,046</b>	<b>24,134</b>	<b>190,403</b>	<b>12,268</b>	<b>377,851</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$ 151,046</b>	<b>27,894</b>	<b>190,403</b>	<b>12,268</b>	<b>381,611</b>

**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Tax Increment Financing	Police Training	Sewer Lateral	Local Law Enforcement Block Grant	Penion Tax Fund	Total
<b>REVENUES</b>						
Property taxes	\$ 41,364	-	-	-	218,945	260,309
Sales taxes	79,205	-	-	-	-	79,205
Sewer lateral fees	-	-	89,979	-	-	89,979
Grants	-	-	-	18,562	-	18,562
Investment income	14	-	-	2,472	-	2,486
Other income	183	24,866	-	15	-	25,064
Total Revenues	<u>120,766</u>	<u>24,866</u>	<u>89,979</u>	<u>21,049</u>	<u>218,945</u>	<u>475,605</u>
<b>EXPENDITURES</b>						
Pension contribution	-	-	-	-	218,945	218,945
Bank charges	72	-	-	-	-	72
Training	-	17,865	-	-	-	17,865
Sewer lateral repairs	-	-	57,273	-	-	57,273
Capital outlay	-	10,541	-	20,544	-	31,085
Debt principal	98,450	-	-	-	-	98,450
Debt interest	13,438	-	-	-	-	13,438
Total Expenditures	<u>111,960</u>	<u>28,406</u>	<u>57,273</u>	<u>20,544</u>	<u>218,945</u>	<u>437,128</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	8,806	(3,540)	32,706	505	-	38,477
<b>OTHER FINANCING SOURCES</b>						
Transfers in	-	-	-	2,062	-	2,062
<b>NET CHANGE IN FUND BALANCES</b>	8,806	(3,540)	32,706	2,567	-	40,539
FUND BALANCES, JULY 1	<u>142,240</u>	<u>27,674</u>	<u>157,697</u>	<u>9,701</u>	<u>-</u>	<u>337,312</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 151,046</u>	<u>24,134</u>	<u>190,403</u>	<u>12,268</u>	<u>-</u>	<u>377,851</u>

**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 41,000	41,364	364
Sales taxes	69,500	79,205	9,705
Investment income	100	14	(86)
Other income	25	183	158
Total Revenues	110,625	120,766	10,141
<b>EXPENDITURES</b>			
Bank charges	-	72	72
Debt principal	64,645	98,450	33,805
Interest	45,980	13,438	(32,542)
Total Expenditures	110,625	111,960	1,335
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>8,806</b>	<b>8,806</b>
<b>FUND BALANCE, JULY 1</b>		<b>142,240</b>	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 151,046</b>	



**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - POLICE TRAINING FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Other income	\$ 17,000	24,866	7,866
<b>EXPENDITURES</b>			
Training	13,500	17,865	4,365
Capital outlay	-	10,541	10,541
Total Expenditures	13,500	28,406	14,906
<b>NET CHANGE IN FUND BALANCE</b>	\$ 3,500	(3,540)	(7,040)
FUND BALANCE, JULY 1		27,674	
FUND BALANCE, JUNE 30		\$ 24,134	

**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - SEWER LATERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Sewer lateral fees	\$ 83,000	89,979	6,979
<b>EXPENDITURES</b>			
Sewer lateral repairs	50,000	57,273	7,273
<b>NET CHANGE IN FUND BALANCE</b>	\$ 33,000	32,706	(294)
FUND BALANCE, JULY 1		157,697	
<b>FUND BALANCE, JUNE 30</b>		\$ 190,403	

**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - PUBLIC BUILDING BONDS/INTEREST SINKING FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Property taxes	\$ 461,500	272,640	(188,860)
Interest income	6,700	3,015	(3,685)
Total Revenues	<u>468,200</u>	<u>275,655</u>	<u>(192,545)</u>
<b>EXPENDITURES</b>			
Debt principal	220,000	220,000	-
Interest	169,264	263,976	94,712
Total Expenditures	<u>389,264</u>	<u>483,976</u>	<u>94,712</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>78,936</u>	<u>(208,321)</u>	<u>(287,257)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of refunding bond	-	2,725,000	2,725,000
Payment to refunded escrow agent	-	(2,640,000)	(2,640,000)
	<u>-</u>	<u>85,000</u>	<u>85,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 78,936</u>	<u>(123,321)</u>	<u>(202,257)</u>
FUND BALANCE, JULY 1		<u>485,657</u>	
FUND BALANCE, JUNE 30		<u>\$ 362,336</u>	



