

Rubin, Brown, Gornstein & Co. LLP
Certified Public Accountants
& Business Consultants

One North Brentwood
St. Louis, MO 63105

T 314.290.3300
F 314.290.3400

www.rbg.com
rbg@rbg.com

Independent Auditors' Report

To the Honorable Members of the
St. Louis County Council
St. Louis County, Missouri

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Louis County, Missouri (the County), as of and for the year ended December 31, 2004, which collectively comprise St. Louis County, Missouri's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units. The discretely presented component unit's financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of the pension trust fund and the Transport Museum Association and the Productive Living Board for St. Louis County Citizens with Developmental Disabilities discretely presented component units were not audited in accordance with *Government Auditing Standards*. 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 and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2005, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 16, the Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget Basis - Budget and Actual on pages 75 through 84, and the Schedule of Funding Progress - County Employees' Retirement Plan on page 85 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules - additional supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Rubin, Brown, Hornstein & Co. LLP

March 31, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of St. Louis County, Missouri's Comprehensive Annual Financial Report provides management's narrative overview and analysis of the County's financial activities based on currently known facts, decisions and conditions for the year ended December 31, 2004. For a comprehensive understanding of the financial statements, please review the transmittal letter at the front of this report along with the County's financial statements, including the footnotes that follow the Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS (excluding Discretely Presented Component Units)

- The government-wide assets of St. Louis County exceed its liabilities at the close of 2004 by \$706.7 million (net assets). Of this amount, \$575.9 million is invested in capital assets, net of related debt and \$144.0 million is restricted for specific purposes (restricted net assets). The remaining portion of the net assets represents a deficit balance in unrestricted net assets of \$13.2 million.
- Government-wide net assets were restated for 2003 to reflect an increase of \$2.5 million. This increase is primarily the result of an adjustment to certain roadway infrastructure. For additional information, see Note 19 to the basic financial statements.
- The County's total net assets increased by \$22.9 million during fiscal year 2004. For governmental activities, revenues exceeded expenses by \$22.1 million. For the business-type activity, revenues exceeded expenses by \$.8 million.
- As of December 31, 2004, governmental activities and the business-type activity (Spirit of St. Louis Airport) have net assets of \$659.4 million and \$47.3 million, respectively.
- General revenues related to governmental activities were \$305.8 million and include \$180.5 million (59.0%) in sales and utilities gross receipts taxes. Property taxes accounted for \$103.1 million (33.7%).
- Net expense from the various functions of governmental activities was \$283.9 million. Public safety was \$86.9 million (30.6%), highways and traffic, and transportation, accounted for \$102.1 million (36.0%), health was \$31.5 million (11.1%), while parks and recreation was \$20.8 million (7.3%).
- Governmental funds of the County reported combined ending fund balances at the close of the year of \$274.9 million, a decrease of \$25.7 million from 2003's ending fund balance of \$300.6 million. Approximately \$186.5 million is available for spending at the government's discretion (unreserved fund balance) for future years. The fund balance change was primarily related to:
 - The general fund reported an increase in fund balance of \$4.0 million. A property tax rate allocation to the general fund from the debt service fund resulted in increased tax revenues and the corresponding positive change in fund balance.
 - Fund balance for the highway improvement fund decreased \$8.1 million as a result of reduced funding available (transfers in) from the transportation trust fund. A decreased fund balance in the transportation trust fund has reduced the amount available for capital improvement projects within the highway improvement fund.

- The debt service fund had a \$12.4 million decrease in fund balance at the end of the year. The property tax rate allocation from the debt service fund to the general fund, as previously discussed, resulted in reduced tax revenues and a corresponding negative change in fund balance. However, this did not affect total governmental fund balance overall because the lower property tax revenue in the debt service fund was offset by an increase in property tax revenue in the general fund.
- Increased expenditures of \$5.4 million for infrastructure rehabilitation programs in the road and bridge Federal Aid Urban fund activities was the primary reason for the decreased fund balance in the nonmajor governmental funds.
- At the end of 2004, the unreserved fund balance of the general fund was \$64.7 million, or 22.1% of total general fund expenditures, of which \$39.6 million is undesignated.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to St. Louis County's basic financial statements. The County's basic financial statements are comprised of three components: 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the basic financial statements*. This report also contains required and additional supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with broad information about the County's finances, similar to those used by private-sector companies. The two government-wide statements, **Statement of Net Assets** and **Statement of Activities**, report the County's net assets and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those one normally associates with the operation of a government such as general government, public safety, highways, health and parks. Business-type activities are those activities of the government that are designed to be self-supporting.

The **Statement of Net Assets** presents information on all of the County'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 County is improving or deteriorating. The statement of net assets also provides information on its investment in capital assets, net of related debt, restricted net assets and unrestricted net assets.

The **Statement of Activities** presents information on how the County'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 the timing of related cash flows.

The Statement of Activities presents the various functions of the County and the degree to which they are supported by charges for services, federal and state grants and contributions, tax revenues, and investment income.

The governmental activities of the County include general government, public safety (police, judicial administration, justice services), human services, highways and traffic, health, parks and recreation, transportation, convention and recreation as well as interest and fiscal charges. The business-type activity of the County is an airport operation (Spirit of St. Louis Airport).

The government-wide financial statements include not only St. Louis County itself (known as the primary government), but also the legally separate economic council, Productive Living Board (for developmentally disabled citizens), and Transport Museum Association, for which St. Louis County is financially accountable or meets other criteria of GASB Statement No. 14, as amended. Financial information for these component units is reported separately from the financial information for the primary government itself. These component units have separately issued financial statements as discussed on page 32 of the report, which should be referred to for more information.

The government-wide financial statements can be found on pages 18-19 of the report.

Fund Financial Statements

The fund financial statements provide information about groupings of related accounts that are used to maintain control over resources for specific activities or objectives. The County uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the County's most significant funds. The funds of the County can be divided into the following three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

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

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

St. Louis County maintains multiple individual governmental 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, highway improvement, transportation trust, public mass transit, convention and recreation trust, and debt service funds, all of which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

2. *Proprietary funds*. Proprietary funds offer financial information about services for which the County charges customers, both external customers, and internal departments of the County. The County maintains the following two types of proprietary funds:

- *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its Spirit of St. Louis Airport operations.
- An *internal service fund* is used to report activities, and accumulate and allocate costs of services that are provided to St. Louis County's various functions. St. Louis County uses an internal service fund to account for payroll and risk management which includes self-insurance general liability and worker's compensation. These services predominantly benefit governmental rather than business-type functions, so they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Spirit of St. Louis Airport operation, which is considered to be a major fund of St. Louis County. Similarly, the internal service fund is presented as a single column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

3. *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The County is the trustee, or fiduciary, responsible for assets that can be used only for the trust beneficiaries per trust arrangements. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The County's pension trust fund and agency funds are reported as fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are not reflected in the government-wide financial statements. Fiduciary fund information can be found on pages 28-29 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30-71 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that includes budgetary presentations as well as information concerning St. Louis County's progress in funding its pension obligation for its employees. The County adopts an annual appropriated budget for its general, transportation trust, public mass transit and convention and recreation trust funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their respective budgets. Required supplementary information can be found on pages 75-85 of this report.

Additional Supplementary Information

This section includes combining statements and budgetary comparison schedules for certain budgeted funds. The combining statements provide detail for departments of the general fund, fund level detail for all nonmajor governmental funds, and agency funds. Combining and individual fund statements and schedules can be found on pages 90-121 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF ST. LOUIS COUNTY

In the government-wide financial statements, all of the activities of the County, except for discretely presented component units, are considered activities of the Primary Government (i.e., both governmental and business-type). The government-wide financial statements are designed to provide readers with a broad overview of the County's finances as discussed in the following Analysis of Net Assets and Changes In Net Assets.

Analysis of Net Assets

The County's combined net assets increased in 2004 by approximately 3% to \$706.7 million as compared to the previous year. As noted earlier, net assets may, over time, serve as a useful indicator of a government's financial position.

At the end of 2004, the County had positive balances in two of its categories of net assets, (invested in capital assets, net of related debt and restricted net assets), however, its unrestricted net assets had a deficit balance of \$13.2 million.

The largest category of St. Louis County's net assets, 81.5% in 2004 (up from approximately 78% in 2003), reflects its investment of \$575.9 million in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment), net of any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A second category of the County's net assets, \$144.0 million or 20.4%, represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, laws/regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

The remaining category of the County's net assets represents a deficit unrestricted net asset balance of \$13.2 million. This net deficit is the result of the County having to meet certain long-term obligations with no corresponding capital asset. The deficit is comprised of several components which include the accrued benefit liability for compensated absences, notes payable for advance funding of certain Community Development Block Grant programs and joint venture funding of convention and sports facility projects which are not reported as County owned assets in the Statement of Net Assets. The convention and sports facility obligations are funded by a dedicated 3.5% hotel motel tax, which is accounted for in the convention and recreation trust fund, a major special revenue fund. The remaining obligations will be paid from governmental activities as they mature. This deficit does not mean that the County does not have resources available. Rather, it is the result of having long-term commitments that are greater than currently available resources.

Please note that key components of the net assets of governmental activities and the business-type activity can be separately identified in the table below:

**St. Louis County, Missouri
Net Assets
December 31**

	<u>Governmental Activities</u>		<u>Business-type Activity</u>		<u>Total Primary Government</u>	
	<u>2004</u>	<u>2003 Restated</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003 Restated</u>
Assets:						
Current assets	\$367,986,382	\$398,871,906	\$ 9,307,413	\$ 8,304,945	\$377,293,795	\$407,176,851
Notes and loans	456,545	579,700			456,545	579,700
Capital assets, net	678,636,225	640,690,835	38,779,194	38,922,489	717,415,419	679,613,324
Deferred charges	<u>732,595</u>	<u>759,340</u>			<u>732,595</u>	<u>759,340</u>
Total assets	<u>1,047,811,747</u>	<u>1,040,901,781</u>	<u>48,086,607</u>	<u>47,227,434</u>	<u>1,095,898,354</u>	<u>1,088,129,215</u>
Liabilities:						
Current liabilities	121,297,986	121,444,109	662,333	561,916	121,960,319	122,006,025
Noncurrent liabilities	<u>267,128,850</u>	<u>282,169,333</u>	<u>85,519</u>	<u>87,346</u>	<u>267,214,369</u>	<u>282,256,679</u>
Total liabilities	<u>388,426,836</u>	<u>403,613,442</u>	<u>747,852</u>	<u>649,262</u>	<u>389,174,688</u>	<u>404,262,704</u>
Net Assets:						
Invested in capital assets, net of related debt	537,142,767	491,678,988	38,779,194	38,922,489	575,921,961	530,601,477
Restricted	144,004,364	160,523,410			144,004,364	160,523,410
Unrestricted (deficit)	<u>(21,762,220)</u>	<u>(14,914,059)</u>	<u>8,559,561</u>	<u>7,655,683</u>	<u>(13,202,659)</u>	<u>(7,258,376)</u>
Total net assets	<u>\$ 659,384,911</u>	<u>\$ 637,288,339</u>	<u>\$47,338,755</u>	<u>\$46,578,172</u>	<u>\$ 706,723,666</u>	<u>\$ 683,866,511</u>

Changes In Net Assets

In 2004, the County's total revenue on a government-wide basis was \$501.2 million, a reduction of \$4.2 million as compared to 2003. This decrease was primarily due to certain one-time revenues received in 2003 as well as declining investment income.

Of the County's revenue, taxes represent 58.6%, 23.2% comes from charges for services, and the remainder is generated by state and federal aid, interest earnings, and miscellaneous revenues.

The total cost of all programs and services for 2004 was \$478.3 million. This represents an increase of \$1.5 million (0.3%) from the prior year. The County's expenses cover a range of typical county services. Expense for public safety consumes the largest portion of County's general revenues. Public safety function expenses, which include police, judicial administration and justice services, amounted to \$131.0 million. The highways and traffic function had the largest increase in expenses, 14.7%, as compared to last year.

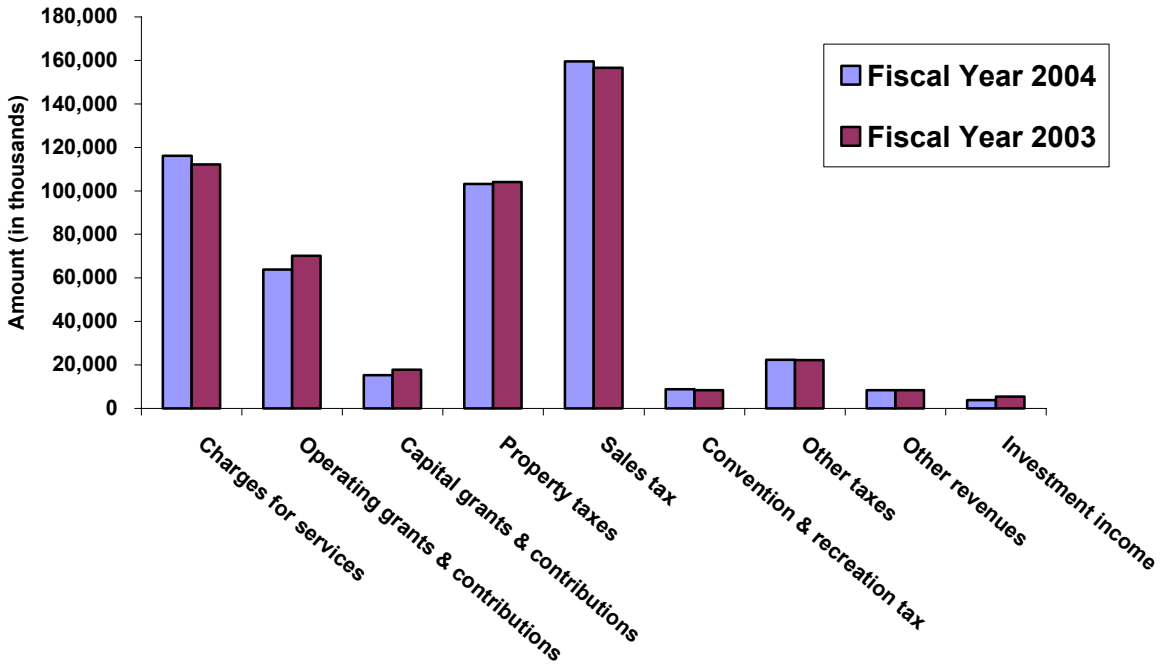
Key elements of the changes in net assets are as follows:

**St. Louis County, Missouri
Changes in Net Assets
December 31**

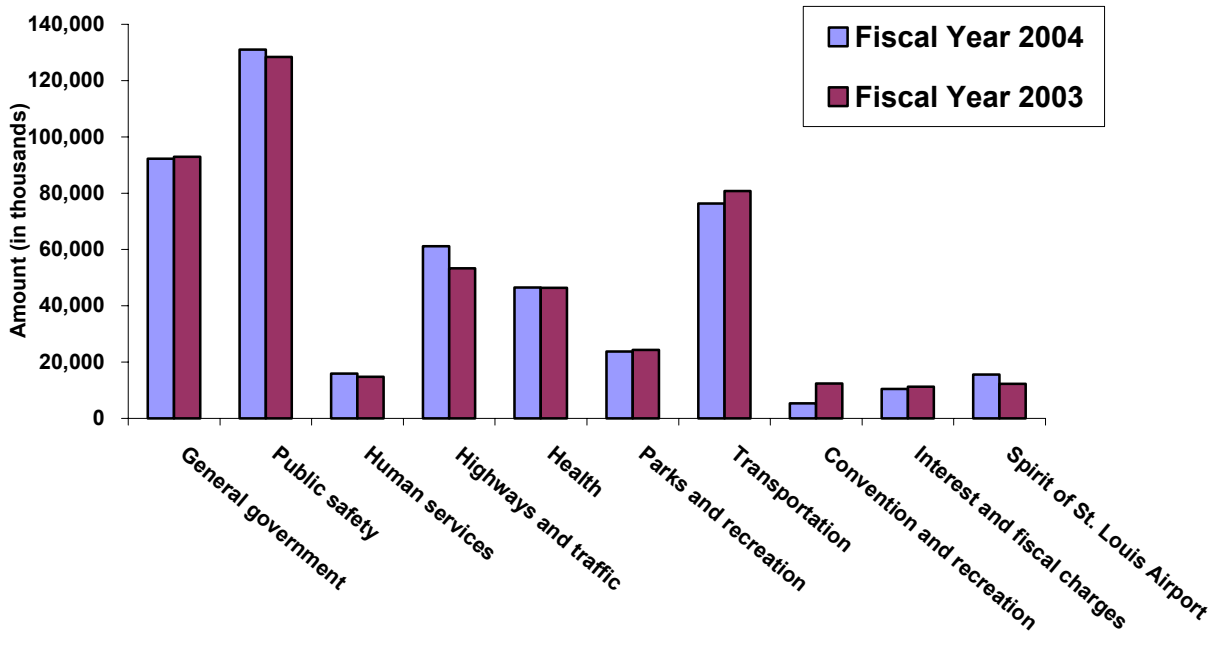
	Governmental Activities		Business-type Activity		Total Primary Government	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Revenues:						
Program revenues:						
Charges for services	\$100,470,666	\$100,180,941	\$15,691,781	\$12,015,629	\$116,162,447	\$112,196,570
Operating grants and contributions	63,439,022	69,863,498	418,506	348,884	63,857,528	70,212,382
Capital grants and contributions	14,906,127	17,824,263	333,877		15,240,004	17,824,263
General revenues:						
Property taxes	103,099,138	104,128,199			103,099,138	104,128,199
Other taxes	190,663,726	187,153,231			190,663,726	187,153,231
Other revenue	8,373,658	8,258,100			8,373,658	8,258,100
Gain on sale of capital assets		185,956				185,956
Investment income	<u>3,691,663</u>	<u>5,320,019</u>	<u>101,577</u>	<u>148,116</u>	<u>3,793,240</u>	<u>5,468,135</u>
Total revenues	<u>484,644,000</u>	<u>492,914,207</u>	<u>16,545,741</u>	<u>12,512,629</u>	<u>501,189,741</u>	<u>505,426,836</u>
Expenses:						
General government	92,278,401	92,934,288			92,278,401	92,934,288
Public safety	130,992,548	128,378,119			130,992,548	128,378,119
Human services	15,912,384	14,833,948			15,912,384	14,833,948
Highways and traffic	61,169,943	53,317,989			61,169,943	53,317,989
Health	46,566,175	46,374,663			46,566,175	46,374,663
Parks and recreation	23,716,416	24,363,988			23,716,416	24,363,988
Transportation	76,316,744	80,771,546			76,316,744	80,771,546
Convention and recreation	5,349,398	12,397,500			5,349,398	12,397,500
Interest and fiscal charges	10,415,419	11,264,309			10,415,419	11,264,309
Spirit of St. Louis Airport			<u>15,615,158</u>	<u>12,230,084</u>	<u>15,615,158</u>	<u>12,230,084</u>
Total expenses	<u>462,717,428</u>	<u>464,636,350</u>	<u>15,615,158</u>	<u>12,230,084</u>	<u>478,332,586</u>	<u>476,866,434</u>
Excess revenues before transfers and special item	21,926,572	28,277,857	930,583	282,545	22,857,155	28,560,402
Transfers in (out)	170,000	330,000	(170,000)	(330,000)		
Special item-other obligation		<u>(45,000,000)</u>				<u>(45,000,000)</u>
Change in net assets	22,096,572	(16,392,143)	760,583	(47,455)	22,857,155	(16,439,598)
Beginning net assets, as previously reported	637,288,339	651,162,543	46,578,172	46,625,627	683,866,511	697,788,170
Prior period adjustment		<u>2,517,939</u>				<u>2,517,939</u>
Beginning net assets, as restated	<u>637,288,339</u>	<u>653,680,482</u>	<u>46,578,172</u>	<u>46,625,627</u>	<u>683,866,511</u>	<u>700,306,109</u>
Ending net assets	<u>\$659,384,911</u>	<u>\$637,288,339</u>	<u>\$47,338,755</u>	<u>\$46,578,172</u>	<u>\$706,723,666</u>	<u>\$683,866,511</u>

Charts on the following page illustrate the comparison of 2004 and 2003 revenues by source and expenses by function.

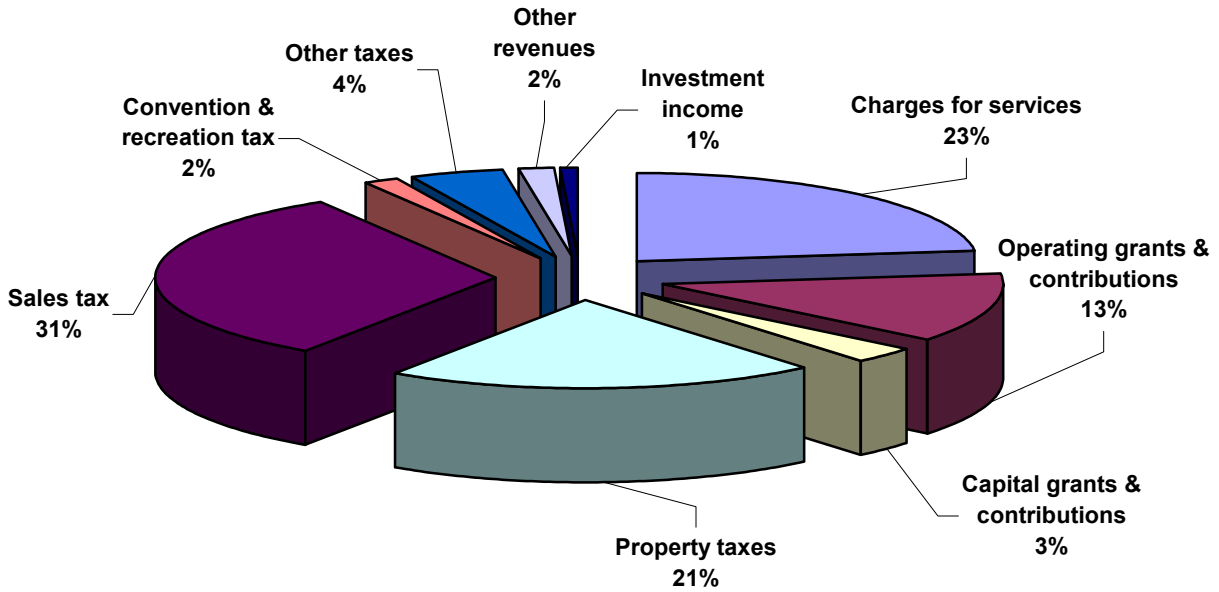
St. Louis County Revenues by Source Comparison



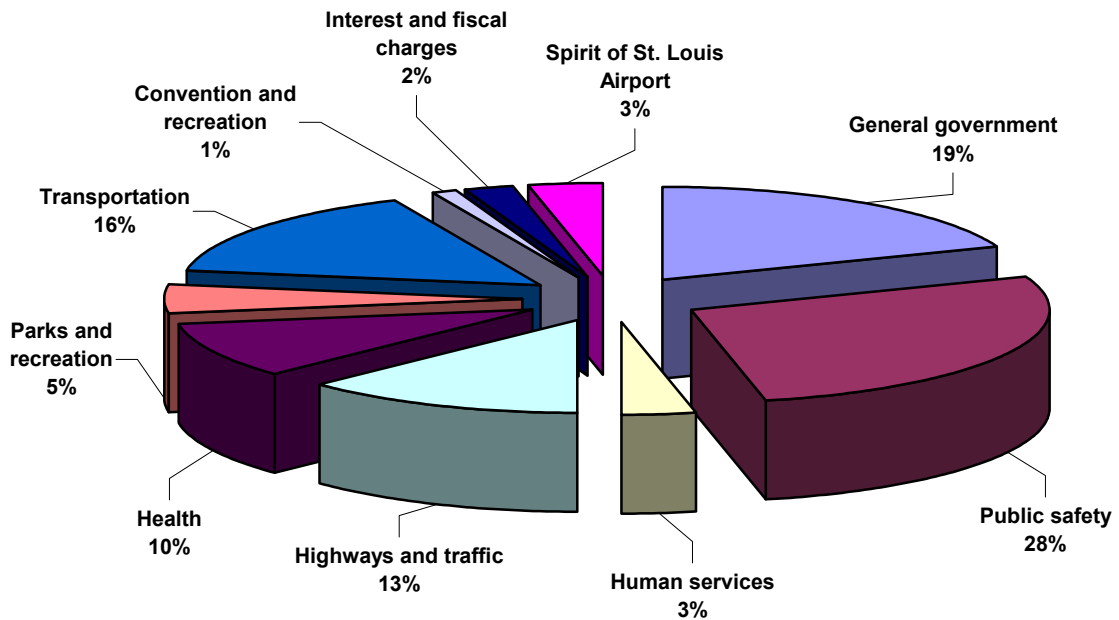
St. Louis County Expenses by Function Comparison



St. Louis County Revenues by Source for Fiscal Year 2004



St. Louis County Expenses by Function for Fiscal Year 2004



The charts on the preceding page illustrate the County's 2004 revenues by source and expenses by function. Property and sales taxes totaling 52% are the primary general revenue sources used to finance County-wide program activities that are unable to be fully supported by charges for services or other program revenues. As displayed in the chart, public safety is the function with the largest percentage of total County expenses with 28% of all government-wide expenses.

Governmental activities. Governmental activities increased the County's net assets by \$22.1 million. Revenues were fairly flat with a 1.7% decrease from the prior year which contributed to a positive change in net assets. While certain program expenses increased, others decreased due to budget reductions with overall expenses decreasing by \$1.9 million.

Business-type activity. In 2004, net assets for the Spirit of St. Louis Airport, the County's business-type activity, increased by \$760,583. Revenues increased from the prior year by 32.2%. Of this increase, \$333,877 was received from capital grants in 2004. In 2003, there was no capital grant activity. In 2004, charges for services accounted for \$15.7 million or 94.8% of total revenues, of which 85.0% was from fuel sales. With the increase in fuel sales, there was a corresponding increase in fuel costs resulting in a net increase in fuel-related income of \$130,431 over the previous year.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, St. Louis County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of available expendable resources. Such information is useful in assessing the County'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.

At the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$274.9 million, a decrease of \$25.7 million from the previous year. The significant reasons related to this decrease have been previously addressed in the Financial Highlights section.

Approximately \$186.5 million of the total December 31, 2004 amount represents unreserved fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed, (1) to liquidate existing contracts and purchase orders (\$65.5 million), (2) to pay debt service (\$21.2 million), and (3) for other purposes (\$1.8 million).

General Fund

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$64.7 million, while the total fund balance was \$84.2 million.

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. In 2004, unreserved fund balance represents 22.1% of \$293.5 million of general fund expenditures, while total fund balance represents 28.7% of the same amount.

