

CITY OF OLIVETTE, MISSOURI

***FINANCIAL STATEMENTS
FOR THE YEAR ENDED
FEBRUARY 29, 2004***

CITY OF OLIVETTE, MISSOURI

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
City Council
CITY OF OLIVETTE, MISSOURI

We have audited the accompanying general purpose financial statements of the City of Olivette, Missouri, as of February 29, 2004, and for the year then ended. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Olivette, Missouri, as of February 29, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The information on pages 19 - 36 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.


April 8, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF OLIVETTE, MISSOURI
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
FEBRUARY 29, 2004
WITH COMPARATIVE TOTALS FOR FEBRUARY 28, 2003

ASSETS

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND		ACCOUNT GROUPS			TOTAL		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PENSION TRUST	GENERAL ASSETS	FIXED ASSETS	GENERAL LONG-TERM DEBT	(MEMORANDUM ONLY)		
									2004	2003	
ASSETS AND OTHER DEBITS											
Cash and temporary investments	\$ 225,962	\$ 290,507	\$ 507,790	\$ 240,774	\$ -	\$ -	\$ -	\$ -	\$ 1,265,033	\$ 1,195,901	
Investments	1,084,359	-	308,229	2,143,002	16,324,659	-	-	-	19,860,249	16,969,478	
Receivables:											
Property taxes	216,036	-	-	25,954	-	-	-	-	241,990	124,442	
Sales taxes	294,479	144,300	-	87,101	-	-	-	-	525,880	-	
Other	203,544	-	52,480	-	-	-	-	-	256,024	103,737	
Property, plant and equipment at cost	-	-	-	-	-	5,144,438	-	-	5,144,438	5,001,116	
Due from other funds	-	-	4,191	-	-	-	-	-	4,191	15,633	
Amount available in debt service fund	-	-	-	-	-	-	-	828,427	828,427	854,762	
Amount to be provided for retirement of special assessment debt	-	-	-	-	-	-	-	1,676,573	1,676,573	1,835,238	
TOTAL ASSETS AND OTHER DEBITS	\$ 2,024,380	\$ 434,807	\$ 872,690	\$ 2,496,831	\$ 16,324,659	\$ 5,144,438	\$ 2,505,000	\$ 29,802,805	\$ 29,802,805	\$ 26,100,307	

LIABILITIES, FUND EQUITY AND OTHER CREDITS

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND		ACCOUNT GROUPS			TOTAL		
	GENERAL	SPECIAL REVENUE		DEBT SERVICE	CAPITAL PROJECTS	PENSION TRUST	GENERAL	GENERAL	(MEMORANDUM ONLY)		
		REVENUE	DEBT SERVICE				FIXED ASSETS	LONG-TERM DEBT	2004	2003	
LIABILITIES											
Accounts payable	\$ 30,589	\$ 6,210	\$ -	\$ 8,387	\$ -	\$ -	\$ -	\$ -	\$ 45,186	\$ 110,970	
Accrued wages	112,644	4,758	-	4,161	-	-	-	-	121,563	88,326	
Accrued vacation	91,421	-	-	4,879	-	-	-	-	96,300	68,949	
Police bonds payable	10,950	-	-	-	-	-	-	-	10,950	6,750	
Other liabilities	6,588	-	-	-	-	-	-	-	6,588	21,859	
Deferred revenue	141,814	-	44,263	16,867	-	-	-	-	202,944	167,282	
Due to other funds	4,191	-	-	-	-	-	-	-	4,191	15,633	
Special assessment bonds payable	-	-	-	-	-	-	2,505,000	-	2,505,000	2,690,000	
TOTAL LIABILITIES	398,197	10,968	44,263	34,294	-	-	2,505,000	-	2,992,722	3,169,769	
EQUITY AND OTHER CREDITS											
Investment in general fixed assets	-	-	-	-	-	-	-	5,144,438	-	5,144,438	5,001,116
Fund Balance:											
Reserved:											
Subsequent year expenditures	-	-	-	1,674,584	-	-	-	-	1,674,584	1,531,600	
Employees' retirement benefits	-	-	-	-	16,324,659	-	-	-	16,324,659	13,703,041	
Debt service	-	-	828,427	-	-	-	-	-	828,427	854,762	
Unreserved:											
Designated for:											
Subsequent year expenditures	-	-	-	787,953	-	-	-	-	787,953	787,953	
Undesignated	1,626,183	423,839	-	-	-	-	-	-	2,050,022	1,052,066	
TOTAL FUND EQUITY AND OTHER CREDITS	1,626,183	423,839	828,427	2,462,537	16,324,659	-	-	5,144,438	26,810,083	22,930,538	
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$ 2,024,380	\$ 434,807	\$ 872,690	\$ 2,496,831	\$ 16,324,659	\$ 5,144,438	\$ 2,505,000	\$ 29,802,805	\$ 26,100,307		

The accompanying notes are an integral part of these financial statements.

CITY OF OLIVETTE, MISSOURI

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED FEBRUARY 29, 2004
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2003**

	GOVERNMENTAL FUND TYPES				TOTAL (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	2004	2003
REVENUES						
General property and sales taxes	\$ 2,838,714	\$ 827,647	\$ -	\$ 487,031	\$ 4,153,392	\$ 3,566,546
Public utility and other licenses	1,882,838	-	-	-	1,882,838	1,838,621
Permits and fees	175,447	-	-	-	175,447	167,939
Intergovernmental	330,772	-	-	188,853	519,625	520,130
Special assessments	-	-	281,074	-	281,074	277,851
Miscellaneous	985,947	-	10,112	-	996,059	937,541
TOTAL REVENUES	6,213,718	827,647	291,186	675,884	8,008,435	7,308,628
EXPENDITURES						
Current:						
General government	618,088	-	-	-	618,088	611,155
Public health	35,702	-	-	-	35,702	27,460
Public safety	3,761,316	232,188	-	-	3,993,504	3,119,744
Public works	1,454,691	320,648	-	448,396	2,223,735	1,949,923
Insurance	84,454	-	-	-	84,454	638,166
Pension plan	-	-	-	-	-	271,263
Capital outlay	87,994	80,368	-	172,540	340,902	278,774
Debt service	-	-	317,521	-	317,521	320,918
TOTAL EXPENDITURES	6,042,245	633,204	317,521	620,936	7,613,906	7,217,403
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	171,473	194,443	(26,335)	54,948	394,529	91,225
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	34,185
Operating transfers out	-	-	-	-	-	(34,185)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	171,473	194,443	(26,335)	54,948	394,529	91,225
FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED	973,527	78,539	854,762	2,319,553	4,226,381	4,135,186
Change in accounting principle - GASB 33	481,183	150,857	-	88,036	720,076	-
FUND BALANCE - BEGINNING OF YEAR, AS RESTATED	1,454,710	229,396	854,762	2,407,589	4,946,457	4,135,186
FUND BALANCES - END OF YEAR	\$ 1,626,183	\$ 423,839	\$ 828,427	\$ 2,462,537	\$ 5,340,986	\$ 4,226,411

The accompanying notes are an integral part of these financial statements.