**CITY OF BERKELEY, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
<b>Trust and Agency Fund</b>				
Assets:				
Restricted cash	\$ 119,342	-	119,342	-
Due from others	8,359	-	8,359	-
Total Assets	<u>\$ 127,701</u>	<u>-</u>	<u>127,701</u>	<u>-</u>
Liabilities - deposits	<u>\$ 127,701</u>	<u>-</u>	<u>127,701</u>	<u>-</u>
<b>Municipal Court Bonds Fund</b>				
Assets - restricted cash	<u>\$ -</u>	<u>141,959</u>	<u>-</u>	<u>141,959</u>
Liabilities - deposits	<u>\$ -</u>	<u>141,959</u>	<u>-</u>	<u>141,959</u>
<b>Pool Campaign Fund</b>				
Assets - cash	<u>\$ 2,699</u>	<u>-</u>	<u>231</u>	<u>2,468</u>
Liabilities - deposits	<u>\$ 2,699</u>	<u>-</u>	<u>231</u>	<u>2,468</u>
<b>All Agency Funds</b>				
Assets:				
Cash	\$ 2,699	-	231	2,468
Restricted cash	119,342	141,959	119,342	141,959
Due from other funds	8,359	-	8,359	-
Total Assets	<u>\$ 130,400</u>	<u>141,959</u>	<u>127,932</u>	<u>144,427</u>
Liabilities:				
Deposits	<u>\$ 130,400</u>	<u>141,959</u>	<u>127,932</u>	<u>144,427</u>

**CITY OF BERKELEY, MISSOURI**  
**GOVERNMENT-WIDE EXPENSES BY FUNCTION**  
**CURRENT FISCAL YEAR**

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<b>Function</b>	<u>2004</u>
General government	\$ 2,614,777
Public Safety	5,307,712
Public works	1,611,440
Parks and recreation	460,710
Interest expense	<u>292,079</u>
 Total Expenses	 <u>\$ 10,286,718</u>

Source: Basis financial statements

**CITY OF BERKELEY, MISSOURI**  
**GOVERNMENT-WIDE REVENUES BY SOURCE**  
**CURRENT FISCAL YEAR**

---

<b>Source</b>	<u><b>2004</b></u>
Program Revenues:	
Charges for services	\$ 2,029,061
Operating grants and contributions	629,384
Capital grants and contributions	133,084
General Revenues:	
Taxes:	
Property	1,791,066
Sales	2,035,388
Utility	1,933,356
Business licenses	358,872
Sale of assets	32,000
Investment income	24,639
Miscellaneous	77,186
	<hr/>
Total Revenues	<u><u>\$ 9,044,036</u></u>

Source: Basic financial statements



**CITY OF BERKELEY, MISSOURI**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Government And Capital Outlays</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Capital Improvement Tax</b>	<b>Parks and Recreation</b>	<b>Infrastructure Improvements Fund</b>	<b>ADA</b>	<b>Solid Waste Disposal</b>
1995	\$ 1,386,776	\$ 3,275,222	\$ 1,003,064	\$ -	\$ 383,337	\$ 1,398,921	\$ 277,406	\$ 389,853
1996	1,361,239	3,310,312	1,003,548	-	385,769	1,269,247	254,231	408,629
1997	1,069,988	3,136,649	1,057,146	75,427	445,423	409,658	186,788	414,519
1998	1,145,778	3,160,910	1,107,898	328,081	464,757	-	41,172	321,566
1999	2,117,067	3,087,363	1,059,212	831,793	509,658	-	33,610	329,699
2000	2,191,642	3,123,811	1,174,339	581,627	387,239	-	-	83,819
2001	2,086,214	3,356,482	1,238,175	764,266	374,742	-	-	15
2002	2,723,324	4,319,931	1,298,594	1,364,885	403,039	-	-	-
2003	1,652,994	4,585,356	1,321,058	251,692	364,161	-	-	-
2004	2,617,519	4,960,761	1,317,572	705,226	404,691	-	-	-

(Continued)