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

- The highway improvement fund revenues and expenditures continued to decrease from 2003 to 2004. Revenues decreased by 29.9% and expenditures decreased by 19.6%. Transfers in from the transportation trust fund also decreased from \$34.2 million in 2003 to \$13.7 million in 2004. During 2004, the fund balance in the highway improvement fund decreased by \$8.1 million mainly as a result of the decreased transfers. This fund had sufficient fund balance to allow for the planned use of fund balance to cover the operating deficit.
- The transportation trust fund revenues and expenditures remained relatively stable in 2004. Revenues increased by 0.8% and expenditures increased by 2.6%. The decrease in fund balance in 2004 of \$4.2 million was less than the prior year's decrease. This was the result of legislation limiting the amount of transfers out from the transportation trust fund to the highway improvement fund. This fund had sufficient fund balance in 2004 to allow for the planned use of fund balance to cover the deficit.
- The public mass transit fund had a fund balance of \$6.4 million at the end of 2004. This is a result of revenues received from a dedicated sales tax in excess of the current year commitment. The 2004 commitment to fund the light-rail transportation system was met as of December 31, 2004 with the remaining fund balance available to fund future light-rail activities.
- The convention and recreation trust fund revenues decreased and expenditures decreased from 2003 to 2004. Revenues and other financing sources decreased by \$4.8 million and expenditures decreased by \$0.9 million, resulting in a net decrease in fund balance. The decrease in revenues and other financing sources was primarily a result of certain one-time revenues received in 2003.
- The debt service fund revenue and expenditures decreased from 2003 to 2004. Revenues decreased by \$15.9 million due to a property tax rate allocation from the debt service fund to the general fund as stated in the Financial Highlights. Expenditures decreased by \$95.4 million. This decrease was primarily due to \$93 million of general obligation bonds that were defeased pursuant to a crossover refunding in 2003. This fund had a decrease in fund balance of \$12.4 million. There was sufficient fund balance in 2004 to meet debt service obligations.

Proprietary Funds

St. Louis County's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail.

Spirit of St. Louis Airport's unrestricted net assets at the end of the year amounted to \$8.7 million, with a positive change in total net assets of \$721,241. Other factors concerning the finances of this fund have already been addressed in the discussion of St. Louis County's business-type activity.

The internal service fund, which is used to account for payroll and risk management had a deficit balance of \$356,800 in unrestricted net assets at year-end. A positive change in net assets of \$147,970 was reported for 2004. While both revenues and expenses were higher for this fund in 2004, recovery of costs through increased charges for services ensured a positive change in net assets.

Fiduciary Funds

The County maintains a fiduciary fund to account for assets of the St. Louis County Employees Retirement Plan. The net assets of the pension fund total \$377.2 million representing an increase of \$40.4 million or 12.0% increase in net assets held in trust for pension benefits since December 31, 2003. The change is related to the increased fair value of the pension funds investments from 2003, and an increase in contributions of \$6.5 million as compared to those made in 2003.

General Fund Budgetary Highlights

Final results for any given year will generally differ from that year's adopted budget. The final budget of the County's general fund for 2004 was \$320.7 million, which differs from the original adopted budget of \$318.7 million by approximately \$2 million. The supplemental appropriations, which comprise this difference, are summarized as follows:

- \$72,000 allocated to support general government activities
- \$1,979,891 allocated to support public safety
- \$8,000 allocated to support parks

In addition to the supplemental appropriations, a \$534,390 transfer was approved from the general government emergency fund to cover additional expenditures for federal, state and local elections.

Revenues were originally estimated at \$275.8 million. This number was revised during the 2005 budget process to \$273.6 million. Although sales taxes, utilities gross receipts, and fees were below the revised estimates, total actual revenues for 2004 were \$6.8 million higher than the total revised estimate. This increase is primarily due to increased property taxes, recording fees related to significant refinancing activity and other charges for services.

The general fund ended the year with an operating surplus, after transfers in, of \$5.1 million. This surplus is significantly more than the \$22.4 million deficit estimated from the final revised budget as a result of certain increased revenues and controlling budgetary expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2004, the County has invested \$717.4 million in a broad range of capital assets, including buildings, park facilities, roads, bridges, and runways. This amount represents a net increase for the current fiscal year of \$37.8 million, or 5.6%, over last year. For comparative purposes, the table below displays a restatement of governmental activities capital assets at the end of the previous year, December 31, 2003. For additional information, see Note 19 to the Basic Financial Statements.

Significant expenditures for capital assets during 2004 are as follows:

- Construction in progress of \$35.6 million for road infrastructure.
- Land improvement increases of \$4.6 million for the purchase of right-of-way for road projects.

- Construction costs of \$3.7 million to complete the County's new parking and transit center were incurred in 2004. The facility was completed and placed in service during June 2004.
- Purchase of a building for the County's Records Center with a cost of \$1.2 million.

**St. Louis County, Missouri
Capital Assets
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-type Activity</u>		<u>Total Primary Government</u>	
	<u>2004</u>	<u>2003 (Restated)</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003 (Restated)</u>
Land and improvements	\$113,934,344	\$109,317,803	\$13,845,726	\$13,845,726	\$127,780,070	\$123,163,529
Construction in progress	39,504,086	16,203,063	256,914	419,516	39,761,000	16,622,579
Infrastructure	313,896,918	314,430,039	14,959,009	15,595,192	328,855,927	330,025,231
Buildings and other structures	182,433,757	171,351,827	8,985,042	8,456,880	191,418,799	179,808,707
Equipment and vehicles	<u>28,867,120</u>	<u>29,388,103</u>	<u>732,503</u>	<u>605,175</u>	<u>29,599,623</u>	<u>29,993,278</u>
Total	<u>\$678,636,225</u>	<u>\$640,690,835</u>	<u>\$38,779,194</u>	<u>\$38,922,489</u>	<u>\$717,415,419</u>	<u>\$679,613,324</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

Additional information on the St. Louis County's capital assets can be found in Note 6 on pages 50-52 of this report.

Long-Term Debt Obligations

At the end of fiscal year 2004, the County had outstanding long-term debt obligations for governmental activities in the amount of \$268.2 million, a net decrease of \$14.3 million when compared to 2003. This net decrease of 5.1% is primarily the result of scheduled debt service payments.

	<u>Fiscal Year 2004</u>	<u>Fiscal Year 2003</u>
Governmental Activities:		
General obligation bonds	\$107,830,000	\$116,545,000
Certificates of participation	34,885,000	36,670,000
Contractual obligations – Authority	76,625,000	79,790,000
Contractual obligations – Ballpark	45,760,000	45,760,000
Notes payable-CDBG	2,273,930	3,717,991
Capital Leases	<u>824,021</u>	
Total	<u>\$268,197,951</u>	<u>\$282,482,991</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The County's authorized debt limit for fiscal year 2004 was \$1.9 billion. The County's effective legal debt margin as of December 31, 2004 was \$1.8 billion.

The County's underlying general obligation credit ratings as of December 31, 2004 were:

Moody's Investor's Service, Inc.	Aaa
Standard and Poor's Corporation	AAA
Fitch IBCA, Inc. Ratings	AAA

Additional information on the St. Louis County's long-term debt can be found in Note 10 on pages 56-60.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The fiscal year 2005 annual budget for the general fund, special revenue funds and the debt service fund is \$397,836,528. This is substantially the same as the previous fiscal year 2004.
- The fiscal year 2005 general fund budget is \$311,049,172, a decrease of 3.0% from the 2004 final appropriation of \$320,747,815.
- The County designated \$25.2 million from the unreserved general fund balance for the 2005 budget while \$19.9 million was designated from the unreserved general fund balance for the 2004 budget.
- The County previously conducted a fee study to review its charges for services. Legislation was requested to increase certain fees to recoup costs that are not being recovered under the existing fee structure. Some of these fees were effective during 2004; other fees are effective in the 2005 budget year.
- Overall, revenues in the County operating funds are expected to decrease by 5.3% in 2005. This is due to the one-time tax rate allocation from the debt service fund in 2004.

Due to the changing economy, the County's unemployment rate has decreased from 5.1% to 4.9%. This compares with Missouri's rate of 5.7% and the national rate of 5.5%.

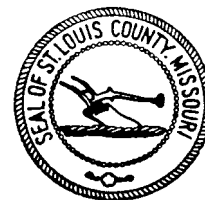
REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of St. Louis County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to St. Louis County, MO, Division of Fiscal Management, 41 South Central Avenue, Clayton, MO, 63105.

St. Louis County, Missouri

Basic
Financial Statements

This section is comprised of the following: government-wide financial statements, fund financial statements and note disclosures.



ST. LOUIS COUNTY, MISSOURI
STATEMENT OF NET ASSETS
DECEMBER 31, 2004

	Primary Government			Component Units		
	Governmental Activities	Business-type Activity	Total	Economic Council	Productive Living Board	Transport Museum Association
ASSETS						
Current assets:						
Equity in pooled cash and investments	\$238,063,523	\$8,539,225	\$246,602,748	\$2,795,632	\$18,559,516	
Cash and investments	71,147,408	14,888	71,162,296		265,739	\$69,351
Receivables, net of allowance for uncollectibles:						
Taxes	43,919,595		43,919,595			
Notes and loans	137,832		137,832	464,181	62,678	
Interest	1,203,929	43,885	1,247,814	9,937	178,290	
Intergovernmental	7,981,916	31,574	8,013,490	1,149,423		
Other	3,871,450	922,441	4,793,891	2,921,589	55,056	420,457
Net receivables	57,114,722	997,900	58,112,622	4,545,130	296,024	420,457
Internal balances	458,629	(458,629)				
Inventories	1,202,100		1,405,018			81,811
Prepaid assets		11,111	11,111		27,304	
Restricted cash and investments				321,646	263,599	3,788,519
Total current assets	<u>367,986,382</u>	<u>9,307,413</u>	<u>377,293,795</u>	<u>7,662,408</u>	<u>19,412,182</u>	<u>4,360,138</u>
Noncurrent assets:						
Equity in pooled cash and investments					5,211,196	
Notes and loans	456,545		456,545	431,988	1,354,020	
Capital assets:						
Land and improvements	113,934,344	13,845,726	127,780,070	4,944,490	138,200	
Construction in progress	39,504,086	256,914	39,761,000	1,007,628		
Infrastructure	678,926,252	23,885,504	702,811,756			
Building and other structures	271,602,586	12,428,361	284,030,947	11,442,805	685,317	
Equipment and vehicles	83,061,475	1,701,060	84,762,535	1,288,455	659,779	950,243
Less accumulated depreciation	(508,392,518)	(13,338,371)	(521,730,889)	(3,171,100)	(418,826)	(184,596)
Net capital assets	678,636,225	38,779,194	717,415,419	15,512,278	1,064,470	765,647
Deferred charges and other	732,595		732,595	112,476	4,794	
Total noncurrent assets	<u>679,825,365</u>	<u>38,779,194</u>	<u>718,604,559</u>	<u>16,056,742</u>	<u>7,634,480</u>	<u>765,647</u>
Total assets	<u>1,047,811,747</u>	<u>48,086,607</u>	<u>1,095,898,354</u>	<u>23,719,150</u>	<u>27,046,662</u>	<u>5,125,785</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	12,759,248	545,107	13,304,355	1,970,698	1,795,284	5,606
Accrued salaries	6,866,311	31,390	6,897,701			
Accrued interest	4,306,976		4,306,976			
Due to other taxing units	8,826,238		8,826,238	225,142		
Tax anticipation warrants	46,000,000		46,000,000			
Compensated absences	20,430,329	85,836	20,516,165			
Claims payable	3,979,335		3,979,335			
Current portion of long-term obligations	16,309,729		16,309,729			100,000
Deferred revenue - other	1,819,820		1,819,820	1,182,129		25,382
Total current liabilities	<u>121,297,986</u>	<u>662,333</u>	<u>121,960,319</u>	<u>3,377,969</u>	<u>1,795,284</u>	<u>130,988</u>
Noncurrent liabilities:						
Compensated absences	12,190,282	85,519	12,275,801	152,710		
Claims payable	3,050,346		3,050,346			
Noncurrent portion of long-term obligations	251,888,222		251,888,222			
Total noncurrent liabilities	<u>267,128,850</u>	<u>85,519</u>	<u>267,214,369</u>	<u>152,710</u>		
Total liabilities	<u>388,426,836</u>	<u>747,852</u>	<u>389,174,688</u>	<u>3,530,679</u>	<u>1,795,284</u>	<u>130,988</u>
NET ASSETS						
Investment in capital assets, net of related debt	537,142,767	38,779,194	575,921,961	15,512,278	1,064,470	
Restricted for:						
Capital projects	3,920,988		3,920,988			
Debt service	19,573,873		19,573,873			
Highway road improvements	78,352,190		78,352,190			
Transportation	7,046,824		7,046,824			
Redevelopment	3,687,241		3,687,241			
Other purposes	31,423,248		31,423,248	706,676	74,428	4,342,770
Unrestricted (deficit)	(21,762,220)	8,559,561	(13,202,659)	3,969,517	24,112,480	652,027
Total net assets	<u>\$659,384,911</u>	<u>\$47,338,755</u>	<u>\$706,723,666</u>	<u>\$20,188,471</u>	<u>\$25,251,378</u>	<u>\$4,994,797</u>

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2004

Functions/Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activity	Total	Economic Council	Productive Living Board	Transport Museum Association
Primary government:										
Governmental activities:										
General government	\$92,278,401	\$55,748,688	\$16,009,712		(\$20,520,001)		(\$20,520,001)			
Public safety	130,992,548	30,023,691	14,070,124	\$22,207	(86,876,526)		(86,876,526)			
Human services	15,912,384	955,484	8,653,996		(6,302,904)		(6,302,904)			
Highways and traffic	61,169,943	1,132,026	19,578,048	14,680,596	(25,779,273)		(25,779,273)			
Health	46,566,175	10,191,612	4,880,231		(31,494,332)		(31,494,332)			
Parks and recreation	23,716,416	2,419,165	246,911	203,324	(20,847,016)		(20,847,016)			
Transportation	76,316,744				(76,316,744)		(76,316,744)			
Convention and recreation	5,349,398				(5,349,398)		(5,349,398)			
Interest and fiscal charges	10,415,419				(10,415,419)		(10,415,419)			
Total governmental activities	462,717,428	100,470,666	63,439,022	14,906,127	(283,901,613)		(283,901,613)			
Business-type activity:										
Spirit of St. Louis Airport	15,615,158	15,691,781	418,506	333,877		\$829,006	829,006			
Total business-type activity	15,615,158	15,691,781	418,506	333,877		829,006	829,006			
Total primary government	\$478,332,586	\$116,162,447	\$63,857,528	\$15,240,004	(\$283,901,613)	\$829,006	(\$283,072,607)			
Component units:										
Economic Council	\$8,294,567	\$1,792,193	\$2,090,756	\$3,502,714			(\$908,904)			
Productive Living Board	19,970,626	77,149	868,120					(\$19,025,357)		
Transport Museum Association	845,646	397,007	112,903	1,508,073						\$1,172,337
Total component units	\$29,110,839	\$2,266,349	\$3,071,779	\$5,010,787			(\$908,904)	(\$19,025,357)		\$1,172,337
General revenues:										
Taxes:										
Property taxes, levied for general purposes					\$102,005,692		\$102,005,692	\$15,861,157		
Property taxes, levied for debt service					247,782		247,782			
Property taxes, levied for redevelopment					845,664		845,664			
Sales tax					159,469,367		159,469,367			
Utilities gross receipts					20,992,633		20,992,633			
Convention and recreation taxes					8,830,887		8,830,887			
Emergency telephone tax					1,370,839		1,370,839			
Penalties and costs on delinquent taxes					3,354,621		3,354,621			
Investment earnings					3,691,663	\$101,577	3,793,240	\$86,399	243,984	\$63,366
Cable TV franchise					1,517,377		1,517,377			
Other revenues					3,501,660		3,501,660			43,724
Support provided by St. Louis County								2,464,721		
Transfers in (out)					170,000	(170,000)				
Total general revenues and transfers					305,998,185	(68,423)	305,929,762	2,551,120	16,105,141	107,090
Change in net assets					22,096,572	760,583	22,857,155	1,642,216	(2,920,216)	1,279,427
Net assets - beginning of year, as previously reported					634,770,400	46,578,172	681,348,572	18,546,255	28,171,594	3,715,370
Prior period adjustment					2,517,939		2,517,939			
Net assets - beginning of year, as restated					637,288,339	46,578,172	683,866,511	18,546,255	28,171,594	3,715,370
Net assets - end of year					\$659,384,911	\$47,338,755	\$706,723,666	\$20,188,471	\$25,251,378	\$4,994,797

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2004

<u>ASSETS</u>	<u>MAJOR FUNDS</u>							<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Highway Improvement</u>	<u>Transportation Trust</u>	<u>Public Mass Transit</u>	<u>Convention & Recreation Trust</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	
EQUITY IN POOLED CASH AND INVESTMENTS	\$60,692,406	\$65,974,665	\$724,502	\$586,182	\$12,922,612	\$20,851,082	\$66,663,695	\$228,415,144
CASH AND INVESTMENTS	64,408,139					58,987	6,680,282	71,147,408
RECEIVABLES, net of allowance for uncollectibles:								
Taxes:								
Property	13,100,946					727,511	72,218	13,900,675
Sales	6,216,962		11,305,460	5,832,587				23,355,009
Utilities gross receipts	4,369,219							4,369,219
Convention and recreation					1,971,306			1,971,306
Emergency telephone							323,386	323,386
Notes and loans							594,377	594,377
Interest	234,087	64,013	337,812	12,883	71,450	108,818	338,573	1,167,636
Intergovernmental	3,456,784						4,525,132	7,981,916
Other	2,258,767						1,612,683	3,871,450
Net receivables	29,636,765	64,013	11,643,272	5,845,470	2,042,756	836,329	7,466,369	57,534,974
DUE FROM OTHER FUNDS	3,568,489	11,746,919	2,320				891,160	16,208,888
INVENTORIES	1,202,100							1,202,100
Total assets	\$159,507,899	\$77,785,597	\$12,370,094	\$6,431,652	\$14,965,368	\$21,746,398	\$81,701,506	\$374,508,514
<u>LIABILITIES AND FUND BALANCES</u>								
LIABILITIES:								
Accounts payable and accrued liabilities	\$2,700,985	\$2,086,700			\$310,000		\$4,652,041	\$9,749,726
Accrued salaries	6,393,075		\$2,501				470,735	6,866,311
Accrued interest	339,517							339,517
Due to other taxing units	8,826,238							8,826,238
Tax anticipation warrants	46,000,000							46,000,000
Due to other funds	668,713		11,752,421				3,424,419	15,845,553
Deferred revenue:								
Property taxes	8,806,401					\$692,295	43,163	9,541,859
Other	1,570,719						883,980	2,454,699
Total liabilities	75,305,648	2,086,700	11,754,922		310,000	692,295	9,474,338	99,623,903
FUND BALANCES:								
Reserved for:								
Encumbrances	18,279,734	30,239,294	39,555		1,614,690		15,297,873	65,471,146
Debt service						21,054,103	112,090	21,166,193
Notes receivable							594,377	594,377
Inventories	1,202,100							1,202,100
Unreserved:								
Designated for subsequent years expenditures - General Fund	25,154,540							25,154,540
- Special Revenue Funds		45,459,603	575,617	\$6,431,652	13,040,678		53,164,844	118,672,394
- Capital Projects Funds							3,057,984	3,057,984
Undesignated - General Fund	39,565,877							39,565,877
Total fund balances	84,202,251	75,698,897	615,172	6,431,652	14,655,368	21,054,103	72,227,168	274,884,611
Total liabilities and fund balances	\$159,507,899	\$77,785,597	\$12,370,094	\$6,431,652	\$14,965,368	\$21,746,398	\$81,701,506	\$374,508,514

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
YEAR ENDED DECEMBER 31, 2004

Total fund balances for governmental funds \$274,884,611

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements. Those assets consist of:

Land	113,934,344	
Construction in progress	39,504,086	
Infrastructure	678,926,252	
Buildings and other structures	271,602,586	
Equipment and vehicles	83,061,475	
Accumulated depreciation	<u>(508,392,518)</u>	
Total capital assets		678,636,225

Costs of debt issuance are capitalized and reported in the government-wide statement of net assets as a deferred charge and are amortized over the life of the issue. 732,595

The internal service fund is used by the County to charge the cost of liability and worker's compensation insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. A portion of the assets and liabilities of the internal service fund is recorded in governmental activities as an internal balance due from business-type activities. (259,237)

Some of the County's revenues, including taxes, will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the fund financial statements. 10,176,738

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net assets.

Balances that relate to long-term debt at December 31, 2004 are:

Accrued interest on long-term debt	(3,967,459)	
Compensated absences	(32,620,611)	
General obligation bonds	(107,830,000)	
Certificates of participation	(34,885,000)	
Contractual obligations-Domed stadium	(76,625,000)	
Contractual obligations-Ballpark	(45,760,000)	
Note payable - CDBG 2001	(1,180,000)	
Note payable - CDBG 2003	(962,231)	
Note payable - CDBG 2004	(131,699)	
Capital lease - public safety - police cars	(595,438)	
Capital lease - general - record storage devices	<u>(228,583)</u>	
Total long-term liabilities		<u>(304,786,021)</u>

Total net assets of governmental activities \$659,384,911

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2004

MAJOR FUNDS								
	General Fund	Highway Improvement	Transportation Trust	Public Mass Transit	Convention & Recreation Trust	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:								
Taxes:								
Property	\$103,206,754					\$1,664,252	\$860,671	\$105,731,677
Sales	46,530,988		\$73,823,621	\$39,114,758				159,469,367
Utilities gross receipts	20,992,633							20,992,633
Convention and recreation					\$8,830,887			8,830,887
Emergency telephone							1,370,839	1,370,839
	170,730,375		73,823,621	39,114,758	8,830,887	1,664,252	2,231,510	296,395,403
Licenses and permits	12,499,075							12,499,075
Assessment and tax collection fees	19,423,292						7,933,146	27,356,438
Fines and forfeitures	3,967,843							3,967,843
Investment earnings	1,229,981	\$146,578	848,856	19,985	173,997	267,666	911,289	3,598,352
Rents and concessions	2,437,277							2,437,277
Intergovernmental	14,080,055						46,375,702	60,455,757
Charges for services	39,672,580						3,851,981	43,524,561
Fees	5,244,142						11,645,252	16,889,394
Other	4,220,783	1,141,088				28,933	1,462,999	6,853,803
Total revenues	273,505,403	1,287,666	74,672,477	39,134,743	9,004,884	1,960,851	74,411,879	473,977,903
EXPENDITURES:								
Current:								
General government	55,507,692						31,683,895	87,191,587
Public safety	119,262,043						7,772,771	127,034,814
Human services	5,736,835						9,855,119	15,591,954
Highways and traffic	41,753,160	20,249,463					15,936,273	77,938,896
Health	40,072,739						5,588,885	45,661,624
Parks and recreation	23,120,165						440,195	23,560,360
Transportation			43,612,220	32,703,091				76,315,311
Convention and recreation					11,349,398			11,349,398
Debt service:								
Principal retired	1,785,000					8,715,000	1,610,400	12,110,400
Interest and fiscal charges	1,591,375					5,674,504	139,070	7,404,949
Capital outlay	4,678,865	2,889,655					9,068,154	16,636,674
Total expenditures	293,507,874	23,139,118	43,612,220	32,703,091	11,349,398	14,389,504	82,094,762	500,795,967
Excess of revenues over (under) expenditures	(20,002,471)	(21,851,452)	31,060,257	6,431,652	(2,344,514)	(12,428,653)	(7,682,883)	(26,818,064)
OTHER FINANCING SOURCES (USES):								
Transfers in	25,208,866	13,746,919					1,376,955	40,332,740
Transfers out	(1,167,891)		(35,215,855)				(3,778,994)	(40,162,740)
Proceeds from capital lease							834,421	834,421
Note payable							131,699	131,699
Net change in fund balances	4,038,504	(8,104,533)	(4,155,598)	6,431,652	(2,344,514)	(12,428,653)	(9,118,802)	(25,681,944)
FUND BALANCES:								
Beginning of year	80,163,747	83,803,430	4,770,770		16,999,882	33,482,756	81,345,970	300,566,555
End of year	\$84,202,251	\$75,698,897	\$615,172	\$6,431,652	\$14,655,368	\$21,054,103	\$72,227,168	\$274,884,611

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2004

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

Net change in fund balances - total governmental funds		(\$25,681,944)
Governmental funds report capital outlays 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 purchases and the construction of capital assets exceeded depreciation expense in the current period.		23,838,284
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		13,272,685
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the fund financial statements since they will be collected several months after the fiscal year ends:		
Property taxes, levied for general purposes	(1,201,062)	
Property taxes, levied for debt service	(1,378,946)	
Property taxes, levied for redevelopment	(15,007)	
Public Safety, charges for services	(169,794)	
Highways, charges for services	(84,653)	
Sewer lateral and water service line fees	(77,978)	
	(2,927,440)	(2,927,440)
The issuance of long-term debt (e.g., 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. This activity for the current year is as follows:		
Notes payable	(131,699)	
Capital leases	(834,421)	
Repayments	15,275,400	
	14,309,280	14,309,280
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 financial statements, as follows:		
Accrued compensated absences	(647,451)	
Interest accruals on long-term debt	(175,470)	
	(822,921)	(822,921)
The internal service fund is used by management to charge the costs of the risk management activity to individual funds. The adjustments for the internal service fund "close" the fund by charging additional amounts to participating activities to completely cover the internal service fund's costs for the year.		
Total net increase for the internal service fund	147,970	
Portion of change attributable to business-type activity	(39,342)	
	108,628	108,628
Change in net assets of governmental activities		\$22,096,572

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2004

	<u>Business-type Activity Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
ASSETS:		
Current assets:		
Equity in pooled cash and investments	\$8,539,225	\$9,648,379
Cash and investments	14,888	
Receivables, net of allowance for uncollectibles:		
Interest	43,885	36,293
Intergovernmental	31,574	
Other	922,441	
Net receivables	997,900	36,293
Due from other funds	3,300	
Inventories	202,918	
Prepaid assets	11,111	
Total current assets	9,769,342	9,684,672
Noncurrent assets:		
Capital assets:		
Land and improvements	13,845,726	
Construction in progress	256,914	
Infrastructure	23,885,504	
Building and other structures	12,428,361	
Equipment and vehicles	1,701,060	
Less accumulated depreciation	(13,338,371)	
Net capital assets	38,779,194	
Total assets	48,548,536	9,684,672
LIABILITIES:		
Current liabilities:		
Accounts payable and accrued liabilities	545,107	3,009,522
Accrued salaries	31,390	
Due to other funds	364,366	2,269
Compensated absences	85,836	
Claims payable		3,979,335
Total current liabilities	1,026,699	6,991,126
Noncurrent liabilities:		
Compensated absences	85,519	
Claims payable		3,050,346
Total noncurrent liabilities	85,519	3,050,346
Total liabilities	1,112,218	10,041,472
NET ASSETS:		
Investment in capital assets, net of related debt	38,779,194	
Unrestricted (deficit)	8,657,124	(356,800)
Total net assets	47,436,318	(\$356,800)