CITY OF OLIVETTE, MISSOURI

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL BUDGETED GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED FEBRUARY 29, 2004

	GENERAL FUND			SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
General property and sales taxes	\$ 2,703,038	\$ 2,838,714	\$ 135,676	\$ 761,167	\$ 827,647	\$ 66,480
Public utility and other licenses	1,736,038	1,882,838	146,800	-	-	-
Permits and fees	301,732	175,447	(126,285)	-	-	-
Intergovernmental	318,954	330,772	11,818	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	885,250	985,947	100,697	-	-	-
TOTAL REVENUES	5,945,012	6,213,718	268,706	761,167	827,647	66,480
EXPENDITURES						
Current:						
General government	588,761	618,088	(29,327)	-	-	-
Public health	35,491	35,702	(211)	-	-	-
Public safety	3,655,382	3,761,316	(105,934)	199,926	232,188	(32,262)
Public works	1,415,083	1,454,691	(39,608)	374,589	320,648	53,941
Insurance	89,507	84,454	5,053	-	-	-
Capital outlay	84,865	87,994	(3,129)	163,010	80,368	82,642
Debt service	-	-	-	-	-	-
TOTAL EXPENDITURES	5,869,089	6,042,245	(173,156)	737,525	633,204	104,321
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 75,923	171,473	\$ 95,550	\$ 23,642	194,443	\$ 170,801
FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED		973,527			78,539	
Change in accounting principle - GASB 33		481,183			150,857	
FUND BALANCE - BEGINNING OF YEAR, AS RESTATED		1,454,710			229,396	
FUND BALANCES - END OF YEAR		\$ 1,626,183			\$ 423,839	

CITY OF OLIVETTE, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
FIDUCIARY FUND TYPE
PENSION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2003**

REVENUES

Contributions:

Employer	\$ 609,756
Employee	140,418
Total Contributions	<u>750,174</u>

Investment return	<u>2,620,557</u>
TOTAL REVENUES	<u>3,370,731</u>

EXPENSES

Distributions	726,693
Administrative expenses	22,420
TOTAL EXPENSES	<u>749,113</u>

NET INCOME 2,621,618

FUND BALANCE - BEGINNING OF YEAR 13,703,041

FUND BALANCE - END OF YEAR \$ 16,324,659

The accompanying notes are an integral part of these financial statements.

CITY OF OLIVETTE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Olivette, Missouri (the City) was incorporated in 1930. The City operates as a charter city under the Missouri State Statutes under the City Council/City Manager form of government. The City provides the following services: public safety (police and fire), public works, public health, residential trash collection and recycling, planning and zoning, recreation and general administration.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

- A. **Reporting Entity** - The City's criteria in determining the appropriate inclusion or exclusion of an organization's activity or other governmental function in its reporting entity for general purpose financial statements include, but are not limited to, financial interdependence, selection of governing authority, designation of management, ability to significantly influence operation and accountability for fiscal matters. In the opinion of management, the accompanying general purpose financial statements include all appropriate organizations based upon application of the criteria outlined above.

GASB Statement 14 has been applied in determining the financial reporting entity of the City. Statement 14 requires the financial reporting entity to include the following:

- the primary government;
- other organizations for which the primary government is financially accountable;
- any for-profit corporations of which the primary government holds majority ownership for the purpose of directly facilitating provision of government services; and
- any other organization whose exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In evaluating the City as a reporting entity, management has addressed all potential component units which may or may not fall within the City's reporting entity based on the above criteria.

The general purpose financial statements of the City include financial information of all funds, account groups, agencies, boards, and authorities for which the City is financially accountable and/or holds a majority ownership. Also included are all funds, account groups, agencies, boards, and authorities whose exclusion would cause the City's financial statements to be misleading or incomplete.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

- B. **Fund Accounting** - The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories "governmental, proprietary and fiduciary". Each category, in turn, is divided into separate "fund types." The following fund types and account groups are used by the City:

GOVERNMENTAL FUNDS

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

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

Special Revenue Fund - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - Debt Service Fund is used for the accumulation of reserved for, and the payment of, general long-term debt principal and interest, and related costs.

Capital Projects Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. In addition, the cost of maintaining the City's streets are recorded in this fund.

FIDUCIARY FUND TYPES - TRUST FUNDS

Trust Funds are used to account for assets held by the City in a trustee capacity. The City accounts for its pension plan activity in the Pension Trust Fund.

The pension plan has a fiscal year end of December 31. The activity of the pension plan for its fiscal year (December 31, 2003) ending during the City's fiscal year is included in the general purpose financial statements as of and for the year ended February 29, 2004.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

B. **Fund Accounting - continued**

ACCOUNT GROUPS

General Fixed Asset Account Group - This group of accounts is established to account for all fixed assets of the City, except for streets, sidewalks, curbs and gutters, storm sewers, lighting systems and other infrastructure which, because of their nature, are not reflected as assets in the accompanying general purpose financial statements.

General Long-Term Debt Account Group - This group of accounts is established to account for all long-term debt of the City.

- C. **Basis Of Accounting** - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All government funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Pension Trust Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

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

The City records transactions during the year on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the Pension Trust Fund.

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the related fund liability is incurred, except for interest on general obligation debt which is recognized when due.

Licenses and permits, charges for services, fines and forfeits and miscellaneous revenue (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Sales taxes are considered measurable when collected at the point of sale and recognized as revenue at that time. Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days following the end of the current period.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

- D. **Budget Policies And Basis Of Accounting** - On or before December 1, the City Manager submits to the City Council a proposed operating budget for the City for the fiscal year commencing on the following March 1. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by ordinance after public hearings are held to obtain taxpayer comments. Primary budgetary control is at the department level. Any transfers of budgeted amounts from one department to another require approval of the City Council.