**CITY OF BERKELEY, MISSOURI**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**LAST TEN FISCAL YEARS (Continued)**

<u>Fiscal Year</u>	<u>Sewer Lateral</u>	<u>Revolving Public Improvements</u>	<u>Debt Service</u>	<u>Community Development</u>	<u>Federal Police Grant</u>	<u>ISTEA</u>	<u>Law Enforcement Training</u>	<u>Total Expenditures</u>
1995	\$ -	\$ -	\$ 500,397	\$ 3,845	\$ -	\$ -	\$ -	\$ 8,618,821
1996	-	-	487,927	24,106	-	-	2,763	8,507,771
1997	-	-	460,842	118,030	-	-	11,316	7,385,786
1998	-	-	398,350	164,067	29,805	33	4,590	7,167,007
1999	-	-	415,078	260,484	-	7,576	1,069	8,652,609
2000	-	15,740	385,099	69,496	25,448	260,201	5,010	8,303,471
2001	19,975	6,636	382,904	-	6,937	-	1,458	8,237,804
2002	32,008	-	378,902	-	54,714	-	13,868	10,589,265
2003	38,276	-	378,846	-	33,542	-	22,506	8,648,431
2004	57,273	-	631,811	-	20,544	-	28,406	10,743,803

**CITY OF BERKELEY, MISSOURI**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Taxes</b>	<b>Licenses And Permits</b>	<b>Inter-governmental Revenues</b>	<b>Income On Investments</b>	<b>Fines And Forfeits</b>	<b>Miscellaneous Revenues</b>	<b>Total Revenues</b>
1995	\$ 4,297,361	\$ 788,011	\$ 640,607	\$ 279,037	\$ 392,527	\$ 503,453	\$ 6,900,996
1996	4,468,674	700,918	597,903	229,487 *	369,211	506,702	6,872,895
1997	4,667,091	675,903	1,392,547	192,680	338,114	523,770	7,790,105
1998	5,805,242	805,872	812,251	207,370	331,918	618,151	8,580,804
1999	5,247,298	792,028	883,900	176,451	386,270	1,478,597	8,964,544
2000	5,246,159	712,051	962,988	143,110 *	528,851	403,955	7,997,114
2001	5,555,832	915,495	687,735	215,687	552,415	154,500	8,081,664
2002	5,314,608	769,046	882,485	87,747 *	700,108	141,941	7,895,935
2003	5,409,207	1,081,715	597,249	23,973	857,356	261,648	8,231,148
2004	5,706,244	1,036,681	800,347	24,639	1,053,049	320,640	8,941,600

\* Decrease due to decline in interest rates for investments and/or less funds were available to invest.



**CITY OF BERKELEY, MISSOURI**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Total Tax Levy*</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent Of Current Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent Of Current Levy</u>
1995	\$ 1,558,284	\$ 1,488,864	95.5 %	\$ 44,144	\$ 1,533,008	98.4 %	\$ 80,672	5.2 %
1996	1,657,980	1,597,527	96.4	33,072	1,630,599	98.3	98,098 *	5.9
1997	1,739,414	1,648,924	94.8	53,282	1,702,206	97.9	98,576	5.7
1998	** 1,822,361	1,761,750	96.7	44,828	1,806,578	99.1	108,628	6.0
1999	** 1,845,019	1,771,115	96.0	50,738	1,821,853	98.7	118,237 *	6.4
2000	** 1,899,346	1,837,014	96.7	67,756	1,904,770	100.3	134,253 *	7.1
2001	1,731,444	1,666,506	96.2	78,397	1,744,903	100.8	145,315	8.4
2002	1,821,104	1,728,503	94.9	26,227	1,754,730	96.4	223,175	12.3
2003	2,086,481	2,028,913	97.2	32,967	2,061,880	98.8	218,096	10.5
2004	1,929,001	1,795,108	93.1	121,408	1,916,516	99.4	262,058	13.6

\* The low percent of levy collected and increase in outstanding delinquent taxes is due to formal protest disputing the amount of taxes owed filed by several large manufacturers in the City.

\*\* The tax rate was retroactively reduced from \$1.14 to \$1.02 per \$100 assessed value subsequent to fiscal year 2000.