Net assets - end of year as reported for the business-type activity in the government-wide statement of net assets are different because:

Certain internal service fund assets are included within the business-type activity	(97,563)
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Net assets of the business-type activity-government-wide statement of net assets	\$47,338,755
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See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2004

	Business-type Activity <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Fund</u>
OPERATING REVENUES:		
Fuel sales	\$13,339,166	
Charges for services	2,352,615	\$7,252,816
Other	293,375	
Total operating revenues	15,985,156	7,252,816
OPERATING EXPENSES:		
Salaries, employee benefits and administration	1,124,080	
Fuel cost	11,622,933	
Depreciation	1,379,633	
Claims		5,008,418
Supplies	166,631	
Other	1,236,092	2,200,050
Total operating expenses	15,529,369	7,208,468
Operating income	455,787	44,348
NONOPERATING REVENUES (EXPENSES):		
Investment earnings	101,577	103,622
Intergovernmental revenue	125,131	
Nonrecurring grant project expenses	(125,131)	
Income before contributions and transfers	557,364	147,970
Capital contributions	333,877	
Transfers out	(170,000)	
Change in net assets	721,241	147,970
NET ASSETS:		
Beginning of year	46,715,077	(504,770)
End of year	47,436,318	(\$356,800)

Net assets - end of year as reported for the business-type activity in the government-wide statement of activities are different because:

Certain internal service fund expenses are included within the business-type activity	(97,563)
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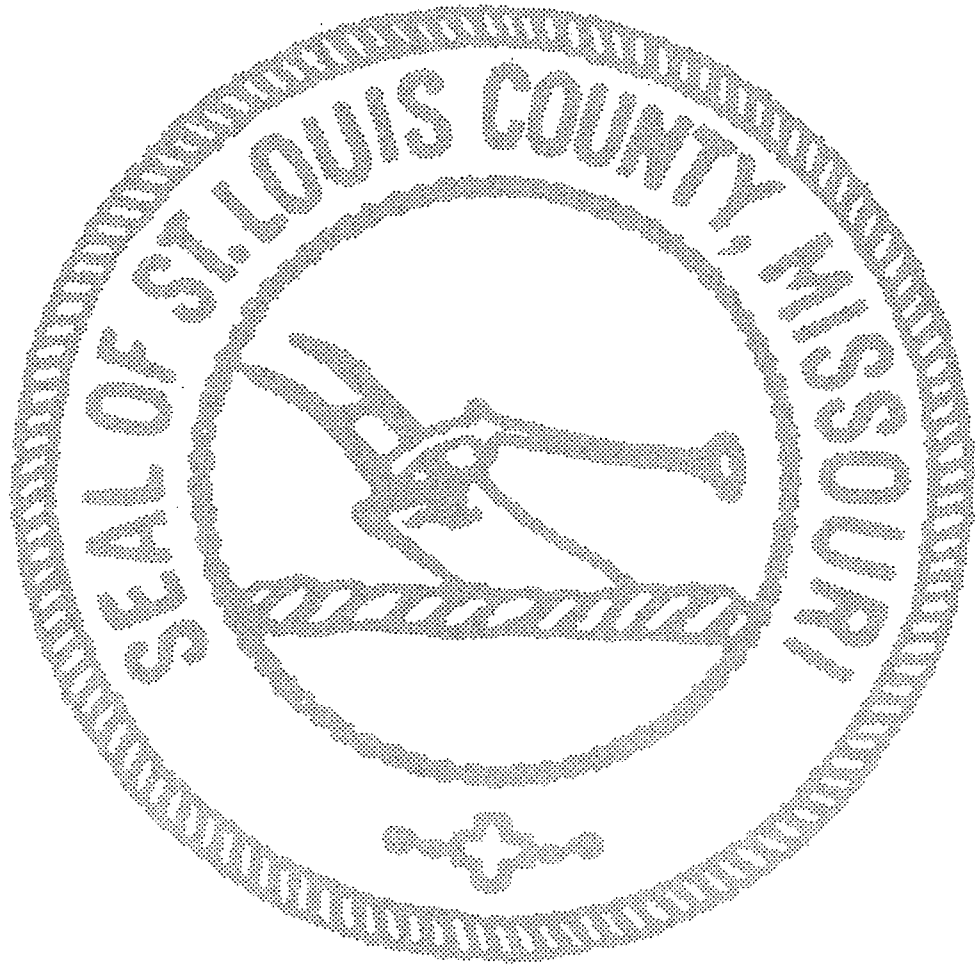
Net assets of the business-type activity-government-wide statement of activities	\$47,338,755
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See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2004

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$15,483,254	
Payments to suppliers	(11,764,251)	
Payments to employees	(1,113,516)	(\$4,834,674)
Receipts from interfund services provided		7,254,452
Other payments	(1,109,741)	(4,781,882)
Net cash provided (used) by operating activities	<u>1,495,746</u>	<u>(2,362,104)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out	(170,000)	
Net cash used by noncapital financing activities	<u>(170,000)</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital contributions received	333,877	
Purchases and construction of capital assets	(1,236,339)	
Net cash used by capital and related financing activities	<u>(902,462)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends	118,082	105,238
Net increase (decrease) in cash and cash equivalents	541,366	(2,256,866)
Balances--beginning of the year	8,012,747	11,905,245
Balances--end of the year	<u>\$8,554,113</u>	<u>\$9,648,379</u>
Cash and cash equivalents:		
Equity in pooled cash and investments	\$8,539,225	\$9,648,379
Cash and investments	14,888	
	<u>\$8,554,113</u>	<u>\$9,648,379</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income	\$455,787	\$44,348
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,379,633	
Change in assets and liabilities:		
Receivables, net	(208,527)	
Prepaid assets and inventories	(62,713)	
Due from other funds	(3,300)	712
Due to other funds	(163,724)	924
Accounts and other payables	98,590	(2,408,088)
Net cash provided by (used in) operating activities	<u>\$1,495,746</u>	<u>(\$2,362,104)</u>

See notes to basic financial statements.



ST. LOUIS COUNTY, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2004

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
EQUITY IN POOLED CASH AND INVESTMENTS	\$4,393,216	\$37,938,170
COLLECTOR CASH		722,423,511
RECEIVABLES, net of allowance for uncollectibles:		
Taxes		179,791,988
Interest and dividends	1,372,330	210,284
Other	400,686	40
Net receivables	<u>1,773,016</u>	<u>180,002,312</u>
INVESTMENTS, at fair value:		
U.S. Government securities	26,867,694	
Municipal bonds	6,239,550	
Corporate bonds and debentures	31,661,819	
Common stocks	264,907,510	
Short-term investment funds	14,438,377	
Mortgage-backed securities	29,370,930	
Total investments	<u>373,485,880</u>	
Total assets	<u>379,652,112</u>	<u>940,363,993</u>
LIABILITIES		
Accounts payable and accrued liabilities	2,455,033	
Due to other taxing units		906,173,545
Other obligations		34,190,448
Total liabilities	<u>2,455,033</u>	<u>940,363,993</u>
NET ASSETS	<u><u>\$377,197,079</u></u>	

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUND
YEAR ENDED DECEMBER 31, 2004

	Pension Trust Fund
ADDITIONS:	
Employer contributions	\$29,165,868
Investment income:	
Interest and dividends	8,527,033
Other revenue	190
Net appreciation in the fair value of plan investments	28,165,535
Total investment gain	36,692,758
Less investment expense	1,692,751
Net investment gain	35,000,007
Total additions	64,165,875
DEDUCTIONS:	
Retirement benefits	23,230,693
Death benefits	511,667
Total deductions	23,742,360
Net increase	40,423,515
Net assets held in trust for pension benefits:	
Beginning of year	336,773,564
End of year	\$377,197,079

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

St. Louis County, Missouri (the County) was established by proclamation of the Governor in 1812, nine years before Missouri became a state. It currently operates as a first-class county of the State of Missouri governed by the County Charter originally adopted in 1950 and most recently revised in 1979. The County provides the full range of services contemplated by statute or charter. These include public safety, highways and traffic, community health and social services, culture-recreation, public improvements, planning and zoning, and general administrative. The County also owns and operates Spirit of St. Louis Airport as a self-supporting enterprise.

The accounting policies of the County conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. The following is a summary of the more significant accounting policies:

A. **Reporting Entity**

The County's financial reporting entity has been determined in accordance with governmental standards for defining the financial reporting entity and identifying entities to be included in its basic financial statements. These standards identify the County's financial accountability for potential component units as the primary, but not only, criteria for inclusion. The County's financial reporting entity consists of St. Louis County (the primary government) and its component units. The component units discussed below are included in the County's financial reporting entity because of the significance of their operational or financial relationships with the County.

1) **Blended Component Unit:**

The following component unit is legally separate from the County, however, the activities are so intertwined with the County as the primary government that they are, in substance, the same as the primary government. As such, the balances and transactions of the component unit are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the County itself.

St. Louis County Public Facilities Corporation (PFC)

The PFC is a not-for-profit corporation created by County Council resolution, organized and existing under the laws of the State of Missouri. By-laws provide for a Board of Directors consisting of the County Executive, County Counselor, and three citizens appointed by the County Executive for a three-year term. The PFC's purpose is to facilitate the issuance of tax-exempt bonds to provide financing for the purchase or construction of certain projects and to lease or sell such projects solely to the County. The PFC is accounted for as a part of the County's primary operations, because it was established to provide services exclusively to the County.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

2) Discretely Presented Component Units:

The component unit columns in the statement of net assets and statement of activities include the financial data of the County's three discretely presented component units. They are reported in separate columns to emphasize that they are legally separate from the County. The following entities are discretely presented in the basic financial statements:

Economic Council of St. Louis County (CEC)

The CEC is a not-for-profit corporation organized to advance the social welfare, health, and economic interests of St. Louis County and its residents. The CEC further provides administration and management to the following affiliated entities; Industrial Development Authority of the County of St. Louis, Missouri, St. Louis County Port Authority, Business Finance Corporation of St. Louis County, Land Clearance for Redevelopment Authority of St. Louis County, and World Trade Center St. Louis. The County Executive has the authority to appoint the Board members for the CEC and all affiliated entities. However, the Boards function autonomously. The CEC and affiliated entities described above receive varying levels of support for administrative and programmatic functions from the County.

Productive Living Board for St. Louis County Citizens With Developmental Disabilities (PLB)

The PLB is a not-for profit organization established by the voters of St. Louis County for the purpose of providing services for St. Louis County citizens with developmental disabilities. The PLB directly provides and/or contracts for services for housing, employment, transportation, training, recreation, and other individual and family support services. The PLB's nine member Board of Directors is appointed by the County Executive and approved by the County Council. The County annually levies a dedicated tax on behalf of the PLB and a public hearing is held before the County Council on the PLB's budget.

Transport Museum Association (TMA)

The TMA is a not-for-profit corporation organized under the laws of the State of Missouri for the purpose of educating its members and the general public about transportation, providing financial support for the National Museum of Transportation (the Museum), and aiding in the preservation and restoration of artifacts related to the Museum's purpose. The TMA operates the gift shop, concessions and admission gate of the Museum in conjunction with its agreement with St. Louis County (the County). The County owns, operates and

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

maintains the Museum through the Department of Parks and Recreation.

Financial information for the CEC, PLB, and TMA is as of September 30, 2004, June 30, 2004, and December 31, 2004, respectively, the most recent fiscal year ends for the discretely presented component units. Complete financial statements of the individual discretely presented component units can be obtained from their respective administrative offices as follows:

Economic Council of St. Louis County
121 South Meramec, Suite 900
St. Louis, Missouri 63105

Productive Living Board for St. Louis County
Citizens With Developmental Disabilities
121 Hunter Avenue, Suite 200
St. Louis, Missouri 63124

Transport Museum Association
3015 Barrett Station Road
St. Louis, Missouri 63122

3) Joint Ventures:

The County has entered into three multigovernmental arrangements creating organizations that are owned, operated, or governed by two or more participants as separate and specific activities subject to joint control, in which the County retains an ongoing financial interest or an ongoing financial responsibility, as follows:

St. Louis Regional Convention and Sports Complex Authority (Authority)

The Authority, established in 1990 as a separate legal entity by an act of the Missouri State legislature, is governed by an eleven member Board of Commissioners (Commissioners), three each of whom are appointed by the County Executive of St. Louis County and the Mayor of the City of St. Louis. The Governor of the State of Missouri appoints the remaining five commissioners. The County has no decision-making authority over the Commissioners. However, the County retains an ongoing financial responsibility related to the Authority's debts and facility maintenance. Accordingly, the Authority is considered a joint venture of the County, City and State. Additional information regarding the Authority is provided in Note 12.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

St. Louis Cardinal Ballpark Site and Ballpark Project (Ballpark Project)

The Ballpark Project is a collaborative effort between the LCRA, the Missouri Development Finance Board (the Board), the County and the Project Developer. The Board was created as a separate legal entity within the Department of Economic Development of the State of Missouri pursuant to RSMo 100.265, in August 1994. Through the authority granted it from the Missouri State Legislature, the Board has the right to issue revenue bonds as well as other powers for the purpose of assisting infrastructure and development projects throughout the state. The County has no decision-making authority over the Ballpark Project or the Board.

However, the County retains an ongoing financial responsibility in that it has agreed to make the Bond Payments and Additional Payments under the indenture, subject to annual appropriation of funds by the County Council. The County debt service payments shall be made from the Special Revenue – Convention & Recreation Trust Fund. Accordingly, the Ballpark Project is considered a joint venture of the County, City and other third parties. Additional information regarding the Ballpark Project is provided in Note 12.

Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State)

Bi-State was established in 1949 by a compact between the States of Missouri and Illinois. Bi-State is administered by a Board of Commissioners consisting of ten members. The Governors of the States of Missouri and Illinois each appoint five commissioners for staggered five-year terms. Missouri State Statute requires the governor to select appointees from a panel of nominees submitted alternately by the County Executive and the Mayor of the City of St. Louis as vacancies occur. The County has no decision-making authority over Bi-State and no responsibility for its debts or deficits. However, the County retains an ongoing financial responsibility in that it appropriates funds out of its Transportation Trust and Public Mass Transit Special Revenue Funds for Bi-State each year. The amounts are determined by contract or ordinance for support of the transit system and generally are derived from sales taxes earmarked for transportation purposes. Bi-State is dependent upon continued state, county and local operating subsidies and is therefore considered a joint venture of the County, City and State. Additional information regarding Bi-State is provided in Note 12.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

4) Related Organizations:

The County's officials are also responsible for appointing members to the boards of other organizations, but the County's accountability for these organizations does not extend beyond making such appointments. The County Executive or County Council appoints a majority of the governing members of the Housing Authority of St. Louis County, St. Louis County Library District, and Regional Cultural and Performing Arts Development Commission. These related organizations do not meet the criteria for inclusion as component units, therefore, they are not included as component units within the County's financial reporting entity.

5) Jointly Governed Organizations:

The County has entered into several multigovernmental arrangements creating entities that are governed by representatives from each of the participating governments. These organizations are not considered to be joint ventures, as the County does not retain an ongoing financial interest or responsibility in the organizations. Additionally, these entities do not meet the criteria for inclusion as component units in the primary government's financial reporting entity. Accordingly, the Metropolitan St. Louis Sewer District, St. Louis Regional Convention and Visitors Commission, REJIS Commission, Metropolitan Zoological Park and Museum District, Mid-East Area Agency on Aging, St. Louis-Jefferson Solid Waste Management District, Missouri-St. Louis Metropolitan Airport Authority, and East-West Gateway Coordinating Council are considered jointly governed organizations.

B. 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. 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 County is reported separately from certain legally separate *component units* for which the County is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, unrestricted interest earnings, gains, and other

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

miscellaneous revenues not properly included among program revenues are reported instead as general revenue.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General Fund, Highway Improvement, Transportation Trust, Public Mass Transit, Convention and Recreation Trust, and the Debt Service Fund are major governmental funds. All other governmental funds are reported in one column labeled "Nonmajor Governmental Funds". The total fund balances for all governmental funds is reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements. The County has one enterprise fund (business-type activity), Spirit of St. Louis Airport (Airport), which is shown as a separate column within the proprietary fund financial statements. Additionally, the County has an internal service fund (governmental activities), which is reported in a separate column on the proprietary fund financial statements.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net assets, revenues and expenditures, or expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following fund types are used by the County:

Governmental Fund Types

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

The following are the County's governmental major funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is divided into four separate departments under the captions General Government, Department of Highways and Traffic, Department of Health, and Department of Parks and Recreation in order to reflect the County's financial administration and

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

organization as currently required by ordinance. Certain transactions between the General Fund departments have been eliminated for presentation in the financial statements.

Highway Improvement Fund - A Special Revenue Fund used to account for receipts of special source funds and transfers from the Transportation Trust Fund to be used for specific road improvement projects.

Transportation Trust Fund - A Special Revenue Fund used to record the County-wide one half percent transportation sales tax receipts and related expenditures for transportation purposes.

Public Mass Transit Fund - A Special Revenue Fund used to record the County-wide one quarter percent sales tax receipts and related expenditures for public mass transportation purposes.

Convention and Recreation Trust Fund - A Special Revenue Fund used to record revenue received from a three and one half percent Hotel Motel tax used to fund the County's share of the debt service payments and preservation payments of the St. Louis Regional Convention and Sports Complex Authority and debt service payments for the St. Louis Cardinals Ballpark Site and Ballpark Project.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

The other governmental funds of the County are considered nonmajor funds. They include special revenue funds, which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, and capital projects funds, which are used to account for financial resources used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income, changes in net assets (or cost recovery), financial position, and cash flows.

The following are the County's proprietary fund types:

Enterprise - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (including depreciation) of operations are financed primarily through user charges. An

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

enterprise fund has been established for the Spirit of St. Louis Airport (the Airport). The Airport fund is defined as a major fund and is used to account for activities of the County's airport operation financed primarily from fuel sales and facility leases.

Internal Service – The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. An internal service fund has been established to account for payment of workers' compensation and various other risk management services.

In the government-wide and proprietary fund financial statements, the County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as the following private-sector pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Fiduciary Fund Types

Trust and Agency - Trust and agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. These include pension trust funds and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust fund accounts for the County's Employee Retirement Plan that covers civilian employees and commissioned officers of the County Police Department. 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 collections for other taxing units by the Collector of Revenue and Circuit Clerk and other agency operations.

C. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

proprietary fund and pension trust fund financial statements. Agency fund financial statements are reported using the accrual basis of accounting, however, they do not have a measurement focus. 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 revenue 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.

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

GASB Statement No. 33 groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

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

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

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the airport enterprise fund are fuel sales and facilities leases. Transactions which are capital, financing, or investing related are reported as non-operating revenues. All expenses related to operating the airport enterprise fund are reported as operating expenses. Interest expense, financing costs, and miscellaneous expenses are reported as non-operating expenses.

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

Component Units - TMA, PLB, and CEC

In accordance with GASB No. 34, the government-wide financial statements of CEC are prepared using the economic resources measurement focus and the fund financial statements of CEC are reflected as governmental fund types and are accounted for using a flow of current financial resources measurement focus. TMA and PLB are accounted for similar to proprietary fund types.

D. **Encumbrances**

Within the governmental fund financial statements, fund balance is reserved for outstanding encumbrances, which serves as authorization for expenditures in the subsequent year. Encumbrances will remain in force and will be liquidated under the current year's budget.

E. **Cash and Investments**

The County Treasurer maintains a cash and investment pool that is available for use by all funds, except certain restricted Special Revenue and Agency Funds. Each fund's portion of pooled cash and investments is reflected on the fund financial statements as "equity in pooled cash and investments." Investment income earned on pooled cash and investments is distributed to the appropriate funds based on the average daily balance of the cash and investments of each fund. In addition, cash

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

and investments are separately maintained by other County officials, several of the County's departments, and third-party trustees and fiscal agents.

Investments are stated at fair value. Fair values for investments are determined by closing market prices at year-end as reported by the investment custodian.

F. **Property Taxes**

Property taxes are levied annually in September based on the assessed valuation of all real and personal property located in the County as of the previous January 1. The County tax rate was levied at \$.58 per \$100 of assessed valuation for the General Fund to fund General Government, Highways and Traffic, Health, and Parks and Recreation. Taxes are billed in October and are due and collectible on December 31. All unpaid taxes become delinquent on January 1 of the following year and attach as an enforceable lien on the property at that date.

G. **Inventories**

Inventories within the government wide statement of net assets consist of salt held for application to County roads and fuel. This inventory is stated at the lower of cost, determined on the first-in, first-out method, or market.

Purchases of materials and supplies in the Governmental Fund Types are charged to expenditures, under the purchases method, as incurred. Material year-end inventories are recorded within the Governmental Fund Types.

Inventories of the Enterprise Fund consist of fuel held for consumption and resale. This inventory is stated at the lower of cost, determined on the first-in, first-out method, or market, and the expense is recognized when the fuel is consumed in operations or sold.

H. **Capital Assets**

Capital assets, which include buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the government-wide financial statements and proprietary fund types in the fund financial statements, net of accumulated depreciation. Capital assets are defined by the County as assets with an estimated useful life in excess of one year with an initial, individual cost of \$500 or more; land improvements with a cost of \$5,000 or more; infrastructure (other than roads or bridges) with a cost of \$50,000 or more; roads, bridges, and improvements to roads and bridges with a cost of \$500,000 or more; and all land.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Capital assets are recorded at historical cost, or estimated historical cost if actual cost information is not available. Donated capital assets are recorded at their estimated fair market value at the date of donation. General infrastructure assets acquired prior to January 1, 2002, consist of roads, bridges, and park utilities and similar improvements, and are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. For retirements or other dispositions of assets, the asset and related accumulated depreciation account are eliminated and the difference between the net carrying value and any proceeds received is included in income or expense.

The County has determined that all works of art and historical treasures, other than certain sculptures, meet the definition of a collection, and accordingly has not capitalized these assets. A collection is defined as items which are:

- Held for public exhibition and education;
- Protected, cared for, and preserved; and
- Subject to an organizational policy that requires the proceeds from the sale to be used to acquire other items for the collection.

The County has adopted a policy related to the sale of these assets, stating that the proceeds from the sale of any County-owned collections, in part or in its entirety, will be used for the acquisition of collection items.

Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets, except for roads; which is computed using the composite method. The estimated useful lives of depreciable capital assets are as follows:

Roads	15	to	50 years
Bridges			45 years
Other Infrastructure	10	to	50 years
Buildings and Other Structures	6	to	45 years
Land Improvements	20	to	45 years
Communication Equipment	5	to	20 years
Medical Equipment	3	to	20 years
Motor Vehicle Equipment	3	to	20 years
Office Furniture and Fixtures	3	to	20 years
Other Equipment	3	to	20 years

Discretely Presented Component Units

Capital assets consisting of buildings, leasehold improvements, and furniture and equipment are recorded at historical cost. Land is recorded at cost or at approximate fair market value at date of gift in the case of donated property, plus the

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

cost of land improvements. The capital assets are depreciated on a straight-line basis over their estimated useful lives of 5 to 40 years.

I. **Long-term Liabilities**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activity, or proprietary fund type statement of net assets/statement of fund net assets.

J. **Compensated Absences**

The County grants vacation and sick leave benefits to all full-time employees based on years of continuous service. Compensatory time is granted to certain employees for hours worked in excess of a normal work week which are not taken within the current biweekly pay period. The accrued benefit liability related to the County's compensated absences has been recorded in the government-wide financial statements and in the proprietary funds in the fund financial statements. Certain amounts have been recorded in the governmental fund financial statements, since such amounts came due (i.e. matured) during the fiscal year ended December 31, 2004.

The County's sick leave policy provides that, upon retirement, County employees are paid for one-half of their total unused sick leave accumulation. The employees' rights to all other accumulated sick leave is not vested. As an estimate of the portion of sick leave that will result in termination payments, a liability has been recorded on the government-wide financial statements and the proprietary funds in the fund financial statements representing one-half of the accumulated sick leave balances for those employees who will be eligible to retire within five years.

K. **Capital Contributions**

Capital contributions within the airport enterprise fund represent government grants and other aid used to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement. Amounts received from other governments which are not restricted for capital purposes are reflected as nonoperating intergovernmental revenue.

L. **Interfund Transactions**

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

Transfers

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

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Interfund Services Provided/Used

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as quasi-external transactions because they would be treated as revenues and expenditures or expenses if they involved organizations external to the County.

Within the accompanying activity from the statement of activities, administrative overhead is included as direct expense and is not eliminated from the various functional categories.

Certain internal payments are treated as program revenues, such as internal services provided and used. Certain internal payments are treated as a reduction of expense, such as reimbursements.

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

M. **Net Assets**

In the government-wide financial statements net assets are classified as follows:

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

Restricted for Various Specific Purposes – the components of net assets that reports the difference between assets and liabilities of the certain programs that consists of assets with constraints placed on their use by either external parties and/or enabling legislation, including restricted for capital projects, highway road improvements, transportation, redevelopment and other.

Restricted for Debt Service – the component of net assets that reports the difference between assets and liabilities of the Debt Service Fund that consists of assets with constraints placed on their use by creditors.

Unrestricted – the difference between the assets and liabilities that are not reported in Net Assets Invested in Capital Assets, Net of Related Debt, Net Assets Restricted for Specific Purposes or Net Assets Restricted for Debt Service.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

N. **Reserved Fund Balance**

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriations or is legally segregated for a specific future use. Reserved fund balances at December 31, 2004, are comprised of encumbrances, notes receivable and inventories. Additionally, amounts available to be used for debt service requirements have been reserved.

O. **Fund Balance Designated for Subsequent Year Expenditures**

Unreserved fund balances at December 31, 2004 are allocated between designated and undesignated amounts for fund financial statement purposes. Designated amounts represent the excess of 2005 appropriations over estimated revenues for 2005.

P. **Statement of Cash Flows**

For purposes of the statement of cash flows, cash and cash equivalents is defined as equity in pooled cash and investments and other cash and investments maintained by the proprietary funds since all investments included therein have a maturity of three months or less at the date of purchase.