Unencumbered appropriations lapse at year end.

- E. **Investments** - Investments with original maturities of three months or less are classified as cash and temporary investments.
- F. **Fixed Assets** - General fixed assets are accounted for as expenditures at the time of purchase. Such assets are capitalized at cost in the general fixed asset account group except for certain improvements such as roads, curbs, gutters, sidewalks, drainage systems and lighting systems which are not capitalized. No depreciation has been provided on assets recorded in the general fixed asset account group.
- G. **Sick Leave** - Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. Upon retirement, employees get paid for up to 120 days at half-pay for sick leave in accordance with City Code No. 20.4999(c).
- H. **Inter-Fund Transactions** - Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as operating transfers. Such transfers are reported as other financing sources (uses) in the Governmental Fund Types.
- I. **Concentration of Labor Force** - Approximately 28% of the labor force is covered under a memorandum of understanding which expires in March 1, 2006.
- J. **Memorandum Totals** - The totals (memorandum only) columns on the combined financial statements are presented only to facilitate analysis and do not present financial position, results of operations or change in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation.

2. **CASH AND INVESTMENTS**

At year end, the carrying value of the City's demand deposits was \$133,474 and the bank balance was \$132,743. The entire bank balance at year end was covered by federal depository insurance or collateralized by securities held by the pledging financial institution in the City's name.

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

2. **CASH AND INVESTMENTS - continued**

	CATEGORY			FAIR VALUE
	1	2	3	
U.S. Treasury and Agency Securities	\$ -	\$ 4,044,425	\$ -	\$ 4,044,425
Repurchase Agreement	-	622,724	-	622,724
Investments not subject to categorization:				
Pension Trust Fund	-	-	-	16,324,659
TOTAL INVESTMENTS	<u>\$ -</u>	<u>\$ 4,667,149</u>	<u>\$ -</u>	<u>\$20,991,808</u>

The City has adopted a formal investment policy which authorizes funds to be invested in obligations of the United States Treasury, time deposit certificates and repurchase agreements. Investments are carried at fair value.

The Pension Trust Fund is also authorized to invest in corporate stocks, common or preferred bonds and mortgages, real or personal property and other evidence or indebtedness or ownership, but excluding any debt of the City itself and individual insurance policies.

3. **REAL ESTATE AND PERSONAL PROPERTY TAXES**

Property taxes are levied in October of each year on the assessed value as of the prior January 1 for all real and personal property located in the City. Property taxes attach as an enforceable lien on property as of January 1, are due upon receipt of billing and become delinquent after December 31. Assessed values are established by the St. Louis County assessor, subject to review by the County's Board of Equalization. The assessed value at January 1, 2003, upon which the 2003 levy was based for real, personal and public utility property was \$185,500,655.

Real property taxes and personal and public utility property taxes are billed and collected by St. Louis County and remitted by the County to the City. The City accounts for property tax revenue on the modified accrual basis and, therefore, accrues for delinquent taxes. While delinquent taxes are measurable for accrual purposes, they are not available to be used to pay liabilities of the current period and are reflected as deferred revenue. Delinquent taxes at February 29, 2004 amounted to \$158,681.

4. **FIXED ASSETS**

The following is a summary of the changes in general fixed assets account group during the fiscal year:

	BALANCE, BEGINNING OF YEAR	ADDITIONS	DELETIONS	BALANCE, END OF YEAR
Land, building and improvements	\$2,741,677	\$ -	\$ -	\$2,741,677
Equipment, furnishings and automotive equipment	<u>2,259,439</u>	<u>336,858</u>	<u>193,536</u>	<u>2,402,761</u>
TOTAL	<u>\$5,001,116</u>	<u>\$ 336,858</u>	<u>\$ 193,536</u>	<u>\$5,144,438</u>

4. **FIXED ASSETS - continued**

Additions to equipment, furnishings and automotive equipment by department are as follows:

Administration	\$ 2,588
Fire Department	33,151
Police Department	155,593
Community Center	89,371
Municipal Court	17,251
Public Works	<u>38,904</u>
TOTAL	<u>\$336,858</u>

5. **SPECIAL ASSESSMENT BONDS PAYABLE**

On June 10, 1997, the City Council authorized the issuance of \$3,360,000 in special assessment bonds to be repaid through special assessment revenues collected from the residents within the City's Neighborhood Improvement Districts. The bonds bear interest at rates ranging from 4.15% to 5.30% and mature on March 1, 2012. A summary of current year special assessment bonds payable activity is as follows:

	<u>BALANCE BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE END OF YEAR</u>
Special Assessment Bonds Payable	<u>\$2,690,000</u>	<u>\$ -</u>	<u>\$ 185,000</u>	<u>\$2,505,000</u>

The annual debt service requirements to maturity on the special assessment bonds payable outstanding at February 29, 2004 are as follows:

<u>FISCAL YEAR ENDING FEBRUARY 28</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>
2005	\$ 195,000	\$ 122,543	\$ 317,543
2006	205,000	112,992	317,992
2007	215,000	102,859	317,859
2008	225,000	92,132	317,132
2009	240,000	80,620	320,620
2010	250,000	68,245	318,245
2011	265,000	54,980	319,980
2012	280,000	40,740	320,740
2013	<u>630,000</u>	<u>16,695</u>	<u>646,695</u>
TOTAL	<u>\$2,505,000</u>	<u>\$ 691,806</u>	<u>\$3,196,806</u>

6. **FUND BALANCES**

Unreserved fund balances and designated for subsequent year expenditures represent amounts that, by authority of the City Council, are to provide for the excess of budgeted expenditures over estimated revenues for the succeeding fiscal year.

7. **RESTRICTED REVENUES**

Restricted revenues are as follows:

- 1) State motor vehicle fuel tax receipts are restricted to use for repairs, policing, signing, lighting and cleaning roads and streets in accordance with state statutes.
- 2) County road and bridge tax receipts are restricted to use for construction, reconstruction, repairs and maintenance of roads in accordance with state statutes.
- 3) One-half of one percent sales tax receipts are restricted for street maintenance and other capital improvements, including the operation and maintenance of capital improvements.
- 4) One-fourth of one percent sales tax receipts are restricted for the operation of the City's municipal fire department.
- 5) One-half of one percent sales tax receipts are restricted for local parks and storm water control within the City.