**Source of Data:**  
 St. Louis County Assessor

**CITY OF BERKELEY, MISSOURI**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Real Property		Personal Property		Railroads And Utilities		Total		Ratio Of Assessed Value To Total Estimated Actual Value
	Assessed Value*	Estimated Actual Value	Assessed Value*	Estimated Actual Value	Assessed Value*	Estimated Actual Value	Assessed Value*	Estimated Actual Value	
1995	\$ 101,974,230	\$ 306,228,919	\$ 29,033,703	\$ 87,188,297	\$ 5,683,614	\$ 17,067,910	\$ 136,691,547	\$ 410,485,126	33.3 %
1996	108,530,140	325,916,336	31,327,716	94,077,225	5,578,948	16,753,598	145,436,804	436,747,159	33.3
1997	107,938,340	324,139,159	39,218,166	117,772,270	5,423,667	16,287,288	152,580,173	458,198,717	33.3
1998	107,914,570	324,067,778	46,436,159	139,447,925	5,505,514	16,533,075	159,856,243	480,048,778	33.3
1999	108,194,800	324,909,309	47,957,201	144,015,619	5,391,804	16,191,604	161,543,805	485,116,532	33.3
2000	109,762,980	403,813,412	51,505,431	154,670,963	5,340,907	16,535,099	166,609,318	575,019,474	29.0
2001	110,691,120	407,587,780	54,116,392	162,511,688	5,275,377	16,333,020	170,082,889	586,432,488	29.0
2002	120,719,660	448,393,230	53,132,458	159,556,931	5,567,031	17,231,693	179,419,149	625,181,854	28.7
2003	122,642,230	453,795,325	61,564,956	175,883,858	4,956,970	19,659,787	189,164,156	649,338,970	29.1
2004	124,743,030	463,845,001	49,452,742	148,358,226	6,468,892	20,066,900	180,664,664	632,270,127	28.6

\* Assessments are determined by the assessor of St. Louis County.

Property is assessed as of January 1. Taxes levied become due and payable on November 1 and delinquent after December 31.

**CITY OF BERKELEY, MISSOURI**  
**PROPERTY TAX RATES AND TAX LEVIES -**  
**DIRECT AND OVERLAPPING GOVERNMENTS - PER \$100 OF ASSESSED VALUE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Tax Rates				
	City	School District	County	State	Other
1995	\$ 1.14	\$ 4.18	\$ 0.58	\$ 0.03	\$ 1.49
1996	1.14	4.50	0.58	0.03	1.50
1997	1.14	4.63	0.58	0.03	1.56
1998	1.14	5.00	0.58	0.03	1.55
1999	1.02 *	5.01	0.58	0.03	1.55
2000	1.02 *	5.01	0.58	0.03	1.54
2001	1.02 *	5.015	0.58	0.03	1.55
2002	1.015	5.015	0.58	0.03	1.741
2003	1.103	5.04	0.58	0.03	1.737
2004	1.037	5.04	0.58	0.03	1.724

Fiscal Year	Tax Levies				
	City	School District	County	State	Other
1995	\$ 1,493,588	\$ 5,510,961	\$ 765,679	\$ 39,552	\$ 1,964,433
1996	1,558,284	6,151,112	792,811	41,007	2,050,373
1997	1,657,980	6,733,724	843,533	43,631	2,268,814
1998	1,739,414 **	7,992,812	884,965	45,774	2,477,772
1999	1,822,361 **	8,093,345	927,166	47,956	2,503,928
2000	1,845,019 **	8,347,127	936,954	48,463	2,565,784
2001	1,899,346	8,355,457	966,334	49,982	2,582,444
2002	1,816,301	8,997,870	1,040,631	53,826	3,123,687
2003	2,069,249	9,455,136	1,088,091	56,281	3,258,645
2004	1,929,001	9,105,499	1,047,855	54,199	3,115,020

\* Tax rate retroactively reduced from \$1.14 to \$1.02 per \$100 assessed value for fiscal years 1998-2000

\*\* The amount of tax levy reflected is at the old rate of \$1.14

Assessed valuation is \$180,664,664.