Q. **Use of Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenue, expenses, and expenditures during the reporting period. Actual results could differ from those estimates.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

2. CASH AND INVESTMENTS

Deposits

At December 31, 2004, the carrying amount of cash deposits (including those of the Fiduciary Fund Types and the Discretely Presented Component Units' equity in pooled cash) was \$447,797,846 and the bank balances totaled \$21,839,248. Of the bank balances, \$304,703 was insured by the Federal Deposit Insurance Corporation (FDIC), and \$21,534,545 was covered by collateral held by the pledging banks' agents in the County's name. The difference between carrying value and bank balances is primarily due to deposits in transit for the collection of property taxes at year-end.

Missouri statutes require collateral pledged to secure deposits to be held in the County's name by its agent (the trust department of a bank other than the pledging bank).

Discretely Presented Component Unit – Transport Museum Association (TMA):

At December 31, 2004, the TMA had cash and cash equivalents and investments that exceeded the maximum protection provided under regulations issued by the Federal Deposit Insurance Corporation of \$100,000 per bank.

Investments

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

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Investments by risk category at December 31, 2004, are as follows:

	Category			Fair Value	Cost Value
	1	2	3		
U.S. Gov't Securities	\$ 285,104,181	\$ 66,116,524	\$ 3,224,814	\$ 354,445,519	\$ 357,299,756
Municipal Bonds		6,239,550		6,239,550	5,812,576
Repurchase Agreement		369,628,873		369,628,873	369,628,873
Common Stocks		264,907,510		264,907,510	226,475,319
Corporate Bonds and Debentures		31,661,819		31,661,819	30,610,989
	\$ 285,104,181	\$ 738,554,276	\$ 3,224,814	\$1,026,883,271	\$ 989,827,513
Short-term Investment Funds				14,438,377	14,602,238
Total Investments				1,041,321,648	1,004,429,751
Equity in Pooled Cash and other Cash Deposits				447,797,846	447,797,846
Total Cash and Investments				1,489,119,494	1,452,227,597
Less Equity in Pooled Cash and Investments Held by the County for Discretely Presented Component Units at December 31, 2004:					
CEC				(2,589,626)	(2,589,626)
PLB				(30,524,047)	(30,524,047)
Total Primary Government Cash and Investments				\$ 1,456,005,821	\$ 1,419,113,924
Cash and Investments of Discretely Presented Component Units:					
CEC (at September 30, 2004)				3,117,278	3,117,278
PLB (at June 30, 2004)				24,300,050	24,523,036
TMA (at December 31, 2004)				3,857,870	3,846,312
Total Component Unit Cash and Investments				31,275,198	31,486,626
 TOTAL REPORTING ENTITY CASH AND INVESTMENTS				 \$ 1,487,281,019	 \$ 1,450,600,550

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

The following is a reconciliation of the County's deposit and investment balances at December 31, 2004:

	Primary Government- Govt. Wide Stmnt. Of Net Assets	Fiduciary Funds Stmnt of Fiduciary Net Assets	CEC	PLB	TMA	Total
Equity in pooled cash and investments	\$ 246,602,748	\$ 42,331,386	\$ 2,795,632	\$ 23,770,712		\$ 315,500,478
Cash and investments	71,162,296	1,095,909,391		265,739	\$ 69,351	1,167,406,777
Restricted cash and investments			321,646	263,599	3,788,519	4,373,764
	<u>\$ 317,765,044</u>	<u>\$1,138,240,777</u>	<u>\$3,117,278</u>	<u>\$ 24,300,050</u>	<u>\$3,857,870</u>	<u>\$ 1,487,281,019</u>

The County's investment in overnight repurchase agreement obligations of the U.S. Government for which the underlying securities were held by the dealer are substantially higher at year-end than at other times during the year when cash flows are less.

The County's investment policies conform to Missouri Statute 30.260 which authorizes the State Treasurer to invest in obligations of the U.S. Government which mature or become payable in three years or less from the date of issue, and time deposits in banking institutions located in the State of Missouri.

The Pension Trust Fund is authorized to invest in U.S. Government obligations, other marketable equity and nonequity securities, deposit administration contracts, and other investments as outlined in the investment guidelines issued by the Board of Trustees to each investment manager. Portfolio performance is measured on a total return basis and the equity investment managers are expected to produce investment returns achieved by the average of other managers with similar portfolio characteristics.

In accordance with the County's Pension Trust Fund investment policy, the Pension Trust Fund invests in mortgage-backed securities such as collateralized mortgage obligations. These securities are reported at fair value and are based on the cash flows from interest payments by the underlying mortgages. As a result, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flow from interest payments is reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated. The Pension Trust Fund invests in collateralized mortgage obligations to diversify the portfolio and to increase the return while minimizing the extent of risk.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

3. RECEIVABLES

Receivables, net of related allowance, as of December 31, 2004, consist of the following:

Governmental activities:	<u>Taxes</u>	<u>Notes and loans</u>	<u>Interest</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
General Fund	\$ 23,687,127		\$ 234,087	\$ 3,456,784	\$ 2,258,767	\$ 29,636,765
Highway Improvement Fund			64,013			64,013
Transportation Trust Fund	11,305,460		337,812			11,643,272
Public Mass Transit Fund	5,832,587		12,883			5,845,470
Convention and Recreation Trust Fund	1,971,306		71,450			2,042,756
Debt Service Fund	727,511		108,818			836,329
Nonmajor Governmental Funds	395,604	\$ 594,377	338,573	4,525,132	1,612,683	7,466,369
Internal Service Fund			36,293			36,293
Total governmental activities	<u>\$ 43,919,595</u>	<u>\$ 594,377</u>	<u>\$ 1,203,929</u>	<u>\$ 7,981,916</u>	<u>\$ 3,871,450</u>	<u>\$ 57,571,267</u>
Business-type activity:	<u>Taxes</u>	<u>Notes and loans</u>	<u>Interest</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
Enterprise Fund			\$ 43,885	\$ 31,574	\$ 922,441	\$ 997,900
Total business-type activity			<u>\$ 43,885</u>	<u>\$ 31,574</u>	<u>\$ 922,441</u>	<u>\$ 997,900</u>

All items are scheduled for collection during the subsequent fiscal year except for those notes and loans receivable as discussed in Note 5.

4. ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

The allowance for uncollectible receivables, which has been deducted from the related receivable balance in the government-wide statement of net assets and fund financial statements, consists of the following balances:

Governmental activities:	
General Fund	\$ 1,170,000
Debt Service Fund	114,000
Total governmental activities	<u>1,284,000</u>
Fiduciary Fund:	
Agency Fund	<u>15,844,000</u>
Total	<u>\$ 17,128,000</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

5. NOTES AND LOANS RECEIVABLE

Notes receivable in the Nonmajor Governmental Funds include loans granted by the Department of Health, Solid Waste Management Office, and Recycling Market Development Loan Program. The loans are secured by corporate assets and personal guarantees. These loans have remaining terms of one to nine years with interest rates of 4.5% to 6.0%.

Additionally, notes receivable in the Nonmajor Governmental Funds consist primarily of home improvement loans funded by the Department of Planning Office of Community Development. The program provides low interest rate loans to moderate and low-income homeowners. The loans have scheduled payments over various terms and are secured by deeds of trust. If the scheduled payments stop, the loan is deferred and becomes due upon sale of the property. Loan repayments are received by the County for placement back into the revolving loan program.

Discretely Presented Component Unit – Productive Living Board For St. Louis County Citizens With Developmental Disabilities (PLB)

The PLB loans funds for certain projects, with repayment generally to begin at the completion of the project. Loans for the purpose of providing cash flow are secured by guaranteed receivables. Other loans are generally secured by a first deed of trust. The terms of the loans range from 6 months to 40 years. The majority of these loans are non-interest bearing. The PLB has established allowances for forgiveness of loans as a result of agreements entered into with certain sheltered workshops and a service organization located in the County. These agreements provide for the forgiveness of loan payments based on attaining certain program goals and agreed-upon criteria. As a result, principal payments of \$30,137 due on the workshops' and the service organization's \$317,668 loans receivable balance at June 30, 2004, have been recorded as forgiveness of loans expense for the year ended June 30, 2004.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

6. CAPITAL ASSETS

The following is a summary of changes in capital assets of the primary government for the year ended December 31, 2004:

	Balance January 1, 2004	Increases	Decreases	Balance December 31, 2004
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land and Improvements	\$ 109,317,803	\$ 4,702,373	\$ (85,832)	\$113,934,344
Construction in Progress	16,203,063	42,608,715	(19,307,692)	39,504,086
Total capital assets not being depreciated	<u>125,520,866</u>	<u>47,311,088</u>	<u>(19,393,524)</u>	<u>\$153,438,430</u>
<i>Capital assets being depreciated:</i>				
Roads	632,017,693	13,505,893	(2,045,343)	643,478,243
Bridges	29,939,862	1,275,087	(285,811)	30,929,138
Other Infrastructure	4,201,470	317,401		4,518,871
Buildings and Other Structures	235,887,143	17,753,760	(308,339)	253,332,564
Land Improvements	17,863,990	509,810	(103,778)	18,270,022
Communication Equipment	9,081,769	163,313	(228,368)	9,016,714
Medical Equipment	2,362,597	164,975	(176,055)	2,351,517
Motor Vehicle Equipment	24,540,995	2,514,817	(1,954,885)	25,100,927
Office Furniture and Fixtures	18,216,908	2,412,119	(1,933,125)	18,695,902
Other Equipment	26,729,416	3,081,053	(1,914,054)	27,896,415
Total capital assets being depreciated	<u>1,000,841,843</u>	<u>41,698,228</u>	<u>(8,949,758)</u>	<u>1,033,590,313</u>
Less accumulated depreciation for:				
Roads	(334,960,042)	(14,797,000)	2,045,343	(347,711,699)
Bridges	(14,199,275)	(691,842)	285,811	(14,605,306)
Other Infrastructure	(2,569,669)	(142,660)		(2,712,329)
Buildings and Other Structures	(74,454,630)	(6,400,499)	214,803	(80,640,326)
Land Improvements	(7,944,676)	(687,604)	103,777	(8,528,503)
Communication Equipment	(6,000,622)	(546,181)	220,736	(6,326,067)
Medical Equipment	(1,658,679)	(137,865)	161,022	(1,635,522)
Motor Vehicle Equipment	(16,914,315)	(3,239,572)	1,828,920	(18,324,967)
Office Furniture and Fixtures	(10,540,940)	(2,139,987)	1,687,548	(10,993,379)
Other Equipment	(16,429,026)	(2,176,272)	1,690,878	(16,914,420)
Total accumulated depreciation	<u>(485,671,874)</u>	<u>(30,959,482)</u>	<u>8,238,838</u>	<u>(508,392,518)</u>
Total capital assets being depreciated, net	<u>515,169,969</u>	<u>10,738,746</u>	<u>(710,920)</u>	<u>525,197,795</u>
Governmental activities capital assets, net	<u>\$ 640,690,835</u>	<u>\$ 58,049,834</u>	<u>\$ (20,104,444)</u>	<u>\$ 678,636,225</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

	Balance January 1, 2004	Increases	Decreases	Balance December 31, 2004
Business-type activity:				
Spirit Airport:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 13,845,726			\$ 13,845,726
Construction in Progress	419,516	\$ 1,047,173	\$ (1,209,775)	256,914
Total capital assets not being depreciated	<u>14,265,242</u>	<u>1,047,173</u>	<u>(1,209,775)</u>	<u>14,102,640</u>
<i>Capital assets being depreciated:</i>				
Other Infrastructure	23,705,133	180,371		23,885,504
Buildings and Other Structures	7,493,252	918,484		8,411,736
Land Improvements	4,016,625			4,016,625
Communication Equipment	41,370	29,105	(6,772)	63,703
Motor Vehicle Equipment	583,342	198,688	(69,180)	712,850
Office Furniture and Fixtures	70,478	3,672	(7,612)	66,538
Other Equipment	828,140	70,041	(40,212)	857,969
Total capital assets being depreciated	36,738,340	1,400,361	(123,776)	38,014,925
Less accumulated depreciation for:				
Other Infrastructure	(8,109,941)	(816,554)		(8,926,495)
Buildings and Other Structures	(2,322,356)	(248,427)		(2,570,783)
Land Improvements	(730,641)	(141,895)		(872,536)
Communication Equipment	(17,554)	(3,854)	6,307	(15,101)
Motor Vehicle Equipment	(410,776)	(81,137)	69,180	(422,733)
Office Furniture and Fixtures	(47,276)	(6,930)	6,656	(47,550)
Other Equipment	(442,549)	(80,836)	40,212	(483,173)
Total accumulated depreciation	<u>(12,081,093)</u>	<u>(1,379,633)</u>	<u>122,355</u>	<u>(13,338,371)</u>
Total capital assets being depreciated, net	<u>24,657,247</u>	<u>20,728</u>	<u>(1,421)</u>	<u>24,676,554</u>
Business-type activity capital assets, net	<u>\$ 38,922,489</u>	<u>\$ 1,067,901</u>	<u>\$ (1,211,196)</u>	<u>\$ 38,779,194</u>

Construction in progress of governmental activities at December 31, 2004, consist primarily of County road and bridge infrastructure projects as well as certain Park's capital projects.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

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

Governmental activities:	
General government	\$ 5,627,278
Public safety	3,359,066
Human services	196,352
Highways and traffic	18,286,700
Health	954,013
Parks and recreation	<u>2,536,073</u>
Total governmental activities depreciation expense	<u>\$ 30,959,482</u>
Business-type activity:	
Spirit Airport	<u>\$ 1,379,633</u>

Discretely Presented Component Unit – Economic Council of St. Louis County:

The following is a summary of changes in capital assets of the CEC for the year ended September 30, 2004:

	Balance October 1, 2003	Increases	Decreases	Balance September 30, 2004
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,735,000	\$ 1,211,523	\$ (2,033)	\$ 4,944,490
Construction in Progress		<u>1,007,628</u>		<u>1,007,628</u>
Total capital assets not being depreciated	<u>3,735,000</u>	<u>2,219,151</u>	<u>(2,033)</u>	<u>5,952,118</u>
<i>Capital assets being depreciated:</i>				
Buildings and Building Improvements	11,442,805			11,442,805
Manufacturing Training Facility Equipment	751,223		(36,000)	715,223
Office Equipment	437,294	31,768	(150,063)	318,999
World Trade Center Equipment and Furnishings	141,707		(98,877)	42,830
Enterprise Center Furnishings and Equipment	<u>230,353</u>		<u>(18,950)</u>	<u>211,403</u>
Total capital assets being depreciated	<u>13,003,382</u>	<u>31,768</u>	<u>(303,890)</u>	<u>12,731,260</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(1,673,740)	(300,832)		(1,974,572)
Manufacturing Training Facility Equipment	(733,783)	(14,292)	36,000	(712,075)
Office Equipment	(345,810)	(29,158)	139,848	(235,120)
World Trade Center Equipment and Furnishings	(131,506)	(7,852)	98,479	(40,879)
Enterprise Center Furnishings and Equipment	<u>(222,566)</u>	<u>(4,613)</u>	<u>18,725</u>	<u>(208,454)</u>
Total accumulated depreciation	<u>(3,107,405)</u>	<u>(356,747)</u>	<u>293,052</u>	<u>(3,171,100)</u>
Total capital assets being depreciated, net	<u>9,895,977</u>	<u>(324,979)</u>	<u>(10,838)</u>	<u>9,560,160</u>
CEC capital assets, net	<u>\$ 13,630,977</u>	<u>\$ 1,894,172</u>	<u>\$ (12,871)</u>	<u>\$ 15,512,278</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as of December 31, 2004, consist of the following:

Governmental activities:	<u>Vendors</u>	<u>Construction Retainage Payable</u>	<u>Total</u>
General Fund	\$ 2,654,208	\$ 46,777	\$ 2,700,985
Highway Improvement Fund	1,263,611	823,089	2,086,700
Convention and Recreation Trust Fund	310,000		310,000
Nonmajor Governmental Funds	4,032,025	620,016	4,652,041
Internal Service Fund	<u>3,009,522</u>		<u>3,009,522</u>
Total governmental activities	<u>\$11,269,366</u>	<u>\$ 1,489,882</u>	<u>\$12,759,248</u>

Business-type activity:	<u>Vendors</u>	<u>Construction Retainage Payable</u>	<u>Total</u>
Enterprise Fund	<u>\$ 545,107</u>		<u>\$ 545,107</u>
Total business-type activity	<u>\$ 545,107</u>		<u>\$ 545,107</u>

8. INTERFUND BALANCES AND TRANSFERS

Individual fund interfund receivable and payable balances as of December 31, 2004, are as follows:

<u>Receivable Fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Transportation Trust Fund	\$ 5,502
	Nonmajor Governmental Funds	3,424,419
	Enterprise Fund	136,299
	Internal Service Fund	<u>2,269</u>
		<u>3,568,489</u>
Highway Improvement Fund	Transportation Trust Fund	<u>11,746,919</u>
Transportation Trust Fund	General Fund	<u>2,320</u>
Nonmajor Governmental Funds	General Fund	663,093
	Enterprise Fund	<u>228,067</u>
		<u>891,160</u>
Enterprise Fund	General Fund	<u>3,300</u>
		<u>\$ 16,212,188</u>

All interfund balances are due either to timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2005.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Individual fund transfers for the year ended December 31, 2004 are as follows:

	<u>Transfer From</u>						<u>Total</u>
	<u>General Fund</u>	<u>Trans- portation Trust Fund</u>	<u>Nonmajor Governmental Funds</u>			<u>Enterprise Fund</u>	
			<u>Grants</u>	<u>Other Special Revenue</u>	<u>Capital Projects</u>		
General Fund		\$ 21,468,936	\$ 375,930	\$ 3,364,000			\$ 25,208,866
Highway Improvement Fund		13,746,919					13,746,919
Nonmajor Governmental Funds:							
Grant	\$ 919,016			22,221	\$ 216		941,453
Other	<u>248,875</u>		<u>16,627</u>			<u>\$ 170,000</u>	<u>435,502</u>
	<u>\$ 1,167,891</u>	<u>\$ 35,215,855</u>	<u>\$ 392,557</u>	<u>\$ 3,386,221</u>	<u>\$ 216</u>	<u>\$ 170,000</u>	<u>\$ 40,332,740</u>

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

9. OPERATING LEASE AGREEMENTS

The County leases office facilities and airport land under various noncancelable operating leases. Total expenditures under the terms of such leases were \$2,546,252 for the year ended December 31, 2004. The following is a schedule, by year, of minimum future lease payments on cancellable and noncancelable operating leases as of December 31, 2004:

<u>Year Ending December 31:</u>	<u>Amount</u>
2005	\$ 1,611,708
2006	369,155
2007	44,443
2008	44,443
2009	44,443
2010-2014	222,215
2015-2019	222,215
2020-2024	222,215
2025-2029	222,215
2030-2034	222,215
2035-2039	222,215
2040-2044	222,215
2045-2049	222,215
2050-2054	222,215
2055-2059	222,215
2060-2061	88,886
Total	<u>\$ 4,425,228</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

The County leases a portion of a parking facility to a municipality under a noncancelable operating lease. Total revenues under the terms of the lease were \$33,844 for the year ended December 31, 2004. The following is a schedule, by year, of minimum future rental income under the noncancelable operating lease as of December 31, 2004:

<u>Year Ending December 31:</u>	<u>Amount</u>
2005	\$ 274,599
2006	361,132
2007	361,132
2008	361,132
2009	361,132
2010-2014	1,805,660
2015-2018	<u>1,203,767</u>
Total	<u>\$ 4,728,554</u>

Spirit of St. Louis Airport leases facilities and land with varying renewal privileges to organizations under various noncancelable operating leases. Total revenues under the terms of such leases were \$2,363,301 for the year ended December 31, 2004. The following is a schedule, by year, of minimum future rental income under noncancelable operating leases as of December 31, 2004:

<u>Year Ending December 31:</u>	<u>Amount</u>
2005	\$ 1,771,323
2006	1,412,327
2007	1,321,770
2008	1,131,921
2009	1,062,750
2010-2014	4,895,242
2015-2019	3,387,531
2020-2024	681,067
2025-2029	598,000
2030-2033	496,000
Total	<u>\$16,757,931</u>

Discretely Presented Component Unit – Productive Living Board For St. Louis County Citizens With Developmental Disabilities (PLB):

The PLB is lessee under operating leases for office facilities and office equipment. Total rental expense for PLB's fiscal year ended June 30, 2004, was \$106,978. The future base minimum lease payments for these leases as of June 30, 2004, total \$132,606 for the years ending June 30, 2005, through June 30, 2007.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

10. LONG-TERM LIABILITIES

Following is a summary of the changes in long-term liabilities for the year ended December 31, 2004:

	Balance January 1, 2004	Increases	Decreases	Balance December 31, 2004	Amount Due Within One Year
Governmental Activities:					
Compensated absences	\$ 31,138,739	\$ 22,983,101	\$ (21,501,229)	\$ 32,620,611	\$ 20,430,329
Claims payable	6,855,937	5,008,418	(4,834,674)	7,029,681	3,979,335
Long-term obligations:					
General obligation bonds payable	116,545,000		(8,715,000)	107,830,000	9,325,000
Certificates of Participation	36,670,000		(1,785,000)	34,885,000	1,860,000
Contractual obligations – Authority	79,790,000		(3,165,000)	76,625,000	3,300,000
Contractual obligations – Ballpark	45,760,000			45,760,000	
Note payable—Community Development 2001	2,180,000		(1,000,000)	1,180,000	955,000
Note payable—Community Development 2003	1,537,991	24,240	(600,000)	962,231	600,000
Note payable—Community Development 2004		131,699		131,699	
Capital lease—Police cars		595,438		595,438	192,803
Capital lease—Records storage devices		238,983	(10,400)	228,583	76,926
Total Long-term obligations	<u>282,482,991</u>	<u>990,360</u>	<u>(15,275,400)</u>	<u>268,197,951</u>	<u>16,309,729</u>
Governmental activities long-term liabilities	<u>\$ 320,477,667</u>	<u>\$ 28,981,879</u>	<u>\$ (41,611,303)</u>	<u>\$ 307,848,243</u>	<u>\$ 40,719,393</u>
Business-type Activities:					
Compensated absences	\$ 165,506	\$ 102,345	\$ (96,496)	\$ 171,355	\$ 85,836
Business-type activity long-term liabilities	<u>\$ 165,506</u>	<u>\$ 102,345</u>	<u>\$ (96,496)</u>	<u>\$ 171,355</u>	<u>\$ 85,836</u>

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

General Obligation Bonds

General obligation bonds payable consists of Public Improvement Bonds, Series 1993, Series 1997, and Series 1998. These bonds will be repaid from property tax revenue of the debt service fund.

The bonds bear interest at rates ranging from 4.10% to 6.75% and mature through 2013 as follows:

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 9,325,000	\$ 5,251,115	\$ 14,576,115
2006	9,890,000	4,787,377	14,677,377
2007	10,605,000	4,276,754	14,881,754
2008	11,300,000	3,718,952	15,018,952
2009	12,075,000	3,110,264	15,185,264
2010-2013	<u>54,635,000</u>	<u>5,601,372</u>	<u>60,236,372</u>
Totals	<u>\$107,830,000</u>	<u>\$ 26,745,834</u>	<u>\$ 134,575,834</u>

Certificates of Participation

On January 6, 1999, the County issued \$44,265,000 in Capital Improvement Projects Certificates of Participation, Series 1999. The Certificates evidence proportionate ownership interest in the right to receive rental payments to be paid by the County under a lease/purchase agreement dated as of January 1, 1999, between UMB Bank, as lessor, and the County, as lessee.

A portion of the proceeds were used to construct a 1,000 to 1,250 car County parking garage, and various Government Complex capital improvements. The remaining proceeds were used to advance refund \$17,805,000 of outstanding St. Louis County Public Facilities Corporation Leasehold Revenue Bonds, Series 1993A.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

The Certificates bear interest at rates ranging from 4.00% to 4.75%, and mature through 2018 as follows:

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,860,000	\$ 1,518,475	\$ 3,378,475
2006	1,935,000	1,442,575	3,377,575
2007	2,015,000	1,363,575	3,378,575
2008	2,095,000	1,280,328	3,375,328
2009	2,185,000	1,191,495	3,376,495
2010-2014	12,490,000	4,396,579	16,886,579
2015-2018	<u>12,305,000</u>	<u>1,203,767</u>	<u>13,508,767</u>
Totals	<u>\$ 34,885,000</u>	<u>\$12,396,794</u>	<u>\$ 47,281,794</u>

Contractual Obligations

Contractual obligations consist of the County's share of long-term debt and preservation payments related to the St. Louis Regional Convention and Sports Complex Authority and the County's debt service payments related to the St. Louis Cardinals Ballpark Site and Ballpark Project (See Note 12).

Note Payable – Community Development

In April 2001, the County entered into a \$3,990,000 loan agreement to finance a grant to the St. Louis County Housing Authority (the Authority). The Authority is using the grant monies to fund the acquisition of an apartment complex in order to provide affordable rental units for low and moderate-income families. The note is being repaid from grant funding received by the County from the U.S. Department of Housing and Urban Development.

The note bears interest at 6.3% and matures through 2006 as follows:

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 955,000	\$ 45,000	\$ 1,000,000
2006	<u>225,000</u>	<u>26,300</u>	<u>251,300</u>
Totals	<u>\$ 1,180,000</u>	<u>\$ 71,300</u>	<u>\$ 1,251,300</u>

In April 2003, the County entered into a loan agreement to borrow up to \$3,000,000 to provide assistance to the Wellston Community Support Association (WCSA). WCSA is using the assistance to subsidize the construction of thirty-five homes in Wellston, Missouri, and for the predevelopment activities in the Village of Hillsdale, Missouri. The note is being

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

repaid from grant funding received by the County from the U.S. Department of Housing and Urban Development to support the HOME Investment Partnership Program. The loan is secured with funds the County receives from grants by the U.S. Department of Housing and Urban Development to support the County's Community Development Block Grant Program.

The note bears interest at the LIBOR rate plus 2.0% per annum and matures April 2006, unless sooner paid.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 600,000	\$ 32,180	\$ 632,180
2006	<u>362,231</u>	<u>8,373</u>	<u>370,604</u>
Totals	<u>\$ 962,231</u>	<u>\$ 40,553</u>	<u>\$ 1,002,784</u>

In November 2004, the County entered into a "Term Note" loan agreement to borrow up to \$3,500,000 to provide assistance for three projects: (a) the Wellston Housing Authority (WHA) who is using the assistance to renovate their community center; (b) St. Louis County Housing Authority (HA) to purchase a distressed condominium in Spanish Lake; (c) and to create a municipal loan pool. The note is secured by and being repaid from grant funding received by the County from the U.S. Department of Housing and Urban Development to support the County's Community Development Block Grant Program.