8. **EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS**

Excess of expenditures over appropriations in individual departments included the following:

	<u>EXPENDITURES</u>	<u>APPROPRIATIONS</u>	<u>EXPENDITURES OVER APPROPRIATIONS</u>
General Fund:			
Legislative Services	\$ 28,180	\$ 21,828	\$ 6,352
Legal Services	160,514	107,193	53,321
Rabies Control	35,702	35,491	211
Fire Department	1,681,866	1,608,100	73,766
Police Department	2,127,602	2,096,077	31,525
Inspection Services	385,259	373,474	11,785
Municipal Property	126,071	120,223	5,848
Refuse Collection	533,342	464,646	68,696
Special Revenue Fund:			
Fire Operations	264,208	239,536	24,672
Pension	39	-	39

9. **DEFINED BENEFIT PENSION PLAN**

Plan Description

The City of Olivette Salaried Employees Pension Plan is a single-employer defined benefit pension plan controlled by the provisions of Ordinance #686 adopted October 14, 1964. The plan is governed by the City of Olivette which is responsible for the management of plan assets. The City of Olivette has hired Principal Financial Advisors, Inc. to manage plan assets. The Plan provides for retirement benefits, early and deferred retirement, termination and death benefits to member and beneficiaries.

9. **DEFINED BENEFIT PENSION PLAN - continued**

Plan Description - continued

Employees become eligible to participate in the plan after completion of six months of full-time employment. Employees attaining the latter of age 55 or completion of ten years of service are entitled to annual benefits of their highest average monthly compensation for the five consecutive years out of the ten last compensating years prior to retirement date. All benefits vest after five years of credited service. The Plan permits early retirement at the completion of ten years of credited service and attainment of age 50. The employee receives the actuarial equivalent of his/her normal retirement benefit, based on age, credited service and average monthly compensation at early retirement.

As of December 31, 2003, (the end of the most recent plan year), the pension plan's membership consists of:

Active employees	65
Retirees and beneficiaries currently received benefits	35
Terminated employees entitled to benefits, but not yet receiving them	<u>15</u>
TOTAL	<u>115</u>

Basis Of Accounting

The Plan's policy is to prepare its financial statements on the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

Significant Investments

At December 31, 2003, the following are investments (other than U.S. Government and U.S. Government guaranteed obligations), held in any one organization that represents five percent or more of net assets available for benefits:

The Principal Financial Group	<u>\$16,324,659</u>
-------------------------------	---------------------

Funding Policies

Active members are required to contribute 4% of income to the Plan. Any remaining obligation with respect to the Pension Plan shall be paid by the employer. Contributions for the Plan year ended December 31, 2003 were \$750,174, which consisted of \$609,756 from the City and \$140,418 from employees. The actuarially required contribution was \$609,756 for the Plan year which represented 21.0% of covered payroll.

The City has levied taxes on real estate and personal property to fund its pension plan. The tax levy per \$100 of assessed value for 2003 is as follows:

Residential real estate	\$.149
Commercial real estate	.152
Personal property	.162

9. **DEFINED BENEFIT PENSION PLAN - continued**

Net Pension Obligation

The City's annual pension cost of the current Plan year is as follows:

Annual required contribution (actuarially computed)	\$ 609,756
Interest on net pension obligation	(22,985)
Adjustment to annual required contribution	<u>41,041</u>
Annual pension cost	627,812
Contributions made	<u>(609,756)</u>
Increase in net pension obligation	18,056
Net pension obligation - beginning of year	<u>(296,582)</u>
Net pension obligation - end of year	<u>\$(278,526)</u>

Three-Year Trend Information

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Annual</u> <u>Contribution</u> <u>Made</u>	<u>Percentage Of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2001	\$296,387	\$223,730	75.5%	\$(458,268)
2002	259,093	97,407	37.6	(296,582)
2003	627,812	609,756	97.1	(278,526)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	(1) <u>Actuarial</u> <u>Value</u> <u>of Assets</u>	(2) <u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u>	(3) <u>Unfunded</u> <u>(AAL)</u> <u>(UAAL)</u> <u>(2)-(1)</u>	(4) <u>Funded</u> <u>Ratio</u> <u>(1)/(2)</u>	(5) <u>Annual</u> <u>Covered</u> <u>Payroll</u>	(6) <u>UAAL as a</u> <u>Percentage of</u> <u>Covered</u> <u>Payroll</u> <u>[(2)-(1)]/5</u>
1999	\$13,227,170	\$13,227,170	-	100.0%	\$2,017,770	0.0%
2000	14,859,515	14,859,515	-	100.0	2,177,569	0.0
2001	15,533,307	15,533,307	-	100.0	2,357,030	0.0
2002	16,988,657	16,988,657	-	100.0	2,308,746	0.0
2003	16,443,649	16,443,649	-	100.0	2,899,632	0.0
2004	16,806,541	16,806,541	-	100.0	2,788,201	0.0

GASB 25 and 27 define the Actuarial Accrued Liability under the Aggregate method to be equal to the Actuarial Value of Assets.

9. **DEFINED BENEFIT PENSION PLAN - continued**

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, accrued liability and unfunded (assets in excess of) accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the accrued liability (column 4) provides one indication of the Plan's funded status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded (assets in excess of) accrued liability and annual covered payroll are both affected by inflation. Expressing unfunded (assets in excess of) accrued liability as a percentage of annual covered payroll (column 6) approximately adjusts for the effects of inflation and aids analysis of the Plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, where there is an unfunded accrued liability, the smaller this percentage, the stronger the Plan. However, when assets are in excess of the accrued liability, the higher the bracketed percentage, the stronger the Plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

The following table provides an analysis of funding progress for the last seven years:

<u>Year Ended</u>	<u>Annual Actuarial Required Contribution</u>	<u>Amount Collected From Property Tax</u>	<u>Actual Contribution</u>	<u>Actual Contribution From Summerfest Funds</u>	<u>Percentage Contribution</u>
1997	\$222,407	\$203,735	\$200,000	\$ 16,000	97.12%
1998	157,349	224,706	200,000	-	127.11
1999	165,455	239,823	313,326	-	189.37
2000	66,947	241,844	219,823	-	328.35
2001	264,064	261,713	223,730	-	84.73
2002	231,193	261,302	97,407	-	42.13
2003	609,756	251,857	609,756	-	100.00

Included in 1999 contributions to the Plan is \$93,326, which represents the excess of tax collections over actual contributions for 1993 through 1998. Subsequent to the balance sheet date, the City contributed \$19,823 to the Pension Plan for the excess of tax collections over the actual contribution for the 1999 plan year.