**Source of Data:**

St. Louis County Assessor



**CITY OF BERKELEY, MISSOURI**  
**PRINCIPAL MANUFACTURER'S LICENSE TAXPAYERS**  
**JUNE 30, 2004**

<u>Name</u>	<u>Industry</u>	<u>License Amount</u>	<u>Percent</u>
The Boeing Company	Aerospace	\$ 589,093	78.42 %
Graham Packaging Co.	Plastic products	72,220	9.61
Federal Mogul Corp.	Auto parts	32,297	4.30
Smurfit Stone Container	Concrete manufacturing	36,152	4.81
Mueller Machine and Tool Co.	Tool manufacturer and distributor	8,442	1.12
Total Amount - Principal Taxpayers		<u>\$ 738,204</u>	<u>98.26 %</u>
Total Amount - All Taxpayers		<u>\$ 751,248</u>	<u>100.00 %</u>

**Source of Data:**

The City's Finance Department

**CITY OF BERKELEY, MISSOURI**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2004**

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Assessed value		<u>\$ 180,664,664</u>
* Debt limit 10% - percent of assessed value		\$ 18,066,466
Amount of debt applicable to debt limit:		
Total bonded debt	\$ 2,725,000	
Less - fund balance of Debt Service Fund - bond interest and sinking	<u>362,336</u>	
Total amount of debt applicable to debt limit		<u>2,362,664</u>
Legal Debt Margin		<u>\$ 15,703,802</u>

\* Under Article VI, Sections 26(b) and 26(c) of the Missouri constitution, the City, by a vote of 2/3 of the qualified electors thereof voting thereon, may incur general obligation bonded indebtedness for City purposes in an amount not to exceed 10% of the assessed valuation of taxable tangible property within the City as ascertained by the last completed assessment for State or County purposes. Under Section 26(d) of said Article VI, the City may incur general obligation indebtedness not exceeding in the aggregate an additional 10% of the aforesaid assessed valuation "for the purpose of acquiring rights-of-way, constructing, extending, and improving sanitary or storm sewer systems" and under Section 26(e) of said Article IV, additional general obligation indebtedness may be incurred for "purchasing or construction, waterworks, electric, or other light plants to be owned exclusively by the City, provided that the total general obligation indebtedness of the City shall not exceed 20% of the assessed valuation."

**Source of Data:**  
St. Louis County Assessor

**CITY OF BERKELEY, MISSOURI**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**JUNE 30, 2004**

<u>Name Of Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Governmental Unit's Applicable Percentage</u>	<u>Share Of Debt</u>
City of Berkeley	\$ 2,725,000	100.00%	
School District - Ferguson R-2 Reorganized	\$ 16,920,000	N/A	N/A
St. Louis County	\$ 107,830,000	N/A	N/A
Total Direct And Overlapping Debt			<u><u>\$ -</u></u>

**Source of Data:**

St. Louis County Assessor

N/A - Not Applicable



**CITY OF BERKELEY, MISSOURI**  
**DEMOGRAPHIC STATISTICS**

Age distribution of population for last five censuses:

Age	2000	Age	1990	Age	1980	1970	1960
0-4	773	0-5	1,010	0-4	1,470	1,789	3,200
5-9	1,028	6-18	2,379	5-9	1,578	2,245	2,762
10-14	920	19-20	830	10-14	1,516	2,381	1,919
15-19	801	21-24	738	15-19	1,771	2,078	867
20-24	646	25-44	3,976	20-24	1,603	1,681	806
25-29	727	45-54	1,133	25-29	1,716	1,496	1,455
30-34	692	55-64	1,052	30-34	1,040	1,210	1,985
35-39	712	65 and over	1,532	35-39	820	1,159	1,836
40-44	665			40-44	817	1,332	1,218
45-49	641			45-49	825	1,281	810
50-54	550			50-54	839	985	567
55-59	449			55-59	678	744	419
60-64	352			60-64	569	504	299
65-69	324			65-69	260	334	170
70-74	292			70-74	271	213	157
75 and over	491			75 and over	373	311	206

Income level of population for last five censuses:

Income Total For Families And Unrelated Individuals	2000	1990	Income Total For Families And Unrelated Individuals	1980	1970	1960
Under \$10,000	223	416	Under \$1,000	162	52	29
\$10,000 - \$14,999	198	320	\$1,000 - \$1,999	99	30	46
\$15,000 - \$24,999	412	602	\$2,000 - \$2,999	115	62	86
\$25,000 - \$34,999	507	631	\$3,000 - \$3,999	142	124	133
\$35,000 - \$49,999	530	699	\$4,000 - \$4,999	197	136	317
\$50,000 - \$74,999	444	570	\$5,000 - \$5,999	145	203	701
\$75,000 - \$99,999	176	234	\$6,000 - \$6,999	113	224	802
\$100,000 - \$149,999	93	102	\$7,000 - \$7,999	150	284	758
\$150,000 - \$199,999	6	6	\$8,000 - \$8,999	165	438	462
\$200,000 or more	16	16	\$9,000 - \$9,999	157	376	435
			\$10,000 - \$14,999	927	798	639
			\$15,000 - \$24,999	1,656	1,128	110
			\$25,000 or more	1,349	94	37
Income Not Reported			Income Not Reported			
Median Income	\$ 34,148	\$ 32,219	Median Income	\$ 16,908	\$ 11,347	\$ 7,216

**Source of Data:**

The City's Public Works, Park, Finance, and Police and Fire Departments, and the U.S. Census Bureau

**CITY OF BERKELEY, MISSOURI**  
**PROPERTY VALUE OF NEW CONSTRUCTION,**  
**ALTERATIONS/ADDITIONS, AND BUILDING DEMOLITIONS**  
**LAST TEN FISCAL YEARS**

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	<u>Fiscal Year</u>	<u>Number Of Permits</u>	<u>Value Of Construction</u>
New Construction:	1995	8	\$ 1,713,970
	1996	17	2,126,158
	1997	7	10,216,198
	1998	18	2,861,007
	1999	14	13,100,709
	2000	41	16,124,079
	2001	20	34,018,700
	2002	13	1,787,769
	2003	22	9,332,011
	2004	28	4,346,472
Alterations/Additions:	1995	192	1,121,821
	1996	270	2,053,500
	1997	341	6,806,192
	1998	172	5,296,081
	1999	249	4,007,209
	2000	288	9,472,996
	2001	415	8,149,420
	2002	635	13,353,436
	2003	367	25,053,934
	2004	388	28,268,159
Building Demolitions:	1995	65	Not Applicable
	1996	31	"
	1997	17	"
	1998	13	"
	1999	24	"
	2000	14	"
	2001	20	"
	2002	6	"
	2003	12	"
	2004	2	"

**Source of Data:**

The City's Public Works Department

**CITY OF BERKELEY, MISSOURI**  
**MISCELLANEOUS STATISTICAL DATA**

Date of Incorporation - 1937

Date First Charter Adopted - 1957

Date Present Charter Adopted - Amended 1960, 1963, 1972, and 1986

Form of Government - Constitutional Charter (Council - City Manager)

Area - square miles - by ten-year periods for last fifty years:

1998	4.6
1988	4.6
1978	4.6
1968	4.6
1958	4.6
1948	4.6

**Miles of streets and alleys:**

Streets - paved	59
Streets - unpaved	-
Alleys	-
Sidewalks	12

**Miles of sewers:**

Storm	42
Sanitary	45

**Fire protection:**

Number of stations	2
Number of employees	28

**Police protection:**

Number of employees	47
Calls for service	18,200
Jail (facilities and populations)	2 male-holding areas - 4 persons each
	1 female-holding area - 2 persons
Vehicular patrol unit	30

**Recreation:**

Number of parks	18
Number of acres of parks	105 acres
Number of playgrounds	13
Number of swimming pools	1
Number of other recreational facilities	5

(Continued)



**CITY OF BERKELEY, MISSOURI**  
**MISCELLANEOUS STATISTICAL DATA (Continued)**

**Education:**

	Ferguson-Florissant School District		
	Teachers	Administrators	Enrollment
Airport Elementary	30	2	356
Holman Elementary	31	1	192
Berkeley Middle	39	1	438
Berkeley Senior	39	3	635

**Number of street lights:** 785

**Employees (as of June 30, 2004):**

Scheduled	152
Non-scheduled	-
	152

**Elections:**

Number of registered voters	
last special election:	5,403
Number of votes cast in	
last special election:	1,250
Percentage of registered voters voting in	
last special election:	23.14%

**Population:**

Census population count for last five censuses:	
2000	10,063
1990	12,650
1980	16,146
1970	19,743
1960	18,676

**Source of Data:**

The City's Public Works, Park, Police, Fire, and Finance Departments  
 The Berkeley City Clerk  
 Ferguson-Florissant School District  
 U.S. Bureau of Census