The note bears interest at the 1-Month LIBOR rate plus 1.65% per annum (with a maximum 10% per annum) and matures June 15, 2010, unless paid sooner. Borrowings on the note as of December 31, 2004 totaled \$131,699.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005		\$ 5,131	\$ 5,131
2006	<u>\$ 131,699</u>	<u>2,679</u>	<u>134,378</u>
Totals	<u>\$ 131,699</u>	<u>\$ 7,810</u>	<u>\$ 139,509</u>

In November 2004, the County entered into a "Revolving Note" loan agreement to borrow up to \$150,000 to pay accrued interest, as and when due, under the "Term Note." The note is secured by and being repaid from grant funding received by the County from the U.S. Department of Housing and Urban Development to support the County's Community Development Block Grant Program.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

The note bears interest at the 1-Month LIBOR rate plus 1.65% per annum (with a maximum 10% per annum) and matures June 15, 2010, unless paid sooner. As of December 31, 2004, no distributions were made against the "Revolving Loan."

Capital Leases

In March 2004, the County (as the lessee) entered into a lease-purchase agreement with Municipal Capital Corporation (as the lessor) to acquire thirty-five (35) cars for the Police Department at a cost of \$595,438. The annual lease payments are through 2007 and include interest at a nominal annual rate of 4.01%. February 2006 is the first time the County has the option to purchase the equipment.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 192,803	\$ 20,912	\$ 213,715
2006	197,294	16,421	213,715
2007	<u>205,341</u>	<u>8,374</u>	<u>213,715</u>
Totals	<u>\$ 595,438</u>	<u>\$ 45,707</u>	<u>\$ 641,145</u>

In August 2004, the County (as the lessee) entered into a lease-purchase agreement with Municipal Capital Corporation (as the lessor) to acquire records storage devices for \$238,983. Lease payments are monthly thru 2007 and include interest at a nominal annual rate of 5.12%. September 2005 is the first time the County has the option to purchase the equipment.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 76,926	\$ 9,915	\$ 86,841
2006	80,959	5,883	86,842
2007	<u>70,698</u>	<u>1,670</u>	<u>72,368</u>
Totals	<u>\$ 228,583</u>	<u>\$ 17,468</u>	<u>\$ 246,051</u>

11. UNRESTRICTED NET ASSET (DEFICIT)/INDIVIDUAL FUND DEFICIT

The government-wide, governmental activities statement of net assets reflects an unrestricted net asset deficit of (\$21,762,220). This total is comprised of \$87,433,005 in unrestricted net assets from operations and (\$109,195,225) in unrestricted net assets resulting from the County's contractual obligations to repay debt related to the St. Louis Regional Convention and Sports Complex Authority joint venture and the St. Louis Cardinals Ballpark Site and Ballpark Project joint venture in the amounts of \$63,435,225 and \$45,760,000 respectively.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

The following individual fund had a deficit fund balance at December 31, 2004:

Internal Service Fund	\$ 356,800
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The Internal Service Fund net assets deficit represents a deficit balance which has been incurred due to the expenditure of funds for the administration of the County's risk management programs. This deficit will be funded from future charges for services allocated from various County functions.

12. JOINT VENTURES

St. Louis Regional Convention and Sports Complex Authority (Authority):

In April 1990, the Authority was established as a separate legal entity by an Act of the Missouri State legislature with the authority to acquire, purchase or lease and construct, operate, and maintain convention centers, sports stadiums, field houses, indoor and outdoor convention, recreational and entertainment facilities, and to do all things incidental or necessary to facilitate these purposes.

On August 15, 1991, the County sponsored the issuance of \$65,685,000 in Convention and Sports Facility Project Bonds, Series B 1991 (Series B Bonds). The Series B Bonds were issued by the Authority for the purpose of providing funds, together with the proceeds of the Authority's State sponsored Series A Bonds and City of St. Louis sponsored Series C Bonds (collectively, the Project Bonds), to finance the costs of acquiring land and constructing thereon an eastward expansion of the Cervantes Convention Center to be used as a multipurpose convention and indoor sports facility (Project).

On December 15, 1993, the Authority issued \$60,180,000 in Series B refunding bonds to advance refund the callable portions of the outstanding bonds issued in August 1991 and to pay the costs of additions and enhancements to the project. The outstanding principal amounts refunded were \$50,275,000. Consequently, total Series B bonds outstanding were \$74,335,000 at the time of the refunding. This refunding had no effect on the County's aggregate annual debt service payments to the Authority.

On July 30, 2003, the Authority issued \$55,865,000 in Tax-Exempt Convention and Sports Facility Project and Refunding Bonds Series B-1 2003 and \$2,925,000 in Taxable Convention and Sports Facility Project and Refunding Bonds Series B-2 2003 to advance refund the Series B 1991 Bonds maturing on August 15, 2003, in the principal amount of \$1,390,000, to advance refund all the outstanding Series B 1993 Bonds in the aggregate principal amount of \$56,020,000, and to pay the costs of additions and enhancements to the project. This refunding had no effect on the County's aggregate annual debt service payments to the Authority.

The Authority has also entered into a Project Financing, Construction, and Operation Agreement dated August 1, 1991 (Financing Agreement), with the County, City, and State, (collectively, the Sponsors) providing for the application of the proceeds of the Project

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Bonds, for the repayment of the project Bonds, and for the operation and maintenance of the Project. Pursuant to the Financing Agreement, the Authority will lease the Project to the Sponsors who will sublease the project back to the Authority. The rental payments made by the Sponsors under the Financing Agreement are designed to be sufficient to pay the principal and interest on the Project Bonds. Annual preservation payments to be made by the Sponsors under the Financing Agreement will be used to pay for repairs and replacement of major Project components and renovation necessary to maintain the Project.

The County's debt service payments and preservation payments under the Financing Agreement are to be made from the Special Revenue – Convention & Recreation Trust Fund subject to annual appropriation. Amounts expended during 2004 were \$6,000,000 to the Authority and \$2,835,000 to the Regional Convention and Visitors Bureau as a payment for certain management and operation services provided pursuant to RSMo 67.657-7. These amounts are reflected as convention and recreation expenditures.

The Series B Bonds mature through August 15, 2021, and bear interest at rates ranging from 1.42% to 5.375%. The principal portion of the Series B Bonds and required preservation payments are considered contractual obligations of the County.

At December 31, 2004, contractual obligation payments to maturity (including interest on the Series B Bonds) are as follows:

Maturity in Year Indicated:	Series B Bonds		Preservation Payments	Total
	Principal	Interest		
2005	\$ 2,300,000	\$ 2,700,000	\$ 1,000,000	\$ 6,000,000
2006	2,380,000	2,620,000	1,000,000	6,000,000
2007	2,495,000	2,505,000	1,000,000	6,000,000
2008	2,620,000	2,380,000	1,000,000	6,000,000
2009	2,695,000	2,305,000	1,000,000	6,000,000
2010-2014	15,300,000	9,700,000	5,000,000	30,000,000
2015-2019	19,520,000	5,480,000	5,000,000	30,000,000
2020-2024	9,315,000	685,000	5,000,000	15,000,000
Totals	<u>\$ 56,625,000</u>	<u>\$ 28,375,000</u>	<u>\$20,000,000</u>	<u>\$105,000,000</u>

The Authority is considered a joint venture of the Sponsors because it constitutes a contractual agreement for public benefit, subject to joint control, in which the Sponsors retain an ongoing financial responsibility as discussed above.

Complete financial statements for the Authority are available from its administrative offices at 901 North Broadway, St. Louis, MO 63101.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

St. Louis Cardinal Ballpark Site and Ballpark Project

In September 2002, a Redevelopment Plan was approved by the Board of Aldermen of the City of St. Louis (the City). In November 2002, the Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) and the Project Developer entered into a Redevelopment Agreement for the redevelopment of the South Downtown Redevelopment Area for a new ballpark suited for Major League Baseball. The new ballpark would replace Busch Stadium and serve as the home of the St. Louis Cardinals baseball team. The plan also calls for the development and construction of certain mixed-use facilities adjacent to the ballpark (Ballpark Site and the Ballpark Project).

The St. Louis Cardinal Ballpark Site and Ballpark Project is a collaborative effort between the LCRA, the Missouri Development Finance Board (the Board), the County and the Project Developer. The Board was created as a separate legal entity within the Department of Economic Development of the State of Missouri pursuant to RSMo 100.265, in August 1994. Through the authority granted it from the Missouri State Legislature, the Board has the right to issue revenue bonds as well as other powers for the purpose of assisting infrastructure and development projects throughout the state.

As part of a Cooperation Agreement dated December 1, 2003, between the LCRA, the Board and the County, and as part of a Project Financing, Construction and Operation Agreement (Financing Agreement) dated December 1, 2003, between the Board and the County, the County requested the Board to issue \$45,760,000 in Taxable St. Louis Cardinals Ballpark Project Bonds (St. Louis County, Missouri – Annual Appropriation), Series 2003 (the Bonds). The County has agreed to make the Bond Payments and Additional Payments under the indenture, subject to annual appropriation of funds by the County Council. The County debt service payments shall be made from the Special Revenue – Convention & Recreation Trust Fund. Amounts expended during 2004 totaled \$2,330,992 and are reflected as convention and recreation expenditures.

Pursuant to the terms of the Cooperation Agreement, the County agreed to make \$45,000,000 of the proceeds of the Bonds available to LCRA for use in the development of the Ballpark Project. LCRA used the funds to make a loan (the LCRA Loan) to be used to pay a portion of the costs of the Ballpark project. Repayment of the loan may be in cash or by surrendering the Ballpark Site and the Ballpark Project. The LCRA loan is nonrecourse and subordinate to other financing and contributors in connection with the Ballpark Project and is secured by subordinate liens on the Ballpark Site and the Ballpark Project. The loan matures in 2046. In connection with the repayment of the LCRA loan, the County retained the right to exercise control over the Ballpark Site and the Ballpark Project, including the negotiation of lease agreements, until the County receives cash equal to, on an aggregate basis, the aggregate amount of the Bond Payments paid by the County, reduced by any amounts received by LCRA or the County in cash in repayment of the LCRA loan, or from the sale or lease of the Ballpark Site or Ballpark Project, increased on a daily basis as if such outstanding balance bore interest at a rate equal to the annual percentage increase in the Consumer Price Index, compounded annually. The County is hopeful that the LCRA loan will be repaid following the maturity of the bonds. However, the County has not

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

recorded a receivable in connection with its priority rights to amounts received upon repayment of the loan due to the longevity and uncertainty that exists in connection with that repayment.

The Bonds mature through November 1, 2033, and bear interest at rates ranging from 3.97% to 6.19%. The debt service payments of the Bonds are considered contractual obligations of the County.

At December 31, 2004, contractual obligation payments to maturity (including interest on the St. Louis Cardinal Ballpark Project Bonds) are as follows:

St. Louis Cardinal Ballpark Project Bonds – Series 2003

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005		\$ 2,724,536	\$ 2,724,536
2006		2,724,536	2,724,536
2007		2,724,536	2,724,536
2008	\$ 445,000	2,724,536	3,169,536
2009	460,000	2,706,870	3,166,870
2010-2014	2,635,000	13,199,258	15,834,258
2015-2019	3,405,000	12,433,251	15,838,251
2020-2024	8,640,000	11,101,877	19,741,877
2025-2029	14,755,000	7,592,966	22,347,966
2030-2033	15,420,000	2,458,051	17,878,051
TOTAL	\$ 45,760,000	\$ 60,390,417	\$106,150,417

The St. Louis Cardinal Ballpark Site and Ballpark Project is considered a joint venture of the participants of the Cooperation Agreement because it constitutes a contractual agreement for public benefit, subject to joint control, in which the participants retain an ongoing financial responsibility as discussed above.

No financial statements are available for the St. Louis Cardinal Ballpark Site and Ballpark Project joint venture.

Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State):

Bi-State serves the City of St. Louis, Missouri, the Missouri counties of St. Louis, St. Charles, and Jefferson, and the Illinois counties of Madison, St. Clair and Monroe. In addition to its various development activities, Bi-State is involved in the following operations: operating the transportation system within the Gateway Arch in accordance with a cooperative agreement with the United States Government; operating and maintaining the parking garage at the Gateway Arch in accordance with a cooperative agreement with the United States Government; owning and operating the St. Louis Downtown Parks Airport and

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

an adjacent business park located in Cahokia, Illinois; and owning and operating the St. Louis metropolitan area mass transportation system.

The Missouri Legislature has authorized certain cities and counties to levy a sales tax to be used for transportation purposes. The legislation does not require that revenue be paid directly to Bi-State, but authorizes the collecting agencies to appropriate and expend such revenue for public mass transportation. During 2004, the County expended \$43,450,000 for various service agreements with Bi-State, from its County-wide one half percent transportation sales tax receipts which are accounted for in the Transportation Trust Fund. During 2004, the County also expended \$32,703,091 for support of the Metrolink light rail system from its County-wide one quarter of one percent transportation sales tax receipts which are accounted for in the Public Mass Transit Fund.

As disclosed in Bi-States' separately issued financial statements, continued operation of Bi-State is dependent on obtaining ongoing financial assistance from the County and other state and local governmental entities. Accordingly, Bi-State is considered a joint venture because it constitutes a contractual agreement for public benefit, subject to joint control, in which the County retains an ongoing financial responsibility as discussed above.

Complete financial statements for Bi-State are available from its administrative offices at 707 North First Street, St. Louis, MO 63102.

13. CONDUIT DEBT

From time to time, the County and CEC have issued debt to provide financial assistance to private sector entities for the purpose of acquiring, constructing, and equipping industrial development projects deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the CEC, the State of Missouri, nor any political subdivision thereof are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

The County has also issued bonds to finance the purchase of mortgage loans secured by single-family residences within the County and meeting other specified criteria. The single-family mortgage revenue bonds are secured by a pledge of mortgage loans and payable from mortgage loan interest and principal repayments and any revenues earned by the programs. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the single-family mortgage revenue bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of December 31, 2004, there were twenty-five series of industrial revenue bonds outstanding and three series of single-family mortgage revenue bonds outstanding. The amount of the industrial revenue bonds aggregate principal outstanding at December 31, 2004, could not be determined; however, the original issue amounts totaled approximately

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

\$1.6 billion. The original issue amounts of the single-family mortgage revenue bonds totaled approximately \$133 million, of which approximately \$320,000 remain outstanding at December 31, 2004.

On December 14, 2000, the County approved the issuance of up to \$4,250,000 in Taxable Industrial Revenue Bond for the purpose of providing funds to pay the costs of acquiring, constructing and installing certain fixtures, furniture, machinery and equipment for a facility to be located within the County. On October 1, 2003, a Surrender for Cancellation of the \$4,250,000 of Taxable Industrial Revenue Bonds, Series 2000, was executed by the owner of the bonds.

On March 13, 2001, the County approved the issuance of up to \$80,000,000 in Taxable Industrial Revenue Bonds to finance the cost of certain facilities for an office industrial project within the County. At December 31, 2004, \$31,764,751, of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

On July, 3, 2002, the County approved the issuance of up to \$31,000,000 in Taxable Industrial Revenue Bonds to finance the cost of acquiring, constructing and furnishing a facility for an office industrial project within the County. At December 31, 2004, \$28,569,803 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

On August 27, 2003, the County approved the issuance of up to \$50,700,000 in Taxable Industrial Revenue Bonds to finance a portion of the costs of acquiring, constructing and equipping an office industrial project within the County. At December 31, 2004, \$40,148,124 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2004, the County approved the aggregate issuance of up to \$307,100,000 for five separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. At December 31, 2004, \$56,345,062 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

14. SHORT-TERM DEBT

The County's annual operating cash flow needs require short-term borrowing from time to time since the current year's tax levy is not received until the end of the year. Tax anticipation notes have been issued to borrow funds in anticipation of these future tax receipts. All tax anticipation notes were fully repaid upon maturity, January 31, 2005.

Short-term debt activity for the year ended December 31, 2004, was as follows:

	Balance January 1, 2004	Issued	Redeemed	Balance December 31, 2004
Tax anticipation warrants	<u>\$ 38,000,000</u>	<u>\$ 46,000,000</u>	<u>\$ 38,000,000</u>	<u>\$ 46,000,000</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

15. RISK MANAGEMENT

The County is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County utilizes the self-insurance internal service fund to account for and finance its uninsured risk of loss. The following types of insurance are provided by the self-insurance internal service fund: general liability, property damage, workers' compensation, and unemployment compensation. The County purchases commercial insurance for claims in excess of coverage provided by the internal service fund and for all other risks of loss. Settled claims have not exceeded this commercial insurance coverage in any of the past three years. The County Workers' Compensation Program retains the first \$500,000 of liability on any one occurrence, and purchases additional Workers' Compensation insurance to extend coverage up to statutory limits as it applies to any one occurrence.

All funds of the County participate in the program and make payments to the self-insurance internal service fund based on both exposure and experience factors. Charges for services include amounts needed to pay prior and current-year claims. Claim liabilities are established based on estimates of the ultimate costs of claims (including future expenses) that have been reported but not settled and of claims incurred but not reported. The outstanding claims liability recorded in the internal service fund was \$7,029,681 at December 31, 2004, and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated.

Changes in the internal service fund claims liability for the past two years is as follows:

	Beginning of Fiscal year <u>Liability</u>	Current Year Claims	Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2004	\$ 6,855,937	\$ 3,034,352	\$ 1,974,066	\$ (4,834,674)	\$ 7,029,681
2003	\$ 8,150,909	\$ 3,113,856	\$ (1,716,588)	\$ (2,692,240)	\$ 6,855,937

16. DEFERRED COMPENSATION PLAN

The County offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all County employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In 1998, the deferred compensation plans were amended to comply with amendments to Section 457 of the Internal Revenue Code of 1986. Trust provisions were incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries under Section 1448 of the Small Business Job Protection Act of 1996. As a

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

result, the County adopted the provisions of Government Accounting Standards Board Statement No. 32, *Accounting and Financial reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Therefore, the assets and liabilities of the deferred compensation plans are not included in the accompanying basic financial statements.

17. DEFINED BENEFIT PENSION PLAN

Plan Description:

The St. Louis County, Missouri County Employee Retirement Plan (Plan) covers substantially all salaried civilian employees (Civilian) and commissioned officers of the St. Louis County Police Department (Police). The Plan is a noncontributory, single-employer defined benefit plan, accounted for as a single pension trust fund.

Under the Plan, all full-time employees are eligible for participation. Employees are considered vested when they have attained five years of credited service. The normal retirement benefit is calculated as 1.5% of average compensation for civilian employees and 1.6% of average compensation for police employees during the highest consecutive 36 months of the last 120 months of service multiplied by the years of credited service. Additionally, the Plan provides early retirement, death benefits, and disability benefits.

The Plan is under the management and control of the Board of Trustees, as provided in the St. Louis County Retirement Plan Ordinance. The Plan covers all "regular, full-time" civilians and all commissioned police officers.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: Division of Fiscal Management, St. Louis County Government, 41 South Central Avenue, Clayton, Missouri 63105-1719.

Funding Policy:

The County's civilian employees and commissioned police officers do not contribute to the Plan. Ordinances establishing the Plan provide for actuarially determined annual contributions, paid solely by the County, that are sufficient to pay benefits when due. The projected unit credit actuarial cost method is used to determine Plan contributions.

Annual Pension Cost:

Contributions of \$22,371,685 were made to the Civilian portion of the Plan by the County for the Plan's year ended December 31, 2004. These contributions were made in accordance with actuarially determined contribution requirements based on an actuarial valuation performed on January 1, 2004, and consisted of \$11,221,421 of normal cost plus \$11,150,264 of amortization of the actuarial accrued liability in excess of actuarial accrued assets.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

Contributions of \$6,794,183 were made to the Police portion of the Plan by the County for the Plan's year ended December 31, 2004. These contributions were made in accordance with actuarially determined contribution requirements based on an actuarial valuation performed on January 1, 2004, and consisted of \$3,156,138 of normal cost plus \$3,638,045 of amortization of the actuarial accrued liability in excess of actuarial accrued assets.

Significant actuarial assumptions used in the valuation are as follows:

Actuarial cost method	Projected unit credit
Amortization method	15 year level dollar amortization of the unfunded accrued liability
Remaining amortization period	15 years, open
Asset valuation method	4-year smoothed market
Inflation Rate	4.0% per year
Investment Rate of Return	8.0% per year
Projected Salary Increases	5.5% per year
Post-retirement Benefit Increases	None assumed

Historical Trend Information:

Historical trend information about the County's participation in the Plan is presented below to help readers assess the Plan's funding status on a going-concern basis and assess progress being made in accumulating assets to pay benefits when due.

<u>Plan year</u>	<u>Civilian Annual Pension Cost (APC)</u>	<u>Police Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2004	\$ 22,371,685	\$ 6,794,183	100%	\$ --
2003	17,596,645	5,099,362	100	--
2002	12,714,273	3,340,675	100	--

Discretely Presented Component Units:

Productive Living Board for St. Louis County Citizens with Developmental Disabilities (PLB)

The PLB participates in a defined contribution pension plan for employees who meet certain eligibility requirements. Monthly amounts ranging from 6% to 15%, varying upon length of

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

employment, of an employee's gross salary are contributed to a tax-sheltered annuity. For the year ended June 30, 2004, \$61,319 was expensed for retirement contributions.

Economic Council of St. Louis County (CEC)

The CEC has a Simplified Employee Pension Plan (a collection of special individual retirement accounts) for its full-time employees. This defined contribution plan provides that the CEC contribute an annual amount equal to 7.0% of each eligible employee's annual salary into the plan. Annual contributions to the individual accounts are limited by law to the lesser of 25% of gross salary or \$40,000. Pension expense for the year ended September 30, 2004, amounted to \$123,132

18. CONTINGENCIES AND COMMITMENTS

Grants:

In connection with various federal, state, and local grant programs, the County is obligated to administer related programs and spend the grant monies in accordance with regulatory restrictions, and is subject to audit by the grantor agencies. In cases of noncompliance, the agencies involved may require the County to refund program monies. In the opinion of County officials, settlement of these matters, if any, would not result in a material liability to the County.

Litigation:

The County has sovereign tort immunity from liability and suit for compensatory damages for negligent acts or omissions, except in the case of injuries arising out of the operation of County motor vehicles or caused by the condition of County property. The County is self insured to cover claims related to these matters and administers such claims through the County's Internal Service Fund (see Note 15). The maximum claim settlement established by state statute for such claims is \$335,118 per person and \$2,234,121 per occurrence.

In the opinion of management, the outcome of various other claims and legal actions presently pending against the County for which it does not have sovereign immunity will not have a material effect on the basic financial statements.

Discretely Presented Component Unit – Economic Council of St. Louis County (CEC):

The CEC pledged cash collateral equal to 20% of the outstanding Federal National Mortgage Association's "Home Ownership Opportunity Initiative Program" loan balance, not to exceed \$200,000.

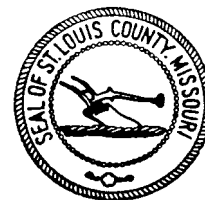
ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004
(Continued)

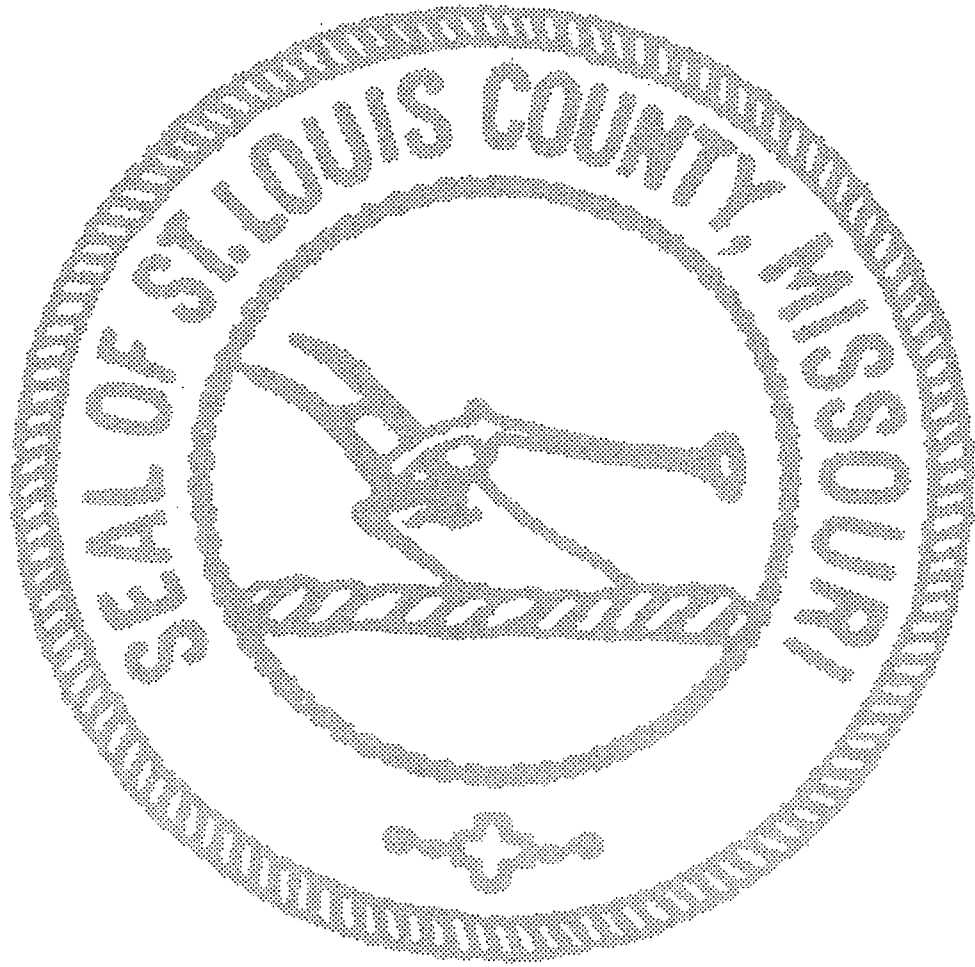
19. RESTATEMENT OF BEGINNING OF YEAR NET ASSETS

During 2004 the County determined that the financial statements at December 31, 2003 did not include certain capital assets. Adjustments were necessary to accurately reflect the beginning balance of lane miles of roadway infrastructure and certain donated buildings, which were not capitalized. The effect of these adjustments to capital assets, net of accumulated depreciation, resulted in an increase to Net Assets as of January 1, 2004 of \$2,517,939.

Required Supplementary Information

This section includes required information necessary to supplement the basic financial statements. Included are budgetary presentations of annually adopted budgets for major funds (General and Special Revenue Funds) plus the County's progress in funding for the pension obligation for employees.





ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
GENERAL FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property	\$104,789,930	\$101,507,195	\$103,206,754	\$1,699,559
Sales	46,001,701	46,876,670	46,530,988	(345,682)
Utilities gross receipts	21,043,786	21,400,000	20,992,633	(407,367)
	<u>171,835,417</u>	<u>169,783,865</u>	<u>170,730,375</u>	<u>946,510</u>
Licenses and permits	11,921,088	12,213,453	12,499,075	285,622
Assessment and tax collection fees	19,353,502	18,683,857	19,423,292	739,435
Fines and forfeitures	3,309,100	3,749,850	3,967,843	217,993
Investment earnings	2,608,940	1,179,303	1,229,981	50,678
Rents and concessions	2,178,885	1,952,677	2,437,277	484,600
Intergovernmental	13,850,263	13,515,897	14,080,055	564,158
Charges for services	35,862,672	37,479,083	39,672,580	2,193,497
Fees	5,422,750	5,322,339	5,244,142	(78,197)
Other	9,463,340	9,706,817	11,059,705	1,352,888
Total revenues	<u>275,805,957</u>	<u>273,587,141</u>	<u>280,344,325</u>	<u>6,757,184</u>
EXPENDITURES:				
General government	65,968,053	66,040,053	59,756,318	6,283,735
Public safety	120,340,468	122,320,359	120,222,544	2,097,815
Human services	6,042,422	6,042,422	5,745,363	297,059
Highways and traffic	48,557,014	48,557,014	44,590,661	3,966,353
Health	49,534,167	49,534,167	45,375,022	4,159,145
Parks and recreation	28,245,800	28,253,800	24,323,059	3,930,741
Total expenditures	<u>318,687,924</u>	<u>320,747,815</u>	<u>300,012,967</u>	<u>20,734,848</u>
Excess of revenues over (under) expenditures	(42,881,967)	(47,160,674)	(19,668,642)	27,492,032
OTHER FINANCING SOURCES:				
Transfers in	24,132,936	24,832,936	24,832,936	
Transfers out		(39,875)	(39,875)	
Net change in fund balances	<u>(\$18,749,031)</u>	<u>(\$22,367,613)</u>	<u>\$5,124,419</u>	<u>\$27,492,032</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF DEPARTMENT EXPENDITURES BY
CATEGORY - BUDGET BASIS
GENERAL FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	Expenditures by Category - Budget Basis						
	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
GENERAL GOVERNMENT:							
County Council:							
Administration	\$920,080	\$912,330	\$727,285	\$82,588	\$5,583	\$815,456	\$96,874
County Clerk	333,554	333,804	286,125	38,499		324,624	9,180
County Auditor	348,317	367,817	239,509	123,569		363,078	4,739
Total	<u>1,601,951</u>	<u>1,613,951</u>	<u>1,252,919</u>	<u>244,656</u>	<u>5,583</u>	<u>1,503,158</u>	<u>110,793</u>
Board of Election Commission:							
Administration	4,900,013	4,900,013	3,671,703	890,404	21,129	4,583,236	316,777
Intermediate Registration	213,750	213,750		165,899		165,899	47,851
State Elections	600,000	786,124		781,124		781,124	5,000
County Elections	600,000	948,266		943,266		943,266	5,000
Total	<u>6,313,763</u>	<u>6,848,153</u>	<u>3,671,703</u>	<u>2,780,693</u>	<u>21,129</u>	<u>6,473,525</u>	<u>374,628</u>
Public Administrator							
County Executive	710,846	710,846	639,274	44,481	1,618	685,373	25,473
County Counselor	1,292,199	1,292,199	1,168,232	84,287		1,252,519	39,680
Other Offices:	2,519,473	2,579,473	2,356,048	163,630	1,706	2,521,384	58,089
University of Missouri Extension Center	149,704	149,704	66,983	64,544	13,090	144,617	5,087
Special Projects	360,257	360,257		350,093		350,093	10,164
Fire Standards Commission	140,871	140,871	134,093	6,470		140,563	308
Boundary Commission	175,131	175,131	51,097	69,348	2,918	123,363	51,768
Economic Council	2,424,918	2,424,918		2,424,918		2,424,918	
Total	<u>3,250,881</u>	<u>3,250,881</u>	<u>252,173</u>	<u>2,915,373</u>	<u>16,008</u>	<u>3,183,554</u>	<u>67,327</u>
Administration:							
Director of Administration	817,868	888,407	568,329	308,986		877,315	11,092
Expense Transfer and Reimbursement		(46,039)				(35,856)	(10,183)
Fiscal Management	2,129,333	2,104,333	1,234,573	733,466	3,896	1,971,935	132,398
Budget	413,988	428,988	306,602	106,333	787	413,722	15,266
Information Technology	6,728,243	6,728,243	416,261	6,093,356	55,330	6,564,947	163,296
Expense Transfer and Reimbursement	(4,171,507)	(4,171,507)				(4,022,525)	(148,982)
Personnel	1,929,920	1,929,920	1,349,461	480,597	4,833	1,834,891	95,029
Procurement and Admin Services	2,814,454	2,799,954	1,827,553	795,347	18,556	2,641,456	158,498
Total	<u>10,662,299</u>	<u>10,662,299</u>	<u>5,702,779</u>	<u>8,518,086</u>	<u>83,402</u>	<u>10,245,885</u>	<u>416,414</u>
Planning							
Expense Transfer and Reimbursement	2,121,385	2,121,385	1,681,079	275,653	11,251	1,967,983	153,402
Total	<u>(138,942)</u>	<u>(138,942)</u>				<u>(138,942)</u>	
Total	<u>1,982,443</u>	<u>1,982,443</u>	<u>1,681,079</u>	<u>275,653</u>	<u>11,251</u>	<u>1,829,041</u>	<u>153,402</u>
Public Works:							
Administration	1,562,731	1,605,316	982,517	567,253	23,487	1,573,257	32,059
Expense Transfer and Reimbursement	(47,356)	(47,356)				(47,279)	(77)
Facilities Management	14,301,870	14,146,824	3,926,471	10,102,810		14,029,281	117,543
Expense Transfer and Reimbursement	(20,000)	(20,000)				(27,882)	7,882
Design and Construction	1,635,838	1,658,603	965,731	680,053		1,645,784	12,819
Building Inspections	6,337,384	6,401,080	5,384,110	988,938		6,373,048	28,032
Building Permits	2,397,810	2,423,810	2,307,498	82,969		2,390,467	33,343
Total	<u>26,168,277</u>	<u>26,168,277</u>	<u>13,566,327</u>	<u>12,422,023</u>	<u>23,487</u>	<u>25,936,676</u>	<u>231,601</u>

(Continued)

Expenditures by Category - Budget Basis

	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
Garage Operations:							
Garage Operations	2,424,163	2,424,163	244,651	2,115,952	1,000	2,361,603	62,560
Expense Transfer and Reimbursement	(1,815,916)	(1,815,916)				(1,903,375)	87,459
Total	608,247	608,247	244,651	2,115,952	1,000	458,228	150,019
Revenue:							
Collector of Revenue	3,181,412	3,055,153	1,898,846	961,546	24,225	2,884,617	170,536
Land Information Services	670,906	675,906	533,264	92,608	9,380	635,252	40,654
Recorder of Deeds	1,566,248	1,561,248	1,411,185	100,957		1,512,142	49,106
Director of Revenue	522,766	649,025	566,679	60,124	8,161	634,964	14,061
Total	5,941,332	5,941,332	4,409,974	1,215,235	41,766	5,666,975	274,357
Emergency Fund	4,916,342	4,381,952					4,381,952
Total General Government	65,968,053	66,040,053	34,945,159	30,780,069	206,950	59,756,318	6,283,735
PUBLIC SAFETY:							
County Municipal Courts	1,663,223	1,663,223	1,226,040	348,961	13,936	1,588,937	74,286
Judicial Administration:							
Court en Banc	2,591,838	2,616,838	878,922	1,183,649	172,908	2,235,479	381,359
Sheriff	4,402,486	4,402,486	4,041,476	247,625	25,000	4,314,101	88,385
Circuit Clerk	2,284,005	2,259,005	153,016	1,984,153	8,571	2,145,740	113,265
Family Court Administration	13,172,641	13,172,641	11,487,856	1,202,216	27,418	12,717,490	455,151
Total	22,450,970	22,450,970	16,561,270	4,617,643	233,897	21,412,810	1,038,160
Prosecuting Attorney	7,501,541	7,501,541	6,728,346	555,145		7,283,491	218,050
Police:							
Administration	1,584,906	1,887,221	1,313,558	557,678		1,871,236	15,985
Emergency Management	834,310	816,227	704,107	95,618		799,725	16,502
Bureau of Security Services	4,039,423	4,125,423	4,098,199	13,314		4,111,513	13,910
Expense Transfer and Reimbursement	(327,526)	(327,526)				(327,526)	
Division of Patrol	36,980,663	38,597,038	34,541,260	3,844,975	104,362	38,490,597	106,441
Expense Transfer and Reimbursement	(249,132)	(249,132)				(208,814)	(40,318)
Division of Criminal Investigations	12,603,141	13,084,342	11,927,852	1,116,319	770	13,044,941	39,401
Expense Transfer and Reimbursement	(201,678)	(201,678)				(201,678)	
Division of Operational Support	11,242,400	10,923,161	8,848,146	1,861,364	1,639	10,711,149	212,012
Expense Transfer and Reimbursement	(44,000)	(201,678)				(44,000)	(157,678)
Police Academy	1,002,945	991,945	709,809	266,584		976,393	15,552
Total	67,465,452	69,445,343	62,142,931	7,755,852	106,771	69,223,536	221,807
Justice Services:							
Work Release	1,220,230	1,214,690	1,140,848	18,220		1,159,068	55,622
Operations	3,460,398	3,400,433	1,643,913	1,627,743	63,377	3,335,033	65,400
Expense Transfer and Reimbursement	(62,812)	(62,812)				(55,455)	(7,357)
Justice Services Security	14,366,329	14,347,409	13,645,702	317,819	670	13,964,191	383,218
Administration	1,814,263	1,892,688	884,849	983,377		1,868,226	24,462
Community Services	460,874	466,874	422,467	20,240		442,707	24,167
Total	21,259,282	21,259,282	17,737,779	2,967,399	64,047	20,713,770	545,512
Total Public Safety	120,340,468	122,320,359	104,396,366	16,245,000	418,651	120,222,544	2,097,815
HUMAN SERVICES:							
Human Services:							
County Older Residents	1,178,205	1,174,205	930,738	155,243		1,085,981	88,224
County Youth Programs	629,786	629,786	571,870	34,717		606,587	23,199
Expense Transfer and Reimbursement						(10,988)	10,988
Office of Veterans Services	199,983	224,164	207,482	12,806	781	221,069	3,095
Expense Transfer and Reimbursement		(24,181)				(29,155)	4,974
Lakeside Center	3,284,735	3,284,735	2,858,481	372,223	5,290	3,235,994	48,741
Program Development	74,874	74,874	54,466	9,743	781	64,990	9,884
Homeless Services	269,109	273,109	253,607	13,652	1,574	268,833	4,276
Expense Transfer and Reimbursement	(49,214)	(49,214)				(49,687)	473
Administration	790,211	790,211	637,043	107,983	1,562	746,588	43,623
Expense Transfer and Reimbursement	(335,267)	(335,267)				(394,849)	59,582
Total Human Services	6,042,422	6,042,422	5,513,687	706,367	9,988	5,745,363	297,059
Total General Government Functions	192,350,943	194,402,834	144,855,212	47,731,436	635,589	185,724,225	8,678,609

(Continued)

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF DEPARTMENT EXPENDITURES BY
CATEGORY - BUDGET BASIS
GENERAL FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	Expenditures by Category - Budget Basis						
	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
HIGHWAYS AND TRAFFIC:							
County Roads:							
General Services	\$2,193,410	\$2,268,410	\$771,982	\$1,157,603	\$100,935	\$2,030,520	\$237,890
Operations	15,993,877	15,918,877	7,190,975	5,715,965	1,273,716	14,180,656	1,738,221
Construction	1,109,964	1,109,964	777,068	22,798	217,900	1,017,766	92,198
Planning	695,668	692,468	586,405	9,921		596,326	96,142
Design	305,369	308,569	293,493	3,377		296,870	11,699
Total	<u>20,298,288</u>	<u>20,298,288</u>	<u>9,619,923</u>	<u>6,909,664</u>	<u>1,592,551</u>	<u>18,122,138</u>	<u>2,176,150</u>
Arterial Roads:							
General Services	2,614,051	2,599,051	1,132,565	1,065,962	20,914	2,219,441	379,610
Operations	14,335,341	14,335,341	6,633,495	5,820,580	875,111	13,329,186	1,006,155
Construction	1,156,954	1,168,954	1,086,988	33,347	14,163	1,134,498	34,456
Planning	1,161,126	1,161,126	1,022,481	13,765		1,036,246	124,880
Design	228,835	231,835	219,739	2,516		222,255	9,580
Total	<u>19,496,307</u>	<u>19,496,307</u>	<u>10,095,268</u>	<u>6,936,170</u>	<u>910,188</u>	<u>17,941,626</u>	<u>1,554,681</u>
CIP Support Service	8,762,419	8,762,419	7,336,408	959,533	9,741	8,305,682	456,737
Fleet Management:							
Fleet Management	6,653,706	6,953,706	2,418,460	4,097,942	51,794	6,568,196	385,510
Expense Transfer and Reimbursement	(6,653,706)	(6,953,706)				(6,346,981)	(606,725)
Total			<u>2,418,460</u>	<u>4,097,942</u>	<u>51,794</u>	<u>221,215</u>	<u>(221,215)</u>
Total Highways and Traffic Function	<u>48,557,014</u>	<u>48,557,014</u>	<u>29,470,059</u>	<u>18,903,309</u>	<u>2,564,274</u>	<u>44,590,661</u>	<u>3,966,353</u>
HEALTH:							
Health Administration:							
Executive Administration	4,979,305	5,197,477	681,400	4,424,260	2,718	5,108,378	89,099
Expense Transfer and Reimbursement	(100,000)	(100,000)				(141,711)	41,711
Fiscal Services	1,090,734	1,086,357	764,479	156,017	7,860	928,356	158,001
Expense Transfer and Reimbursement						(480)	480
Personnel	330,254	330,254	212,574	71,306	2,774	286,654	43,600
Expense Transfer and Reimbursement						(537)	537
Pharmacy	7,277,235	7,057,765	134,523	5,429,850		5,564,373	1,493,392
Expense Transfer and Reimbursement						(73)	73
Medical Records	469,662	469,662	390,046	47,748	769	438,563	31,099
Expense Transfer and Reimbursement						(408)	408
Total	<u>14,047,190</u>	<u>14,041,515</u>	<u>2,183,022</u>	<u>10,129,181</u>	<u>14,121</u>	<u>12,183,115</u>	<u>1,858,400</u>
Public Health Care Services:							
Health Research	1,214,311	1,222,864	527,885	455,428	6,189	989,502	233,362
Expense Transfer and Reimbursement						(123)	123
Nutrition	175,355	175,355	118,927	3,947	1,812	124,686	50,669
Expense Transfer and Reimbursement						(72)	72
Vital Records	230,962	247,962	134,610	97,485	697	232,792	15,170
Dental Services	1,090,145	1,090,145	760,177	293,001		1,053,178	36,967
Family Mental Health Services	1,535,423	1,535,423	1,431,914	8,520	1,812	1,442,246	93,177
Expense Transfer and Reimbursement						(566)	566
Communicable Disease Control	856,204	1,105,878	1,017,265	28,672		1,045,937	59,941
Expense Transfer and Reimbursement						(200,873)	(48,801)
Health Education	687,954	683,554	619,631	28,238		647,869	35,685
Expense Transfer and Reimbursement						(15,059)	15,059
Corrections Medicine	4,566,392	4,603,014	2,913,306	1,501,391	4,383	4,419,080	183,934
Expense Transfer and Reimbursement						(974)	974
Total	<u>10,356,746</u>	<u>10,414,521</u>	<u>7,523,715</u>	<u>2,416,682</u>	<u>14,893</u>	<u>9,737,623</u>	<u>676,898</u>

(Continued)

Expenditures by Category - Budget Basis

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Salaries and Fringe Benefits</u>	<u>Purchased Services and Other Charges</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Unexpended Budget</u>
Environmental Protection:							
Administration	621,381	596,681	333,650	195,535		529,185	67,496
Expense Transfer and Reimbursement						(27,644)	27,644
Air Pollution Control	464,958	446,767	316,042	51,696	1,383	369,121	77,646
Sanitation Services	1,752,742	1,780,861	1,497,979	59,711	4,077	1,561,767	219,094
Expense Transfer and Reimbursement						(75)	75
Waste Management	653,047	653,047	570,499	16,549		587,048	65,999
Expense Transfer and Reimbursement	(300,183)	(300,183)				(300,367)	184
Milk Inspection	561,896	561,896	473,074	16,141		489,215	72,681
Veterinary Services	1,424,615	1,448,015	1,191,154	181,912	1,812	1,374,878	73,137
Expense Transfer and Reimbursement						(815)	815
Vector Control	556,902	564,837	422,131	136,445		558,576	6,261
Environmental Health Lab	1,191,737	1,241,293	1,045,282	127,699	3,812	1,176,793	64,500
Expense Transfer and Reimbursement		(50,000)				(70,352)	20,352
Lead Poisoning Prevention	208,850	206,054	150,512	5,561		156,073	49,981
Expense Transfer and Reimbursement		(10,567)				(4,011)	(6,556)
Neighborhood Preservation	1,248,408	1,298,408	988,833	156,648		1,145,481	152,927
Expense Transfer and Reimbursement	(373,229)	(423,229)				(423,320)	91
Total	8,011,124	8,013,880	6,989,156	947,897	11,084	7,121,553	892,327
Other Offices:							
County Print Shop	785,662	785,662	299,719	324,750		624,469	161,193
Expense Transfer and Reimbursement	(570,000)	(570,000)				(453,729)	(116,271)
Medical Examiner	1,590,797	1,557,067	1,286,687	186,480	3,633	1,476,800	80,267
Expense Transfer and Reimbursement						(2,086)	2,086
Division of Health Services	7,331,604	7,374,292	282,383	7,026,512		7,308,895	65,397
Expense Transfer and Reimbursement						(919)	919
Division of Ancillary Services	109,830						
Community Health Nursing	1,052,443	1,038,446	922,871	32,903		955,774	82,672
Expense Transfer and Reimbursement		(1)				(3,911)	3,910
Total	10,300,336	10,185,466	2,791,660	7,570,645	3,633	9,905,293	280,173
Ambulatory Care:							
Murphy Health Center	3,650,273	3,681,187	2,984,174	534,442	3,468	3,522,084	159,103
Expense Transfer and Reimbursement						(26,892)	26,892
South County Health Center	1,693,601	1,693,601	1,255,683	210,984	5,776	1,472,443	221,158
Expense Transfer and Reimbursement						(124)	124
Pine Lawn Health Center	1,474,897	1,503,997	1,271,460	185,533	3,624	1,460,617	43,380
Expense Transfer and Reimbursement						(690)	690
Total	6,818,771	6,878,785	5,511,317	930,959	12,868	6,427,438	451,347
Total Health Function	49,534,167	49,534,167	24,998,870	21,995,364	56,599	45,375,022	4,159,145
PARKS AND RECREATION:							
Administration	5,288,209	5,285,602	1,596,291	3,191,275	62,644	4,850,210	435,392
Operational Services	3,146,024	3,124,554	2,323,758	448,713	263,808	3,036,279	88,275
North Area	1,662,278	2,094,613	1,759,816	159,836		1,919,652	174,961
Central/West Area	1,887,894	1,381,108	1,058,055	119,251		1,177,306	203,802
South Area	2,140,141	2,316,136	2,039,929	218,948		2,258,877	57,259
Horticulture Group	969,651	901,914	695,258	75,921		771,179	130,735
Laumeier Sculpture Park	512,131	515,918	299,910	201,896	3,300	505,106	10,812
Program Services	3,121,908	3,095,458	2,397,783	339,135	131,765	2,868,683	226,775
Greensfelder Complex	877,692	879,192	591,619	235,620		827,239	51,953
Affton Community Center	403,958	406,356	301,897	88,990		390,887	15,469
North County Complex	765,562	766,451	498,129	189,789	1,882	689,800	76,651
W. C. Kennedy Complex	778,145	778,645	497,862	189,150		687,012	91,633
Museum of Transport	837,074	846,451	692,342	138,340		830,682	15,769
St. Vincent Community Center	522,905	522,905	390,295	106,747		497,042	25,863
Faust Park	649,615	655,884	507,444	127,381		634,825	21,059
Metro Parks Tax Projects	4,682,613	4,682,613	10,343	2,367,937		2,378,280	2,304,333
Total Parks and Recreation Function	28,245,800	28,253,800	15,660,731	8,198,929	463,399	24,323,059	3,930,741
Total General Fund by Function and Department	\$318,687,924	\$320,747,815	\$214,984,872	\$96,829,038	\$3,719,861	\$300,012,967	\$20,734,848

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
TRANSPORTATION TRUST FUND - SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
REVENUES:				
Sales tax	\$74,977,350	\$74,200,000	\$73,823,621	(\$376,379)
Investment earnings	2,976,444	800,000	848,856	48,856
Total revenues	<u>77,953,794</u>	<u>75,000,000</u>	<u>74,672,477</u>	<u>(327,523)</u>
EXPENDITURES:				
Transportation	43,647,766	43,647,766	43,647,209	557
Total expenditures	<u>43,647,766</u>	<u>43,647,766</u>	<u>43,647,209</u>	<u>557</u>
 Excess of revenues over (under) expenditures	 34,306,028	 31,352,234	 31,025,268	 (326,966)
OTHER FINANCING USES:				
Transfers out	(35,215,855)	(35,215,855)	(35,215,855)	
Net change in fund balances	<u>(\$909,827)</u>	<u>(\$3,863,621)</u>	<u>(\$4,190,587)</u>	<u>(\$326,966)</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
PUBLIC MASS TRANSIT FUND- SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Sales tax	\$38,215,277	\$38,215,277	\$39,114,758	\$899,481
Investment earnings	165,000	165,000	19,985	(145,015)
Total revenues	38,380,277	38,380,277	39,134,743	754,466
EXPENDITURES:				
Transportation	38,380,277	38,380,277	38,380,277	
Total expenditures	38,380,277	38,380,277	38,380,277	
Excess of revenues over expenditures			754,466	754,466
Net change in fund balances			\$754,466	\$754,466

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
CONVENTION AND RECREATION TRUST FUND - SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Convention and recreation tax	\$8,374,464	\$8,374,464	\$8,830,887	\$456,423
Investment earnings	335,000	335,000	173,997	(161,003)
Total revenues	8,709,464	8,709,464	9,004,884	295,420
EXPENDITURES:				
Convention and recreation	6,000,000	8,382,492	8,381,588	904
Total expenditures	6,000,000	8,382,492	8,381,588	904
Excess of revenues over (under) expenditures	2,709,464	326,972	623,296	296,324
Net change in fund balances	\$2,709,464	\$326,972	\$623,296	\$296,324

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

1. **EXPLANATION OF BUDGETARY PROCESS**

The County prepares annual budgets for the general fund, the debt service fund and the following major special revenue funds: Transportation Trust Fund, Public Mass Transit Fund and the Convention and Recreation Trust Fund. Other nonmajor special revenue funds for which the County adopts annual budgets are the Assessment Fund, Sewer Lateral Fund, Water Service Line Fund and the Solid Waste Management Fund.

The County follows the procedures outlined below in accordance with Article VIII of the St. Louis County Charter in establishing the budgetary data reflected in the basic financial statements:

1. The County Executive submits to the County Council a proposed operating budget for the fiscal year commencing on the following January 1. The operating budget for each fund includes proposed expenditures which are not to exceed the lesser of: (1) the estimated income and revenue of the fund for the budget year or (2) the estimated income and revenue of the fund for the fiscal year immediately preceding the budget year, plus any unencumbered cash balance at the end of the fiscal year immediately preceding the budget year. Additionally, the County adopts project length budgets for major capital improvements.
2. Public hearings are conducted to afford taxpayers an opportunity to be heard on the proposed budget.
3. The budget is adopted with or without amendments by the County Council by the affirmative vote of a majority of the members of the County Council on or before the last day preceding the budget year. If the County Council does not adopt the budget by that date, the amounts appropriated for current operations for the current fiscal year will be considered appropriated for the budget year on a monthly pro rata basis until the County Council adopts a budget.
4. The legal level of control at which actual expenditures may not exceed budgeted expenditures is at the department level (General Government, Highways and Traffic, Health, and Parks and Recreation) within the general fund and at the fund level for all other budgeted fund types. If recommended by the County Executive, the County Council may, by ordinance during any fiscal year, make supplemental or emergency appropriations from available income, and transfer appropriations between departments at the general fund level and between funds for all other budgeted fund types. The County Executive may, by executive order, transfer appropriations within any department of the general fund or within any other budgeted fund types during the fiscal year. These transfers must be reported to, but do not require the approval of, the County Council.

Budgeted amounts as reflected in the schedule of revenues, expenditures and changes in fund balances - budget and actual are as originally adopted and as amended by County ordinances. Supplemental appropriations for 2004 amounted to \$49,892,383. Revised budgets, as approved, are presented in the schedule of revenues, expenditures and changes in fund balances - budget and actual - General Fund by fund and department. In addition, the County adopts budgets for each office and category (line item) level of expenditure for management control purposes only. There were no budget overages by fund or department of expenditures during the year ended

ST. LOUIS COUNTY, MISSOURI
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
UNAUDITED
YEAR ENDED DECEMBER 31, 2004
(Continued)

December 31, 2004. The hierarchy of budgetary control for management purposes only is as follows:

Transfers within departments of the General fund or transfers within other budgeted fund types of:

- \$1,000 or less require approval by the Budget Director,
- more than \$1,000 require approval by the County Executive.

The County's budgetary process is based upon accounting for certain transactions on a basis other than GAAP. To provide a meaningful comparison of actual results with the budget, the actual results of operations are presented in the schedule of revenues, expenditures and changes in fund balances - budget and actual in accordance with the budget basis of accounting.

The major differences between the budget and GAAP basis of accounting are:

- a. Commitments for goods and services are encumbered (budget) and recorded as budgetary expenditures as opposed to when the liability is incurred (GAAP).
- b. Certain expenditures are recorded when paid (budget) rather than when the liability is incurred (GAAP). Expenditures budgeted on a cash basis are compensated absences, central service charges, certain debt service payments, and certain accounts payable. Other expenditures are budgeted on a modified accrual basis.