9. **DEFINED BENEFIT PENSION PLAN - continued**

NOTES TO REQUIRED PENSION PLAN SUPPLEMENTARY INFORMATION

The actuarial accrued liability was determined as part of an actuarial valuation at January 1, 2004, the most recently filed actuarial valuation report. Additional information as of the latest actuarial valuation follows:

Actuarial Cost Method	Aggregate *
Amortization Method	Level dollar closed
Remaining Amortization Period	Weight average of 0 years
Asset Valuation Method:	
Fixed Income	Market basis
Other	Market basis
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Projected Salary Increases	Ranging from 5.58% to 8.80%
Cost-Of-Living Adjustments	3%

*This method does not identify or separately amortize unfunded actuarial liabilities.

10. **CHANGE IN ACCOUNTING PRINCIPLE**

For the fiscal year ending February 29, 2004, the City adopted the provision of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Due to the change in accounting and reporting for nonexchange transactions, sales taxes are recognized at the time of the underlying exchange transaction for derived revenues. The cumulative effect of the change in accounting method resulted in the following increases in fund balances:

General	\$481,183
Special Revenue	150,857
Capital Projects	88,036

11. **PENDING ACCOUNTING PRONOUNCEMENTS**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements and Management's - Discussion And Analysis - for State and Local Governments*. This statement provides significant new accounting and financial reporting requirements for governments. The City is required to adopt GASB Statement No. 34 in fiscal year ending February 28, 2005, except for certain provisions relating to infrastructure, which it is required to adopt in fiscal year ending February 28, 2009. The City has not completed the varied analyses required to estimate the financial statement impact of this new statement.

SUPPLEMENTARY INFORMATION

GENERAL FUND

CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF REVENUES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

	2004		VARIANCE FAVORABLE (UNFAVORABLE)	2003
	BUDGET	ACTUAL		ACTUAL
GENERAL PROPERTY AND SALES TAXES				
Real property - current	\$ 1,153,796	\$ 1,201,417	\$ 47,621	\$ 993,862
Personal property - current	235,634	271,378	35,744	209,577
Prior years' taxes	139,122	77,911	(61,211)	70,351
Penalties and interest on delinquent taxes	13,000	10,491	(2,509)	14,189
Utility taxes	32,707	21,959	(10,748)	29,365
Sales tax	1,128,779	1,255,558	126,779	1,223,738
TOTAL GENERAL PROPERTY AND SALES TAXES	2,703,038	2,838,714	135,676	2,541,082
PUBLIC UTILITY AND OTHER LICENSES				
Public Utilities:				
Electric company	693,661	666,364	(27,297)	702,649
Gas company	267,452	404,576	137,124	319,117
Telephone companies	407,487	438,713	31,226	421,201
Water company	98,685	93,334	(5,351)	99,435
Total Public Utility	1,467,285	1,602,987	135,702	1,542,402
Other Licenses:				
Automobile	33,608	35,516	1,908	35,087
Merchants and manufacturers	232,895	243,316	10,421	257,064
Animals	1,250	1,019	(231)	1,153
Vending machines	1,000	-	(1,000)	2,915
Total Other Licenses	268,753	279,851	11,098	296,219
TOTAL PUBLIC UTILITY AND OTHER LICENSES	1,736,038	1,882,838	146,800	1,838,621
PERMITS AND FEES				
Building	141,300	80,940	(60,360)	75,393
Electrical	52,160	18,136	(34,024)	22,031
Streets opening	5,374	2,428	(2,946)	2,101
Plumbing	33,991	17,236	(16,755)	21,064
Mechanical	12,146	11,160	(986)	4,959
Residential inspections and subdivision fees	40,390	30,069	(10,321)	26,266
Signs and miscellaneous	16,371	15,478	(893)	16,125
TOTAL PERMITS AND FEES	301,732	175,447	(126,285)	167,939

- continued-

CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF REVENUES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

- continued-

	2004		VARIANCE	2003
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
INTERGOVERNMENTAL				
State:				
Vehicle sales tax	\$ 92,700	\$ 91,468	\$ (1,232)	\$ 90,587
Gasoline tax	197,322	211,027	13,705	203,443
Total State	290,022	302,495	12,473	294,030
County:				
Cigarette tax	28,932	28,277	(655)	28,216
TOTAL				
INTERGOVERNMENTAL	318,954	330,772	11,818	322,246
MISCELLANEOUS				
Court fines	176,000	218,134	42,134	177,826
Interest on investments	31,250	27,227	(4,023)	40,142
Rent - municipal property	70,595	57,500	(13,095)	73,984
Local option use tax	79,578	135,647	56,069	81,665
Community center	383,770	379,090	(4,680)	384,413
Snow removal	13,000	40,020	27,020	13,368
Elmwood Fire District	36,207	38,799	2,592	34,063
Cable television fees	78,800	76,822	(1,978)	81,919
City park rental fees	12,000	10,817	(1,183)	10,485
Animal releases	50	-	(50)	20
Miscellaneous	4,000	1,891	(2,109)	3,910
TOTAL MISCELLANEOUS	885,250	985,947	100,697	901,795
TOTAL REVENUES	\$ 5,945,012	\$ 6,213,718	\$ 268,706	\$ 5,771,683
PERCENT OF BUDGET		104.5%	4.5 %	

CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF EXPENDITURES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