2. RECONCILIATION OF NET CHANGE IN FUND BALANCES - GAAP BASIS AND NET CHANGE IN FUND BALANCES - BUDGET BASIS

	<u>General Fund</u>	<u>Transportation Trust</u>	<u>Public Mass Transit</u>	<u>Convention and Recreation Trust</u>
Net change in fund balances - GAAP Basis	\$ 4,038,504	\$ (4,155,598)	\$ 6,431,652	\$ (2,344,514)
Increase (decrease) due to:				
Current year encumbrances	(12,453,303)	(39,555)		
Payment of prior year encumbrances	14,065,227	6,052		2,967,810
Inventories	(232,800)			
Accrued liabilities	(123,297)	32	(5,677,186)	
Accrued central service charges	(169,912)	(1,518)		
Net change in fund balances - budget basis	<u>\$ 5,124,419</u>	<u>\$ (4,190,587)</u>	<u>\$ 754,466</u>	<u>\$ 623,296</u>

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF FUNDING PROGRESS – COUNTY EMPLOYEES' RETIREMENT PLAN
UNAUDITED
YEAR ENDED DECEMBER 31, 2004

The following required supplementary information relates to the St. Louis County, Missouri County Employee Retirement defined benefit pension plan:

Civilian:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability—Projected Unit Credit (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
1/1/04	\$236,228,400	\$325,497,212	\$89,268,812	72.6%	\$129,610,564	68.9%
1/1/03	230,699,092	298,435,781	67,736,689	77.3	130,598,750	51.9
1/1/02	232,347,450	263,225,369	30,877,919	88.3	124,403,801	24.8

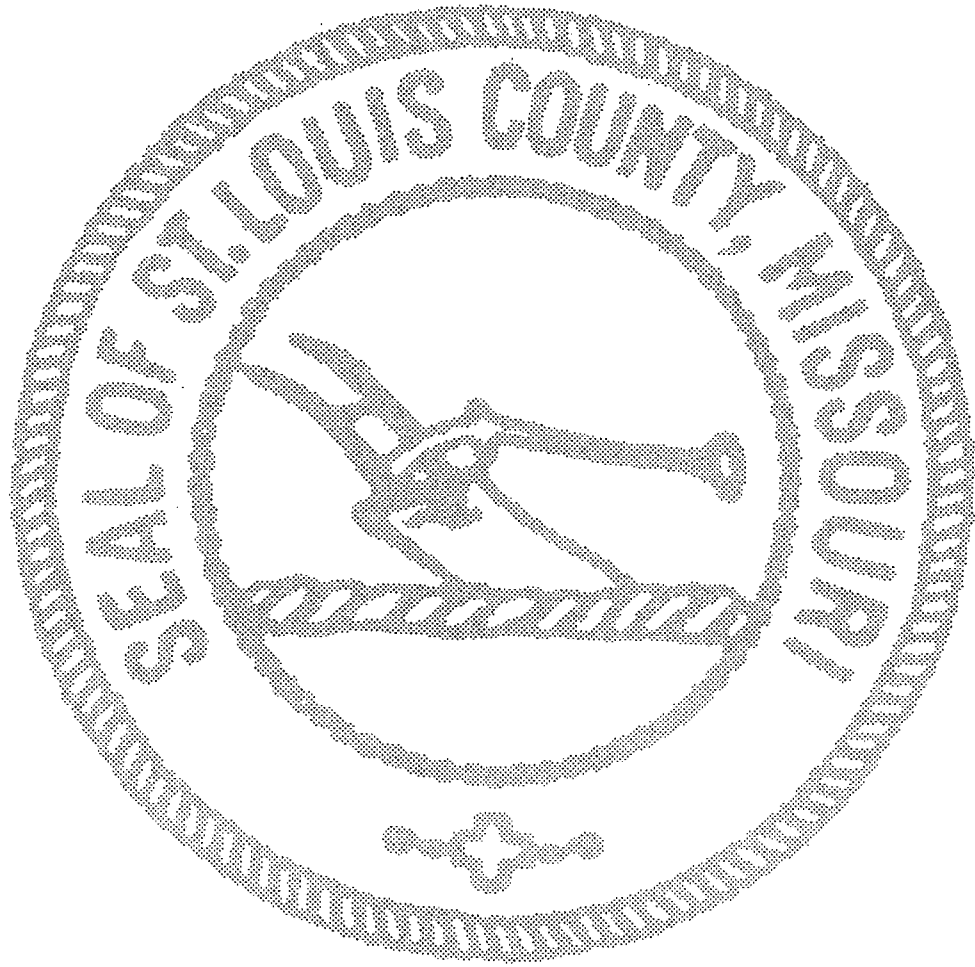
Police:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability—Projected Unit Credit (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
1/1/04	\$81,670,793	\$111,510,953	\$29,840,160	73.2%	\$36,467,935	81.8%
1/1/03	81,340,774	103,009,171	21,668,397	79.0	34,531,859	62.7
1/1/02	83,772,793	91,868,264	8,095,471	91.2	32,487,573	24.9

Additional Supplementary Information

This information includes combining financial statements as well as budgetary comparison schedules for those nonmajor funds with an annually adopted budget.





St. Louis County, Missouri

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Four separate departments of this fund are used to reflect the operations of the County's financial administration and organization as currently required by ordinance.



ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET BY DEPARTMENT
GENERAL FUND
DECEMBER 31, 2004

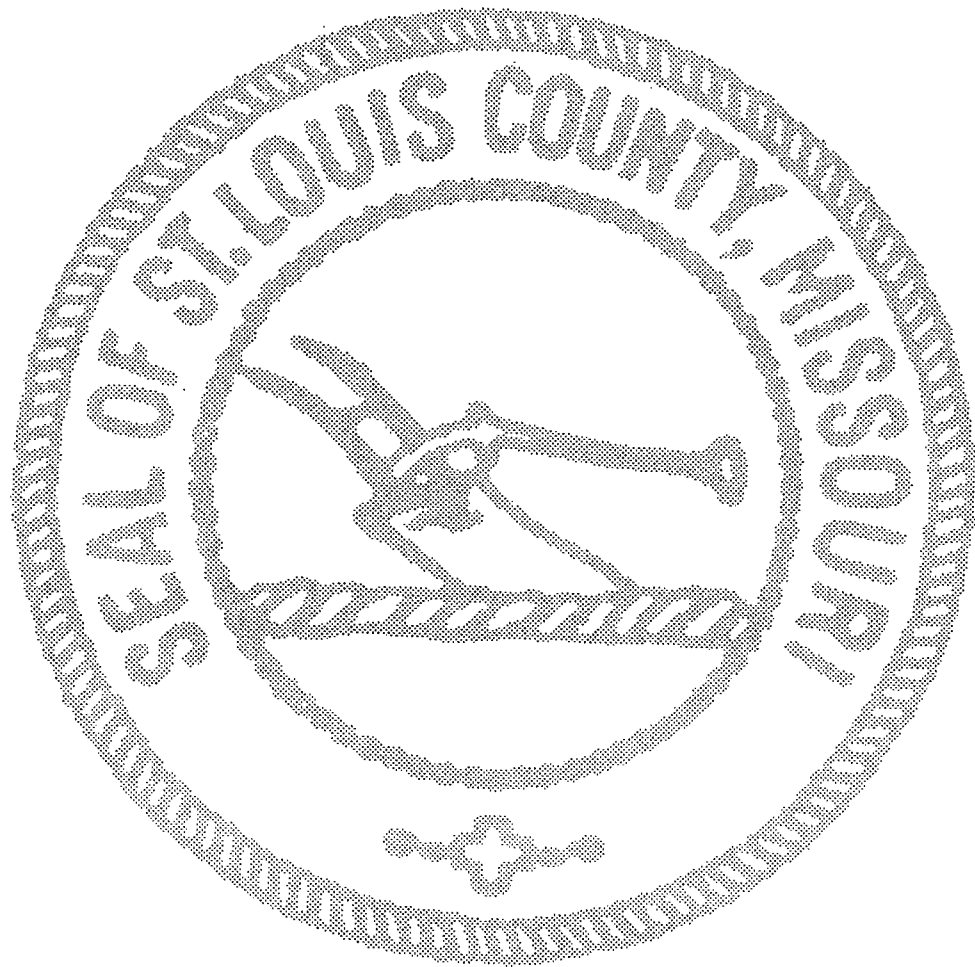
<u>ASSETS</u>	<u>General Government</u>	<u>Department of Highways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Eliminations</u>	<u>Total</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$27,378,422	\$10,934,038	\$15,488,088	\$6,891,858		\$60,692,406
CASH AND INVESTMENTS	32,512,814	10,369,968	17,285,988	4,239,369		64,408,139
RECEIVABLES, net of allowance for uncollectibles:						
Taxes:						
Property	5,389,842	2,448,583	4,335,082	927,439		13,100,946
Sales	4,569,063			1,647,899		6,216,962
Utilities gross receipts	4,369,219					4,369,219
Interest	114,148	58,808	39,301	21,830		234,087
Intergovernmental	1,501,931	1,951,863		2,990		3,456,784
Other	1,481,053	711,691	66,023			2,258,767
Net receivables	17,425,256	5,170,945	4,440,406	2,600,158		29,636,765
DUE FROM OTHER FUNDS	7,751,120	483,666	302,129		(\$4,968,426)	3,568,489
INVENTORIES		1,202,100				1,202,100
Total assets	\$85,067,612	\$28,160,717	\$37,516,611	\$13,731,385	(\$4,968,426)	\$159,507,899
<u>LIABILITIES AND FUND BALANCES</u>						
LIABILITIES:						
Accounts payable and accrued liabilities	\$1,205,946	\$635,328	\$675,048	\$184,663		\$2,700,985
Accrued salaries	4,307,103	872,261	655,600	558,111		6,393,075
Accrued interest	176,850		146,400	16,267		339,517
Due to other taxing units		8,826,238				8,826,238
Tax anticipation warrants	26,000,000		18,000,000	2,000,000		46,000,000
Due to other funds	791,764	1,889,833	1,725,826	1,229,716	(\$4,968,426)	668,713
Deferred revenue:						
Property taxes	4,084,380	606,586	3,417,363	698,072		8,806,401
Other	1,570,719					1,570,719
Total liabilities	38,136,762	12,830,246	24,620,237	4,686,829	(4,968,426)	75,305,648
FUND BALANCES:						
Reserved for:						
Encumbrances	4,881,357	6,040,895	3,708,926	3,648,556		18,279,734
Inventories		1,202,100				1,202,100
Unreserved:						
Designated for subsequent years expenditures	13,137,290	3,145,693	3,779,860	5,091,697		25,154,540
Undesignated	28,912,203	4,941,783	5,407,588	304,303		39,565,877
Total fund balances	46,930,850	15,330,471	12,896,374	9,044,556		84,202,251
Total liabilities and fund balances	\$85,067,612	\$28,160,717	\$37,516,611	\$13,731,385	(\$4,968,426)	\$159,507,899

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BY DEPARTMENT
GENERAL FUND
YEAR ENDED DECEMBER 31, 2004

	<u>General Government</u>	<u>Department of High- ways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Eliminations</u>	<u>Total</u>
REVENUES:						
Taxes:						
Property	\$51,104,784	\$6,941,666	\$36,248,046	\$8,912,258		\$103,206,754
Sales	33,915,932			12,615,056		46,530,988
Utilities gross receipts	20,992,633					20,992,633
	<u>106,013,349</u>	<u>6,941,666</u>	<u>36,248,046</u>	<u>21,527,314</u>		<u>170,730,375</u>
Licenses and permits	10,129,709	332,802	2,036,564			12,499,075
Assessment and tax collection fees	19,423,292					19,423,292
Fines and forfeitures	3,781,521	29,018	157,304			3,967,843
Investment earnings	606,618	283,234	245,695	94,434		1,229,981
Rents and concessions	750,295	57,800		1,629,182		2,437,277
Intergovernmental	5,345,425	8,084,388	647,252	2,990		14,080,055
Charges for services	32,250,600	298,889	6,341,317	781,774		39,672,580
Fees	3,254,026	1,990,116				5,244,142
Other	9,303,094	950,258	141,357	289,066	(\$6,462,992)	4,220,783
Total revenues	<u>190,857,929</u>	<u>18,968,171</u>	<u>45,817,535</u>	<u>24,324,760</u>	<u>(6,462,992)</u>	<u>273,505,403</u>
EXPENDITURES:						
Excess of revenues over (under) expenditures	6,292,858	(27,504,425)	1,755,395	(546,299)		(20,002,471)
OTHER FINANCING SOURCES (USES):						
Transfers in	80,113	24,132,936	975,690	20,127		25,208,866
Transfers out	(904,891)			(263,000)		(1,167,891)
Net change in fund balances	<u>5,468,080</u>	<u>(3,371,489)</u>	<u>2,731,085</u>	<u>(789,172)</u>		<u>4,038,504</u>
FUND BALANCE:						
Beginning of year	41,462,770	18,701,960	10,165,289	9,833,728		80,163,747
End of year	<u>\$46,930,850</u>	<u>\$15,330,471</u>	<u>\$12,896,374</u>	<u>\$9,044,556</u>		<u>\$84,202,251</u>

See accompanying independent auditors' report.



ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF GENERAL FUND EXPENDITURES -
BUDGET BASIS TO MODIFIED ACCRUAL (GAAP) BASIS
YEAR ENDED DECEMBER 31, 2004

	<u>General Government</u>	<u>Department of High- ways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Total Prior to Eliminations</u>	<u>Eliminations</u>	<u>Total</u>
Budget basis expenditures	\$185,724,225	\$44,590,661	\$45,375,022	\$24,323,059	\$300,012,967		\$300,012,967
Less current year encumbrances not outstanding at January 1, 2004	(3,655,212)	(4,264,593)	(3,112,534)	(1,420,964)	(12,453,303)		(12,453,303)
Less expenditures reclassified to operating transfers out	(865,016)			(263,000)	(1,128,016)		(1,128,016)
Plus payment of prior year encumbrances	3,417,828	6,166,614	2,023,957	2,456,828	14,065,227		14,065,227
(Increase) decrease in:							
Inventories		(232,800)			(232,800)		(232,800)
Increase (decrease) in:							
Accrued liabilities	(56,754)	160,397	(92,596)	(134,344)	(123,297)		(123,297)
Accrued central service charges		52,317	(131,709)	(90,520)	(169,912)		(169,912)
Eliminations						(\$6,462,992)	(6,462,992)
Modified accrual (GAAP) basis expenditures	<u>\$184,565,071</u>	<u>\$46,472,596</u>	<u>\$44,062,140</u>	<u>\$24,871,059</u>	<u>\$299,970,866</u>	<u>(\$6,462,992)</u>	<u>\$293,507,874</u>

See accompanying independent auditors' report.

Combining Statements – Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Grants – used to account for assistance from federal and state programs or agencies. These funds are operated by expending monies received from the granting agencies in accordance with the specific terms of the grant agreements. The fund titles indicate the nature of each grant program.

Other – Other Special Revenue Funds are comprised of the following:

Election Board Revolving Fund – used to account for advances to conduct local elections which are to be reimbursed by the participating political subdivision.

Election Service Fund – used for support of training programs and purchase of additional supplies or equipment to improve the conduct of elections in St. Louis County.

Road and Bridge FAU Fund – used to account for reimbursements of expenditures for improvements to roads and bridges under Federal Aid Urban.

Domestic Violence – used for financial assistance of shelters from designated fees collected by the Recorder of Deeds and from specific court costs.

Emergency Telephone Tax – used for the financial management of the operation of the emergency telephone service in St. Louis County.

Health and Hospital Premises – used to account for sale proceeds of the County Hospital to be used for capital improvements for the Department of Health.

Assessment Fund – used to record the financial activity of the assessor as required by state statute.

Federal Asset Sharing Fund – used to record the proceeds from the equitable sharing of Federally forfeited property and the related eligible expenditures under the Federal Asset Forfeiture program.

Records Preservation Fund – used for records storage, microfilming, and preservation from a portion of fees collected by the Recorder of Deeds on all recorded instruments pursuant to RSMo 59.319.



Combining Statements – Nonmajor Governmental Funds

Prosecuting Attorney – used to account for revenues to provide additional training for the Prosecuting Attorney and staff as well as offset administrative costs for the collection of bad checks.

Sewer Lateral Fund – used for the recording of Sewer Lateral fees imposed on all residential property located within unincorporated St. Louis County having six or less dwelling units, to fund repairs of defective lateral sewer service lines.

Water Service Line Fund – used for recording of water service lines fees imposed on all residential water bills located within unincorporated St. Louis County having four or fewer dwelling units, to fund repairs of defective water lines from the water main to the residence.

Solid Waste Management – used for the recording of annual licensing fees and surcharges on waste deposited at sanitary and demolition landfills.

Homeless Families – used for the financial assistance of agencies providing assistance to homeless families from designated fees (three dollars) collected by the Recorder of Deeds on all recorded instruments.

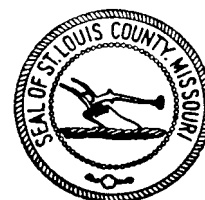
Police Academy – used to account for the activities of the Academy including specialized police training for County and municipal participants.

Robertson Development – used to account for the designated area of Robertson as a redevelopment project area where a tax increment financing was adopted to provide for redevelopment project costs.

County Stormwater – used for the financial management of the stormwater funding agreements with municipalities in St. Louis County and the Metropolitan St. Louis Sewer District.

Family Service and Justice – used to account for revenue collected by increased court costs involving family matters for the support of the operation of Family Court divisions.

Other Funds – used to account for activities of other less significant revenue sources and related expenditures.



Combining Statements – Nonmajor Governmental Funds

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by the Proprietary and Fiduciary Funds). The following Capital Projects Funds are maintained by the County.

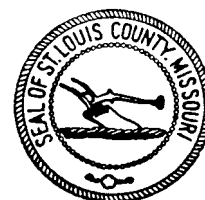
Park Bond – used to account for proceeds from the 1977 and 1986 General Obligation Bond Issues for the purpose of developing the public parks and recreation systems of the County.

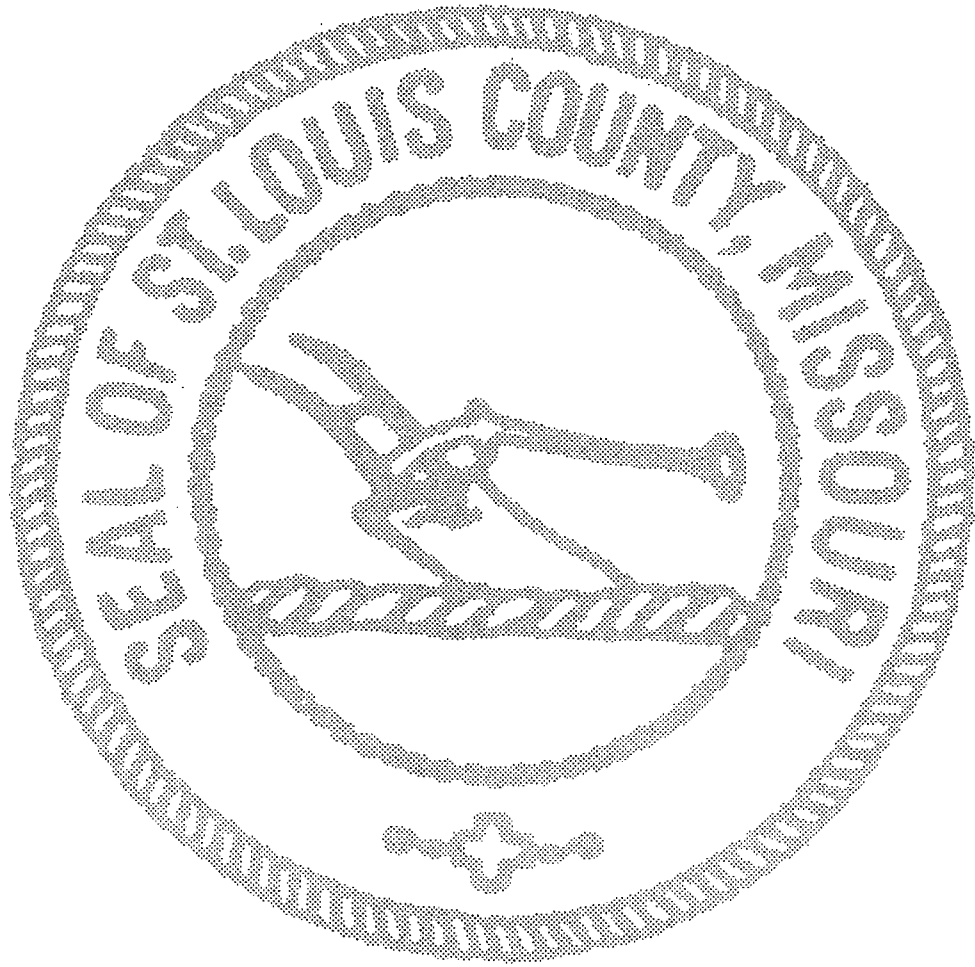
1986 Road Improvement – used to account for proceeds from the 1986 General Obligation Bond Issue for purposes of constructing, reconstructing, maintaining and repairing public roads, highways, bridges, and culverts in the County.

1986 Storm Water Control – used to account for proceeds from the 1986 General Obligation Bond Issue for the purpose of establishing drainage facilities for the control of storm water within the County.

1999 Government Center Projects – used to account for the proceeds from the 1999 Certificates of Participation bond issue for the purpose of construction of a new parking garage and various other Government Complex capital improvements.

Other Capital Projects – used to account for other miscellaneous capital improvements recorded in five capital project funds.





ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2004

	Nonmajor Special Revenue Funds			Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>Grants</u>	<u>Other</u>	<u>Total</u>		
ASSETS					
EQUITY IN POOLED CASH AND INVESTMENTS	\$674,143	\$61,107,554	\$61,781,697	\$4,881,998	\$66,663,695
CASH AND INVESTMENTS	112,090	5,262,408	5,374,498	1,305,784	6,680,282
RECEIVABLES, net of allowance for uncollectibles:					
Taxes:					
Property		72,218	72,218		72,218
Emergency telephone		323,386	323,386		323,386
Notes and loans	444,694	149,683	594,377		594,377
Interest	937	310,133	311,070	27,503	338,573
Intergovernmental	3,123,775	1,401,357	4,525,132		4,525,132
Other		1,612,683	1,612,683		1,612,683
Net receivables	3,569,406	3,869,460	7,438,866	27,503	7,466,369
DUE FROM OTHER FUNDS	380,716	510,444	891,160		891,160
Total assets	<u>\$4,736,355</u>	<u>\$70,749,866</u>	<u>\$75,486,221</u>	<u>\$6,215,285</u>	<u>\$81,701,506</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable and accrued liabilities	\$1,680,734	\$2,357,151	\$4,037,885	\$614,156	\$4,652,041
Accrued salaries	162,409	308,326	470,735		470,735
Due to other funds	1,934,360	1,031,460	2,965,820	458,599	3,424,419
Deferred revenue:					
Property taxes		43,163	43,163		43,163
Other	402,068	481,912	883,980		883,980
Total liabilities	<u>4,179,571</u>	<u>4,222,012</u>	<u>8,401,583</u>	<u>1,072,755</u>	<u>9,474,338</u>
FUND BALANCES:					
Reserved for:					
Encumbrances		13,213,327	13,213,327	2,084,546	15,297,873
Debt service	112,090		112,090		112,090
Notes receivable	444,694	149,683	594,377		594,377
Unreserved:					
Designated for subsequent years expenditures		53,164,844	53,164,844	3,057,984	56,222,828
Total fund balances	<u>556,784</u>	<u>66,527,854</u>	<u>67,084,638</u>	<u>5,142,530</u>	<u>72,227,168</u>
Total liabilities and fund balances	<u>\$4,736,355</u>	<u>\$70,749,866</u>	<u>\$75,486,221</u>	<u>\$6,215,285</u>	<u>\$81,701,506</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2004

	Nonmajor Special Revenue Funds			Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	Grants	Other	Total		
REVENUES:					
Taxes:					
Property		\$860,671	\$860,671		\$860,671
Emergency telephone		1,370,839	1,370,839		1,370,839
		2,231,510	2,231,510		2,231,510
Assessment and tax collection fees		7,933,146	7,933,146		7,933,146
Investment earnings	\$10,311	836,562	846,873	\$64,416	911,289
Intergovernmental	30,775,952	15,599,750	46,375,702		46,375,702
Charges for services		3,851,981	3,851,981		3,851,981
Fees		11,645,252	11,645,252		11,645,252
Other	814,023	648,976	1,462,999		1,462,999
Total revenues	31,600,286	42,747,177	74,347,463	64,416	74,411,879
EXPENDITURES:					
Current:					
General government	11,692,795	19,991,100	31,683,895		31,683,895
Public safety	5,211,242	2,561,529	7,772,771		7,772,771
Human services	8,234,768	1,620,351	9,855,119		9,855,119
Highways and traffic		15,936,273	15,936,273		15,936,273
Health	3,760,944	1,827,941	5,588,885		5,588,885
Parks and recreation	440,195		440,195		440,195
Debt service:					
Principal retired	1,600,000	10,400	1,610,400		1,610,400
Interest and fiscal charges	134,996	4,074	139,070		139,070
Capital outlay	1,297,637	5,005,988	6,303,625	2,764,529	9,068,154
Total expenditures	32,372,577	46,957,656	79,330,233	2,764,529	82,094,762
Excess of revenues over (under) expenditures	(772,291)	(4,210,479)	(4,982,770)	(2,700,113)	(7,682,883)
OTHER FINANCING SOURCES (USES):					
Transfers in	941,453	435,502	1,376,955		1,376,955
Transfers out	(392,557)	(3,386,221)	(3,778,778)	(216)	(3,778,994)
Proceeds from capital lease		834,421	834,421		834,421
Note payable	131,699		131,699		131,699
Net change in fund balances	(91,696)	(6,326,777)	(6,418,473)	(2,700,329)	(9,118,802)
FUND BALANCES:					
Beginning of year	648,480	72,854,631	73,503,111	7,842,859	81,345,970
End of year	\$556,784	\$66,527,854	\$67,084,638	\$5,142,530	\$72,227,168