	2004		VARIANCE	2003
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
GENERAL GOVERNMENT:				
LEGISLATIVE SERVICES				
Current:				
Personnel	\$ 1,557	\$ 1,540	\$ 17	\$ 1,214
Contractual	19,871	24,730	(4,859)	25,693
Commodities	400	257	143	171
Capital outlay	-	1,653	(1,653)	-
TOTAL LEGISLATIVE SERVICES	21,828	28,180	(6,352)	27,078
ADMINISTRATIVE SERVICES				
Current:				
Personnel	261,528	242,853	18,675	305,398
Contractual	129,368	134,996	(5,628)	95,912
Commodities	19,200	15,687	3,513	18,865
Capital outlay	2,500	3,036	(536)	1,197
TOTAL ADMINISTRATIVE SERVICES	412,596	396,572	16,024	421,372
LEGAL SERVICES				
Current:				
Personnel	16,543	18,511	(1,968)	17,520
Contractual	90,650	139,192	(48,542)	103,008
Capital outlay	-	2,811	(2,811)	-
TOTAL LEGAL SERVICES	107,193	160,514	(53,321)	120,528
RESEARCH AND INFORMATION				
Current:				
Contractual	24,744	22,942	1,802	19,771
BOARD AND COMMISSIONS				
Current:				
Contractual	21,000	14,896	6,104	23,711
ELECTION				
Current:				
Contractual	3,900	2,484	1,416	(108)
TOTAL GENERAL GOVERNMENT	591,261	625,588	(34,327)	612,352

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CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF EXPENDITURES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

- continued-

	2004		VARIANCE	2003
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
PUBLIC HEALTH:				
RABIES CONTROL				
Current:				
Personnel	\$ 23,636	\$ 23,544	\$ 92	\$ 23,544
Contractual	11,080	11,180	(100)	3,004
Commodities	775	978	(203)	912
TOTAL RABIES CONTROL	<u>35,491</u>	<u>35,702</u>	<u>(211)</u>	<u>27,460</u>
TOTAL PUBLIC HEALTH	<u>35,491</u>	<u>35,702</u>	<u>(211)</u>	<u>27,460</u>
PUBLIC SAFETY:				
FIRE DEPARTMENT				
Current:				
Personnel	1,204,300	1,286,366	(82,066)	1,326,187
Contractual	384,300	385,032	(732)	66,501
Commodities	19,500	10,212	9,288	14,567
Capital outlay	-	256	(256)	-
TOTAL FIRE DEPARTMENT	<u>1,608,100</u>	<u>1,681,866</u>	<u>(73,766)</u>	<u>1,407,255</u>
POLICE DEPARTMENT				
Current:				
Personnel	1,596,202	1,609,481	(13,279)	1,480,494
Contractual	422,385	443,797	(21,412)	105,960
Commodities	28,695	26,428	2,267	28,372
Capital outlay	48,795	47,896	899	29,715
TOTAL POLICE DEPARTMENT	<u>2,096,077</u>	<u>2,127,602</u>	<u>(31,525)</u>	<u>1,644,541</u>
TOTAL PUBLIC SAFETY	<u>3,704,177</u>	<u>3,809,468</u>	<u>(105,291)</u>	<u>3,051,796</u>

- continued-

CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF EXPENDITURES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

- continued-

	2004		VARIANCE	2003
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
PUBLIC WORKS:				
COMMUNITY CENTER				
Current:				
Personnel	\$ 159,488	\$ 134,285	\$ 25,203	\$ 186,774
Contractual	94,306	81,512	12,794	45,617
Commodities	9,111	5,908	3,203	6,923
Capital outlay	16,970	16,627	343	8,849
TOTAL COMMUNITY CENTER	279,875	238,332	41,543	248,163
INSPECTION SERVICES				
Current:				
Personnel	296,670	323,277	(26,607)	309,671
Contractual	73,004	58,239	14,765	17,646
Commodities	3,300	3,280	20	4,979
Capital outlay	500	463	37	5,186
TOTAL INSPECTION SERVICES	373,474	385,259	(11,785)	337,482
MUNICIPAL PROPERTY				
Current:				
Personnel	43,792	43,767	25	44,007
Contractual	60,156	58,375	1,781	41,386
Commodities	15,775	14,513	1,262	14,100
Capital outlay	500	9,416	(8,916)	33
TOTAL MUNICIPAL PROPERTY	120,223	126,071	(5,848)	99,526
REFUSE COLLECTION				
Current:				
Contractual	464,646	533,342	(68,696)	511,182

- continued-

CITY OF OLIVETTE, MISSOURI

GENERAL FUND

SCHEDULE OF EXPENDITURES

BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED FEBRUARY 28, 2003

- continued-

	2004		VARIANCE	2003
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
PUBLIC WORKS - CONTINUED				
PARKS				
Current:				
Personnel	\$ -	\$ -	\$ -	\$ 100,997
Contractual	-	-	-	90,821
Commodities	-	-	-	13,955
Capital outlay	-	-	-	6,140
TOTAL PARKS	-	-	-	211,913
RECREATION				
Current:				
Personnel	97,767	106,756	(8,989)	118,484
Contractual	34,733	35,905	(1,172)	26,148
Commodities	62,335	55,532	6,803	57,200
Capital outlay	15,600	5,836	9,764	1,722
TOTAL RECREATION	210,435	204,029	6,406	203,554
TOTAL PUBLIC WORKS	1,448,653	1,487,033	(38,380)	1,611,820
INSURANCE	89,507	84,454	5,053	638,166
TOTAL GENERAL FUND	\$ 5,869,089	\$ 6,042,245	\$ (173,156)	\$ 5,941,594
PERCENT OF BUDGET		103.0%	(3.0) %	

SPECIAL REVENUE FUNDS

CITY OF OLIVETTE, MISSOURI

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

FEBRUARY 29, 2004

WITH COMPARATIVE TOTALS FOR FEBRUARY 28, 2003

ASSETS

	<u>PENSION</u>	<u>FIRE OPERATIONS</u>	<u>LOCAL PARKS/ STORM WATER</u>	<u>TOTALS</u>
				<u>2004</u> <u>2003</u>
ASSETS AND OTHER DEBITS				
Cash	\$ -	\$ 31,725	\$ 258,782	\$ 290,507 \$ 78,500
Sales taxes receivable	-	48,101	96,199	144,300 -
Due from General Fund	-	-	-	- 39
ASSETS AND OTHER DEBITS	<u>\$ -</u>	<u>\$ 79,826</u>	<u>\$ 354,981</u>	<u>\$ 434,807</u> <u>\$ 78,539</u>

LIABILITIES AND FUND BALANCES

LIABILITIES				
Accounts payable	\$ -	\$ 3,000	\$ 3,210	\$ 6,210 \$ -
Accrued wages	-	2,045	2,713	4,758 -
TOTAL LIABILITIES	<u>-</u>	<u>5,045</u>	<u>5,923</u>	<u>10,968</u> <u>-</u>
EQUITY AND OTHER CREDITS				
Fund balance:				
Unreserved:				
Undesignated:	-	74,781	349,058	423,839 78,539
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ -</u>	<u>\$ 79,826</u>	<u>\$ 354,981</u>	<u>\$ 434,807</u> <u>\$ 78,539</u>

CITY OF OLIVETTE, MISSOURI

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED FEBRUARY 29, 2004
 WITH COMPARATIVE TOTALS FOR FEBRUARY 28, 2003

	PENSION	FIRE OPERATIONS	LOCAL PARKS/ STORM WATER	TOTALS 2004	TOTALS 2003
REVENUES					
Property taxes	\$ -	\$ -	\$ 546,263	\$ 546,263	\$ 261,302
Sales tax	-	273,922	7,462	281,384	316,603
TOTAL REVENUES	-	273,922	553,725	827,647	577,905
EXPENDITURES					
Current:					
Public safety:					
Personnel	39	232,149	-	232,188	97,693
Public works:					
Personnel	-	-	201,325	201,325	52,200
Contractual	-	-	108,482	108,482	-
Commodities	-	-	10,841	10,841	-
Pension plan	-	-	-	-	271,263
Capital outlay	-	32,059	48,309	80,368	78,210
TOTAL EXPENDITURES	39	264,208	368,957	633,204	499,366
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(39)	9,714	184,768	194,443	78,539
OTHER FINANCING USES					
Operating transfers out	-	-	-	-	(34,185)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(39)	9,714	184,768	194,443	44,354
FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED	39	13,283	65,217	78,539	34,185
Change in accounting principle - GASB 33	-	51,784	99,073	150,857	-
FUND BALANCE - END OF YEAR, AS RESTATED	39	65,067	164,290	229,396	34,185
FUND BALANCE - END OF YEAR	\$ -	\$ 74,781	\$ 349,058	\$ 423,839	\$ 78,539

CITY OF OLIVETTE, MISSOURI
SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PENSION FUND
FOR THE YEAR ENDED FEBRUARY 29, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes:			
Real estate	\$ -	\$ -	\$ -
Personal Property	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
 EXPENDITURES			
Public safety:			
Personnel	-	39	(39)
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	(39)	<u>\$ (39)</u>
 FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED		39	
Change in accounting principle - GASB 33		<u>-</u>	
FUND BALANCE - END OF YEAR, AS RESTATED		<u>39</u>	
 FUND BALANCE - END OF YEAR		<u>\$ -</u>	

CITY OF OLIVETTE, MISSOURI
SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FIRE OPERATIONS FUND
FOR THE YEAR ENDED FEBRUARY 29, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes:			
Sales	\$ 251,083	\$ 273,922	\$ 22,839
 EXPENDITURES			
Current:			
Public safety:			
Personnel	198,926	232,149	(33,223)
Commodities	1,000	-	1,000
Capital outlay	39,610	32,059	7,551
TOTAL EXPENDITURES	<u>239,536</u>	<u>264,208</u>	<u>(24,672)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>\$ 11,547</u>	 <u>9,714</u>	 <u>\$ (1,833)</u>
 FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED		13,283	
Change in accounting principle - GASB 33		<u>51,784</u>	
FUND BALANCE - END OF YEAR, AS RESTATED		<u>65,067</u>	
 FUND BALANCE - END OF YEAR		 <u>\$ 74,781</u>	

CITY OF OLIVETTE, MISSOURI
SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LOCAL PARKS AND STORM WATER FUND
FOR THE YEAR ENDED FEBRUARY 29, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes:			
Real estate	\$ 7,919	\$ 7,462	\$ (457)
Sales	502,165	546,263	44,098
TOTAL REVENUES	<u>\$ 510,084</u>	<u>\$ 553,725</u>	<u>\$ 43,641</u>
 EXPENDITURES			
Current:			
Public works:			
Personnel	210,995	201,325	9,670
Contractual	142,494	108,482	34,012
Commodities	21,100	10,841	10,259
Capital outlay	123,400	48,309	75,091
TOTAL EXPENDITURES	<u>497,989</u>	<u>368,957</u>	<u>129,032</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>\$ 12,095</u>	 <u>184,768</u>	 <u>\$ 172,673</u>
 FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED		65,217	
Change in accounting principle - GASB 33		<u>99,073</u>	
FUND BALANCE - END OF YEAR, AS RESTATED		<u>164,290</u>	
 FUND BALANCE - END OF YEAR		 <u>\$ 349,058</u>	

CAPITAL PROJECTS FUNDS

CITY OF OLIVETTE, MISSOURI
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
FEBRUARY 29, 2004
WITH COMPARATIVE TOTALS FOR FEBRUARY 28, 2003

ASSETS

	DEDICATED	ALLOCATED	TOTALS	
	CAPITAL PROJECTS FUNDS	CAPITAL PROJECTS FUNDS	2004	2003
ASSETS				
Cash	\$ 240,774	\$ -	\$ 240,774	\$ 255,200
Investments	1,355,049	787,953	2,143,002	2,115,678
Accounts receivable:				
Property taxes	25,954	-	25,954	7,590
Sales taxes	87,101	-	87,101	-
TOTAL ASSETS	<u>\$ 1,708,878</u>	<u>\$ 787,953</u>	<u>\$ 2,496,831</u>	<u>\$ 2,177,671</u>

LIABILITIES AND FUND BALANCES

LIABILITIES				
Accounts payable	\$ 8,387	\$ -	\$ 8,387	\$ 48,291
Accrued wages	4,161	-	4,161	5,933
Accrued vacation	4,879	-	4,879	4,691
Deferred revenue	16,867	-	16,867	-
TOTAL LIABILITIES	<u>34,294</u>	<u>-</u>	<u>34,294</u>	<u>58,915</u>
FUND BALANCES				
Reserved for:				
Subsequent year expenditures	1,674,584	-	1,674,584	1,531,600
Unreserved:				
Designated for:				
Subsequent year expenditures	-	787,953	787,953	787,953
TOTAL FUND BALANCES	<u>1,674,584</u>	<u>787,953</u>	<u>2,462,537</u>	<u>2,319,553</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,708,878</u>	<u>\$ 787,953</u>	<u>\$ 2,496,831</u>	<u>\$ 2,378,468</u>

CITY OF OLIVETTE, MISSOURI
 ALLOCATED CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET
 FEBRUARY 29, 2004

WITH COMPARATIVE TOTALS FOR FEBRUARY 28, 2003

ASSETS

	<u>MUNICIPAL PROPERTY</u>	<u>FIRE DEPARTMENT</u>	<u>POLICE DEPARTMENT</u>	<u>EQUIPMENT</u>	<u>BEAUTIFI- CATION</u>	<u>CABLE TV</u>	<u>2004</u>	<u>2003</u>
ASSETS								
Investments	<u>\$ 20,698</u>	<u>\$ 186,448</u>	<u>\$ 271,066</u>	<u>\$ 228,390</u>	<u>\$ 80,851</u>	<u>\$ 500</u>	<u>\$ 787,953</u>	<u>\$ 787,953</u>

LIABILITIES AND FUND BALANCES

LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE								
Unreserved for:								
Designated for:								
Subsequent year expenditures	<u>20,698</u>	<u>186,448</u>	<u>271,066</u>	<u>228,390</u>	<u>80,851</u>	<u>500</u>	<u>787,953</u>	<u>787,953</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 20,698</u>	<u>\$ 186,448</u>	<u>\$ 271,066</u>	<u>\$ 228,390</u>	<u>\$ 80,851</u>	<u>\$ 500</u>	<u>\$ 787,953</u>	<u>\$ 787,953</u>

CITY OF OLIVETTE, MISSOURI

CAPITAL PROJECTS FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED FEBRUARY 29, 2004
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 29, 2003**

	DEDICATED CAPITAL PROJECTS FUNDS	ALLOCATED CAPITAL PROJECTS FUNDS	TOTALS	
			2004	2003
REVENUES				
Property taxes	\$ 18,268	\$ -	\$ 18,268	\$ -
Capital improvement sales tax	468,763	-	468,763	447,559
Road and bridge	188,853	-	188,853	197,884
TOTAL REVENUES	<u>675,884</u>	<u>-</u>	<u>675,884</u>	<u>645,443</u>
EXPENDITURES				
Current:				
Public works	448,396	-	448,396	307,833
Capital outlay	172,540	-	172,540	147,722
TOTAL EXPENDITURES	<u>620,936</u>	<u>-</u>	<u>620,936</u>	<u>455,555</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>54,948</u>	<u>-</u>	<u>54,948</u>	<u>189,888</u>
FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED	1,531,600	787,953	2,319,553	2,129,665
Change in accounting principle - GASB 33	88,036	-	88,036	-
FUND BALANCE - END OF YEAR, AS RESTATED	<u>1,619,636</u>	<u>787,953</u>	<u>2,407,589</u>	<u>2,129,665</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,674,584</u>	<u>\$ 787,953</u>	<u>\$ 2,462,537</u>	<u>\$ 2,319,553</u>

CITY OF OLIVETTE, MISSOURI

DEDICATED CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED FEBRUARY 29, 2004

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2003

	STORM WATER	STREET	TOTALS	
	<u>ABATEMENT</u>	<u>IMPROVEMENT</u>	<u>2004</u>	<u>2003</u>
REVENUES				
Property taxes	\$ -	\$ 18,268	\$ 18,268	\$ -
Capital improvement sales tax	-	468,763	468,763	447,559
Road and bridge	-	188,853	188,853	197,884
TOTAL REVENUES	<u>-</u>	<u>675,884</u>	<u>675,884</u>	<u>645,443</u>
 EXPENDITURES				
Current:				
Public works	-	448,396	448,396	307,833
Capital outlay	-	172,540	172,540	139,600
TOTAL EXPENDITURES	<u>-</u>	<u>620,936</u>	<u>620,936</u>	<u>447,433</u>
 EXCESS OF REVENUES OVER				
EXPENDITURES	<u>-</u>	<u>54,948</u>	<u>54,948</u>	<u>198,010</u>
 FUND BALANCE - BEGINNING OF				
YEAR, AS PREVIOUSLY STATED	71,374	1,460,226	1,531,600	1,333,590
Change in accounting principle - GASB 33	-	88,036	88,036	-
FUND BALANCE - END OF				
YEAR, AS RESTATED	<u>71,374</u>	<u>1,548,262</u>	<u>1,619,636</u>	<u>1,333,590</u>
 FUND BALANCE - END OF YEAR	<u>\$ 71,374</u>	<u>\$ 1,603,210</u>	<u>\$ 1,674,584</u>	<u>\$ 1,531,600</u>

CITY OF OLIVETTE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND
FOR THE YEAR ENDED FEBRUARY 29, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES			
Property taxes	\$ 19,377	\$ 18,268	\$ (1,109)
Capital improvement sales tax	431,152	468,763	37,611
Road and bridge	179,774	188,853	9,079
TOTAL REVENUES	<u>630,303</u>	<u>675,884</u>	<u>45,581</u>
 EXPENDITURES			
Current:			
Public works:			
Personnel	258,170	261,320	(3,150)
Contractual	148,887	133,316	15,571
Commodities	58,227	53,760	4,467
Capital outlay	175,222	172,540	2,682
TOTAL EXPENDITURES	<u>640,506</u>	<u>620,936</u>	<u>19,570</u>
 EXCESS OF REVENUES OVER			
(UNDER) EXPENDITURES	<u>\$ (10,203)</u>	<u>54,948</u>	<u>\$ 65,151</u>
 FUND BALANCE - BEGINNING OF			
YEAR, AS PREVIOUSLY STATED		1,460,226	
Change in accounting principle - GASB 33		<u>88,036</u>	
FUND BALANCE - END OF			
YEAR, AS RESTATED		<u>1,548,262</u>	
 FUND BALANCE - END OF YEAR		<u>\$ 1,603,210</u>	

CITY OF OLIVETTE, MISSOURI

ALLOCATED CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED FEBRUARY 29, 2004
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2003

	MUNICIPAL PROPERTY	FIRE DEPARTMENT	POLICE DEPARTMENT	EQUIPMENT	BEAUTIFI- CATION	CABLE TV	TOTAL 2004	TOTAL 2003
REVENUES								
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES								
Capital outlay	-	-	-	-	-	-	-	8,122
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-	-	(8,122)
FUND BALANCE - BEGINNING OF YEAR	20,698	186,448	271,066	228,390	80,851	500	787,953	796,075
FUND BALANCE - END OF YEAR	\$ 20,698	\$ 186,448	\$ 271,066	\$ 228,390	\$ 80,851	\$ 500	\$ 787,953	\$ 787,953