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANTS
DECEMBER 31, 2004

ASSETS	<u>Health Programs</u>	<u>Police Programs</u>	<u>Parks and Recreation</u>	<u>Workforce Development Programs</u>	<u>Community Development Programs</u>	<u>Youth and Seniors Programs</u>	<u>Other Human Services Programs</u>	<u>Family Court</u>	<u>Justice Services Programs</u>	<u>Grant Programs General</u>	<u>Total Nonmajor Special Revenue Funds Grants</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$110,561		\$402,068	\$123,348	\$22,776	\$15,390					\$674,143
CASH AND INVESTMENTS					112,090						112,090
RECEIVABLES:											
Notes and loans					444,694						444,694
Interest		\$197			740						937
Intergovernmental	264,509	773,345		695,864	659,291	8,930	\$26,833	\$247,588	\$35,893	\$411,522	3,123,775
DUE FROM OTHER FUNDS	285,168	9,922		70,116	15,510						380,716
Total assets	\$660,238	\$783,464	\$402,068	\$889,328	\$1,255,101	\$24,320	\$26,833	\$247,588	\$35,893	\$411,522	\$4,736,355
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Accounts payable and accrued liabilities	\$4,316	\$157,308		\$804,685	\$693,220		\$21,038	\$167			\$1,680,734
Accrued salaries	64,139	52,195		8,413			714	31,086	\$4,752	\$1,110	162,409
Due to other funds	591,783	573,961		76,230	5,097	\$24,320	5,081	216,335	31,141	410,412	1,934,360
Deferred revenue - other			\$402,068								402,068
Total liabilities	660,238	783,464	402,068	889,328	698,317	24,320	26,833	247,588	35,893	411,522	4,179,571
FUND BALANCES:											
Reserved for:											
Debt service					112,090						112,090
Notes receivable					444,694						444,694
Total fund balances					556,784						556,784
Total liabilities and fund balances	\$660,238	\$783,464	\$402,068	\$889,328	\$1,255,101	\$24,320	\$26,833	\$247,588	\$35,893	\$411,522	\$4,736,355

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANTS
YEAR ENDED DECEMBER 31, 2004

	Health Programs	Police Programs	Parks and Recreation	Workforce Development Programs	Community Development Programs	Youth and Seniors Programs	Other Human Services Programs	Family Court	Justice Services Programs	Grant Programs General	Total Nonmajor Special Revenue Funds Grants
REVENUES:											
Investment earnings		\$5,843			\$4,468						\$10,311
Intergovernmental	\$4,125,949	3,873,985	\$61,549	\$7,796,826	12,002,149	\$156,883	\$290,479	\$1,694,213	\$184,439	\$589,480	30,775,952
Other	8,172		135,557	78	664,385			5,351		480	814,023
Total revenues	4,134,121	3,879,828	197,106	7,796,904	12,671,002	156,883	290,479	1,699,564	184,439	589,960	31,600,286
EXPENDITURES:											
Current:											
General government					11,148,708					544,087	11,692,795
Public safety		3,227,990						1,747,198	193,050	43,004	5,211,242
Human services				7,796,904		156,883	278,112			2,869	8,234,768
Health	3,760,944										3,760,944
Parks and recreation			440,195								440,195
Debt service:											
Principal retired					1,600,000						1,600,000
Interest and fiscal charges					134,996						134,996
Capital outlay	97,486	1,160,616			10,693		12,367	11,475	5,000		1,297,637
Total expenditures	3,858,430	4,388,606	440,195	7,796,904	12,894,397	156,883	290,479	1,758,673	198,050	589,960	32,372,577
Excess of revenues over (under) expenditures	275,691	(508,778)	(243,089)		(223,395)			(59,109)	(13,611)		(772,291)
OTHER FINANCING SOURCES (USES):											
Transfers in		605,517	263,216								941,453
Transfers out	(275,691)	(96,739)	(20,127)					59,109	13,611		(392,557)
Note payable					131,699						131,699
Net change in fund balances					(91,696)						(91,696)
FUND BALANCES:											
Beginning of year					648,480						648,480
End of year					\$556,784						\$556,784

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
DECEMBER 31, 2004

ASSETS	Election Board Revolving	Election Service Fund	Road and Bridge FAU	Domestic Violence	Emergency Telephone Tax	Health and Hospital Premises	Assessment	Federal Asset Sharing	Records Preservation Fund	Prosecuting Attorney
EQUITY IN POOLED CASH AND INVESTMENTS	\$155,435	\$496,243	\$18,807,577	\$623,094	\$103,012	\$883,975	\$4,610,141	\$2,221,245	\$2,400,220	\$1,611,715
CASH AND INVESTMENTS							3,793,192			
RECEIVABLES:										
Taxes:										
Property										
Emergency telephone					323,386					
Notes										
Interest		2,244	104,184	3,352	532	5,332	18,712	10,770	12,379	8,263
Intergovernmental			1,401,357							
Other										
Net receivables		2,244	1,505,541	3,352	323,918	5,332	18,712	10,770	12,379	8,263
DUE FROM OTHER FUNDS	98,878		228,067						26	
Total assets	\$254,313	\$498,487	\$20,541,185	\$626,446	\$426,930	\$889,307	\$8,422,045	\$2,232,015	\$2,412,625	\$1,619,978
LIABILITIES AND FUND BALANCES										
LIABILITIES:										
Accounts payable and accrued liabilities			\$897,520	\$115,693	\$29,285		\$129,176	\$83,508	\$1,358	\$5,130
Accrued salaries							209,485		14,349	787
Due to other funds	\$251,337				8,221		539,037	6,513	2,838	16,287
Deferred revenue:										
Property taxes										
Other										
Total liabilities	251,337		897,520	115,693	37,506		877,698	90,021	18,545	22,204
FUND BALANCES:										
Reserved for:										
Encumbrances			8,935,742	90,774		\$300,516	1,389,808	609,105	9,565	4,681
Notes receivable										
Unreserved:										
Designated for subsequent years expenditures	2,976	\$498,487	10,707,923	419,979	389,424	588,791	6,154,539	1,532,889	2,384,515	1,593,093
Total fund balances	2,976	498,487	19,643,665	510,753	389,424	889,307	7,544,347	2,141,994	2,394,080	1,597,774
Total liabilities and fund balances	\$254,313	\$498,487	\$20,541,185	\$626,446	\$426,930	\$889,307	\$8,422,045	\$2,232,015	\$2,412,625	\$1,619,978

(continued)

**ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
DECEMBER 31, 2004**

ASSETS	Sewer Lateral Fund	Water Service Line Fund	Solid Waste Management	Homeless Families Fund	Police Academy	Robertson Development	County Stormwater	Family Service and Justice	Other Funds	Total Nonmajor Special Revenue Funds Other
EQUITY IN POOLED CASH AND INVESTMENTS	\$4,105,519	\$5,927,902	\$9,268,360	\$2,470,937	\$1,250,770	\$2,886,538	\$2,639,313	\$242,995	\$402,563	\$61,107,554
CASH AND INVESTMENTS	755,305					713,911				5,262,408
RECEIVABLES:										
Taxes:										
Property						72,218				72,218
Emergency telephone										323,386
Notes			149,683							149,683
Interest	14,506	29,713	48,700	12,894	6,391	14,574	13,980	1,333	2,274	310,133
Intergovernmental										1,401,357
Other	276,808	885,783	450,092							1,612,683
Net receivables	291,314	915,496	648,475	12,894	6,391	86,792	13,980	1,333	2,274	3,869,460
DUE FROM OTHER FUNDS	8,258	61,054		24						510,444
Total assets	\$5,160,396	\$6,904,452	\$9,916,835	\$2,483,855	\$1,257,161	\$3,687,241	\$2,653,293	\$244,328	\$518,974	\$70,749,866
LIABILITIES AND FUND BALANCES										
LIABILITIES:										
Accounts payable and accrued liabilities	\$397,770	\$416,382	\$192,615	\$8,874	\$744			\$56,709	\$22,387	\$2,357,151
Accrued salaries	6,268	6,805			6,233			3,236	61,163	308,326
Due to other funds	79,818	98,284	39		655				28,431	1,031,460
Deferred revenue:										
Property taxes						\$43,163				43,163
Other	182,108	274,818							24,986	481,912
Total liabilities	665,964	796,289	192,654	8,874	7,632	43,163		59,945	136,967	4,222,012
FUND BALANCES:										
Reserved for:										
Encumbrances	40,547	283,774	1,071,697	146,170	82,545		\$185,414		62,989	13,213,327
Notes receivable			149,683							149,683
Unreserved:										
Designated for subsequent years expenditures	4,453,885	5,824,389	8,502,801	2,328,811	1,166,984	3,644,078	2,467,879	184,383	319,018	53,164,844
Total fund balances	4,494,432	6,108,163	9,724,181	2,474,981	1,249,529	3,644,078	2,653,293	184,383	382,007	66,527,854
Total liabilities and fund balances	\$5,160,396	\$6,904,452	\$9,916,835	\$2,483,855	\$1,257,161	\$3,687,241	\$2,653,293	\$244,328	\$518,974	\$70,749,866

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
YEAR ENDED DECEMBER 31, 2004

	<u>Election Board Revolving</u>	<u>Election Service Fund</u>	<u>Road and Bridge FAU</u>	<u>Domestic Violence</u>	<u>Emergency Telephone Tax</u>	<u>Health and Hospital Premises</u>	<u>Assessment</u>	<u>Federal Asset Sharing</u>	<u>Records Preservation Fund</u>	<u>Prosecuting Attorney</u>
REVENUES:										
Taxes:										
Property										
Emergency telephone					\$1,370,839					
					1,370,839					
Assessment and tax collection fees							\$7,933,146			
Investment earnings		\$4,573	\$274,687	\$8,060	1,469	\$20,730	68,474	\$23,924	\$27,690	\$18,897
Intergovernmental			10,760,466				2,282,792	2,220,541		
Charges for services	\$2,964,714	148,218					130			260,212
Fees				449,636					1,112,576	104,337
Other			367,790				1,424	3,376		50
Total revenues	2,964,714	152,791	11,402,943	457,696	1,372,308	20,730	10,285,966	2,247,841	1,140,266	383,496
EXPENDITURES:										
Current:										
General government	2,961,350				1,378,851		9,766,028		831,655	
Public safety								1,495,049		160,235
Human services				602,923						
Highways and traffic			15,936,273							
Health						162,474				
Debt service:										
Principal retired									10,400	
Interest and fiscal charges									4,074	
Capital outlay			1,769,881			77,284	383,088	1,388,795	315,329	84,000
Total expenditures	2,961,350		17,706,154	602,923	1,378,851	239,758	10,149,116	2,883,844	1,161,458	244,235
Excess of revenues over (under) expenditures	3,364	152,791	(6,303,211)	(145,227)	(6,543)	(219,028)	136,850	(636,003)	(21,192)	139,261
OTHER FINANCING SOURCES (USES):										
Transfers in			379,000					16,627		
Transfers out			(2,664,000)			(700,000)		(22,221)		
Proceeds from capital lease								595,438	238,983	
Net change in fund balances	3,364	152,791	(8,588,211)	(145,227)	(6,543)	(919,028)	136,850	(46,159)	217,791	139,261
FUND BALANCES (DEFICITS):										
Beginning of year	(388)	345,696	28,231,876	655,980	395,967	1,808,335	7,407,497	2,188,153	2,176,289	1,458,513
End of year	\$2,976	\$498,487	\$19,643,665	\$510,753	\$389,424	\$889,307	\$7,544,347	\$2,141,994	\$2,394,080	\$1,597,774

(continued)

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
YEAR ENDED DECEMBER 31, 2004

	Sewer Lateral Fund	Water Service Line Fund	Solid Waste Management	Homeless Families Fund	Police Academy	Robertson Development	County Stormwater	Family Service and Justice	Other Funds	Total Nonmajor Special Revenue Funds Other
REVENUES:										
Taxes:										
Property						\$860,671				\$860,671
Emergency telephone										1,370,839
						860,671				2,231,510
Assessment and tax collection fees										7,933,146
Investment earnings	\$36,697	\$65,603	\$128,044	\$30,188	\$14,424	32,151	\$32,224	\$3,961	\$44,766	836,562
Intergovernmental Charges for services									335,951	15,599,750
Fees	3,294				475,413					3,851,981
Other	3,295,797	3,734,290	1,656,427	954,664	6,129			231,205	106,320	11,645,252
Total revenues	3,335,788	3,799,897	1,784,471	984,852	495,966	892,822	207,224	235,166	582,240	42,747,177
EXPENDITURES:										
Current:										
General government	2,646,390	2,376,317					17,124		13,385	19,991,100
Public safety					383,492			388,163	134,590	2,561,529
Human services				938,122					79,306	1,620,351
Highways and traffic Health			1,665,467							15,936,273
Debt service:										1,827,941
Principal retired										10,400
Interest and fiscal charges										4,074
Capital outlay		578,950			60,272		100,480		247,909	5,005,988
Total expenditures	2,646,390	2,955,267	1,665,467	938,122	443,764		117,604	388,163	475,190	46,957,656
Excess of revenues over (under) expenditures	689,398	844,630	119,004	46,730	52,202	892,822	89,620	(152,997)	107,050	(4,210,479)
OTHER FINANCING SOURCES (USES):										
Transfers in									39,875	435,502
Transfers out										(3,386,221)
Proceeds from capital lease										834,421
Net change in fund balances	689,398	844,630	119,004	46,730	52,202	892,822	89,620	(152,997)	146,925	(6,326,777)
FUND BALANCES (DEFICITS):										
Beginning of year	3,805,034	5,263,533	9,605,177	2,428,251	1,197,327	2,751,256	2,563,673	337,380	235,082	72,854,631
End of year	\$4,494,432	\$6,108,163	\$9,724,181	\$2,474,981	\$1,249,529	\$3,644,078	\$2,653,293	\$184,383	\$382,007	\$66,527,854

See accompanying independent auditors' report.

**ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2004**

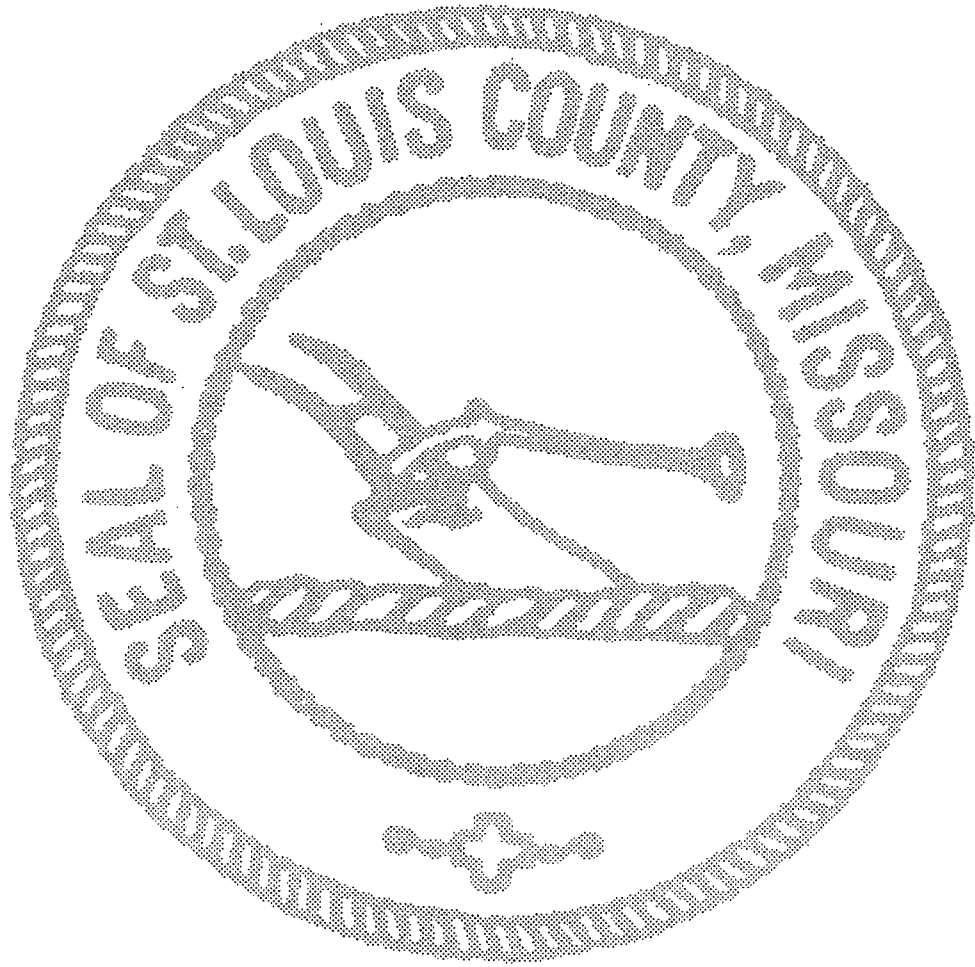
<u>ASSETS</u>	<u>Park Bond</u>	<u>1986 Road Improvement</u>	<u>1986 Storm Water Control</u>	<u>1999 Government Center Projects</u>	<u>Other Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
EQUITY IN POOLED CASH & INVESTMENTS	\$20,297	\$1,814,260	\$964,868		\$2,082,573	\$4,881,998
CASH AND INVESTMENTS	84,242			\$1,221,542		1,305,784
RECEIVABLES:						
Interest	117	15,136	8,685	2,156	1,409	27,503
Total assets	<u>\$104,656</u>	<u>\$1,829,396</u>	<u>\$973,553</u>	<u>\$1,223,698</u>	<u>\$2,083,982</u>	<u>\$6,215,285</u>
 <u>LIABILITIES AND FUND BALANCES</u>						
LIABILITIES:						
Accounts payable and accrued liabilities				\$614,156		\$614,156
Due to other funds				458,599		458,599
Total liabilities				<u>1,072,755</u>		<u>1,072,755</u>
FUND BALANCES:						
Reserved for encumbrances		\$1,829,396	\$7,900	117,658	\$129,592	2,084,546
Unreserved:						
Designated for subsequent years expenditures	\$104,656		965,653	33,285	1,954,390	3,057,984
Total fund balances	<u>104,656</u>	<u>1,829,396</u>	<u>973,553</u>	<u>150,943</u>	<u>2,083,982</u>	<u>5,142,530</u>
Total liabilities and fund balances	<u>\$104,656</u>	<u>\$1,829,396</u>	<u>\$973,553</u>	<u>\$1,223,698</u>	<u>\$2,083,982</u>	<u>\$6,215,285</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED DECEMBER 31, 2004

	<u>Park Bond</u>	<u>1986 Road Improvement</u>	<u>1986 Storm Water Control</u>	<u>1999 Government Center Projects</u>	<u>Other Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES:						
Investment earnings	\$1,398	\$35,482	\$21,361	\$3,613	\$2,562	\$64,416
Total revenues	<u>1,398</u>	<u>35,482</u>	<u>21,361</u>	<u>3,613</u>	<u>2,562</u>	<u>64,416</u>
EXPENDITURES:						
Capital outlay		12,095		2,748,413	4,021	2,764,529
Total expenditures		<u>12,095</u>		<u>2,748,413</u>	<u>4,021</u>	<u>2,764,529</u>
Excess of revenues over (under) expenditures	1,398	23,387	21,361	(2,744,800)	(1,459)	(2,700,113)
OTHER FINANCING SOURCES:						
Transfers out	(216)					(216)
Net change in fund balances	<u>1,182</u>	<u>23,387</u>	<u>21,361</u>	<u>(2,744,800)</u>	<u>(1,459)</u>	<u>(2,700,329)</u>
FUND BALANCES:						
Beginning of year	103,474	1,806,009	952,192	2,895,743	2,085,441	7,842,859
End of year	<u>\$104,656</u>	<u>\$1,829,396</u>	<u>\$973,553</u>	<u>\$150,943</u>	<u>\$2,083,982</u>	<u>\$5,142,530</u>

See accompanying independent auditors' report.



St. Louis County, Missouri

Budgetary Comparisons

This section is comprised of budget-to-actual comparisons for Nonmajor Special Revenue Funds and the Debt Service Fund which have a legally adopted annual budget in order to demonstrate compliance at the legal level of control.



ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
ASSESSMENT FUND - SPECIAL REVENUE NONMAJOR FUND
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:				
Assessment and tax collection fees	\$7,375,539	\$7,500,000	\$7,933,146	\$433,146
Investment earnings	181,592	92,081	68,474	(23,607)
Intergovernmental	1,899,510	2,241,422	2,282,792	41,370
Fees and other revenues	250		1,554	1,554
Total revenues	9,456,891	9,833,503	10,285,966	452,463
EXPENDITURES:				
General government	10,981,224	10,981,224	10,022,898	958,326
Total expenditures	10,981,224	10,981,224	10,022,898	958,326
Excess of revenues over (under) expenditures	(1,524,333)	(1,147,721)	263,068	1,410,789
Net change in fund balances	(\$1,524,333)	(\$1,147,721)	\$263,068	\$1,410,789

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
SEWER LATERAL FUND - SPECIAL REVENUE NONMAJOR FUND
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
REVENUES:				
Investment earnings	\$60,000	\$60,000	\$36,697	(\$23,303)
Fees and other revenues	3,100,000	3,100,000	3,299,091	199,091
Total revenues	3,160,000	3,160,000	3,335,788	175,788
EXPENDITURES:				
General government	2,920,120	2,920,120	2,708,262	211,858
Total expenditures	2,920,120	2,920,120	2,708,262	211,858
 Excess of revenues over expenditures	 239,880	 239,880	 627,526	 387,646
 Net change in fund balances	 \$239,880	 \$239,880	 \$627,526	 \$387,646

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
WATER SERVICE LINE - SPECIAL REVENUE NONMAJOR FUND
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment earnings	\$60,000	\$60,000	\$65,603	\$5,603
Fees and other revenues	3,700,000	3,700,000	3,734,294	34,294
Total revenues	3,760,000	3,760,000	3,799,897	39,897
EXPENDITURES:				
General government	3,213,037	3,213,037	3,138,138	74,899
Total expenditures	3,213,037	3,213,037	3,138,138	74,899
Excess of revenues over expenditures	546,963	546,963	661,759	114,796
Net change in fund balances	\$546,963	\$546,963	\$661,759	\$114,796

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
SOLID WASTE MANAGEMENT FUND - SPECIAL REVENUE NONMAJOR FUND
YEAR ENDED DECEMBER 31, 2004

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Investment earnings	\$50,000	\$65,441	\$128,044	\$62,603
Fees and other revenues	1,601,000	1,601,000	1,656,427	55,427
Total revenues	1,651,000	1,666,441	1,784,471	118,030
EXPENDITURES:				
Health	3,033,683	3,033,683	1,679,034	1,354,649
Total expenditures	3,033,683	3,033,683	1,679,034	1,354,649
Excess of revenues over (under) expenditures	(1,382,683)	(1,367,242)	105,437	1,472,679
Net change in fund balances	(\$1,382,683)	(\$1,367,242)	\$105,437	\$1,472,679

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2004

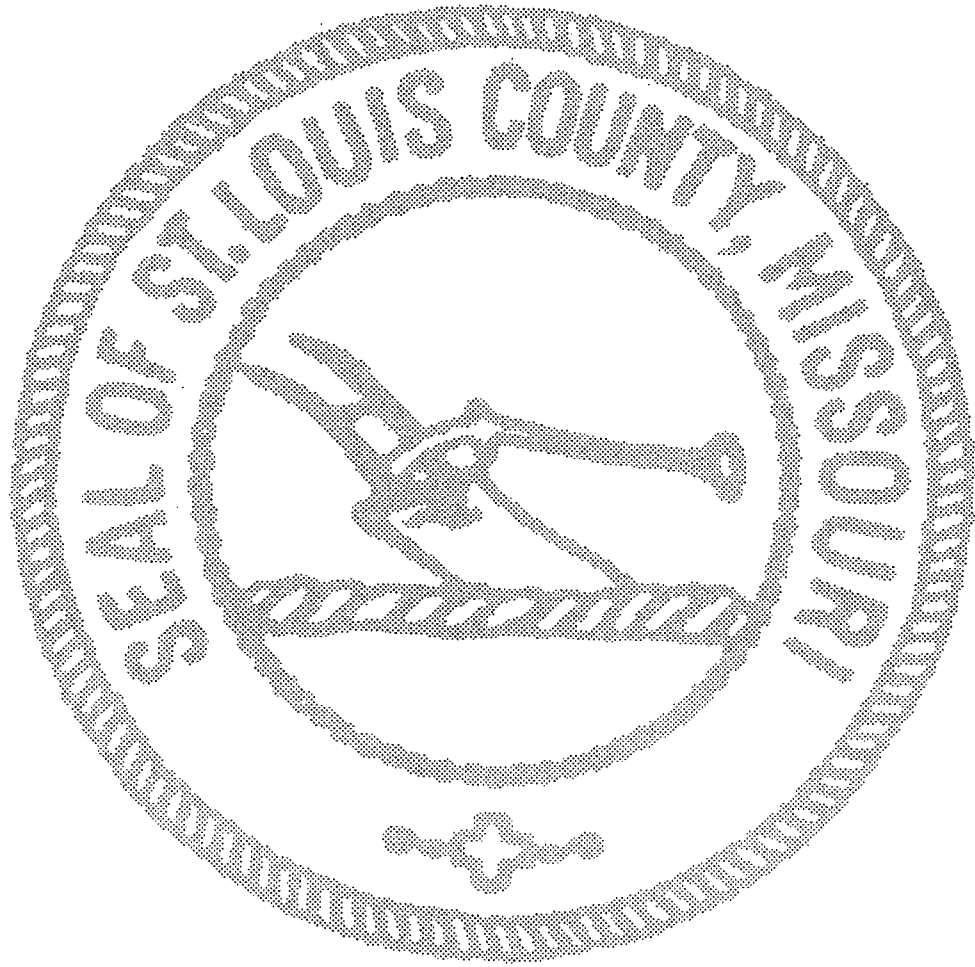
	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Taxes:				
Property	\$2,000,000	\$2,000,000	\$1,664,252	(\$335,748)
Investment earnings	350,000	350,000	267,666	(82,334)
Other revenues			28,933	28,933
Total revenues	2,350,000	2,350,000	1,960,851	(389,149)
EXPENDITURES:				
Debt service:				
Principal retired	8,715,000	8,715,000	8,715,000	
Interest and fiscal charges	5,688,509	5,688,509	5,674,504	14,005
Total expenditures	14,403,509	14,403,509	14,389,504	14,005
 Excess of revenues under expenditures	 (12,053,509)	 (12,053,509)	 (12,428,653)	 (375,144)
 Net change in fund balances	 (\$12,053,509)	 (\$12,053,509)	 (\$12,428,653)	 (\$375,144)

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF GOVERNMENTAL FUNDS NET CHANGE IN FUND BALANCES
MODIFIED ACCRUAL (GAAP) BASIS TO BUDGET BASIS
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2004

	NONMAJOR SPECIAL REVENUE FUNDS				
	Assessment Fund	Sewer Lateral Fund	Water Service Line Fund	Solid Waste Management	Debt Service
Net change in fund balances - GAAP basis	\$136,850	\$689,398	\$844,630	\$119,004	(\$12,428,653)
Increase (decrease) due to:					
Current year encumbrances	(579,197)	(383,204)	(677,428)	(781,289)	
Payment of prior year encumbrances	828,103	156,848	321,811	814,862	
Accrued liabilities	52,524	183,844	197,246	(47,140)	
Accrued central service charges	(175,212)	(19,360)	(24,500)		
Net change in fund balances - budget basis	<u>\$263,068</u>	<u>\$627,526</u>	<u>\$661,759</u>	<u>\$105,437</u>	<u>(\$12,428,653)</u>

See accompanying independent auditors' report.



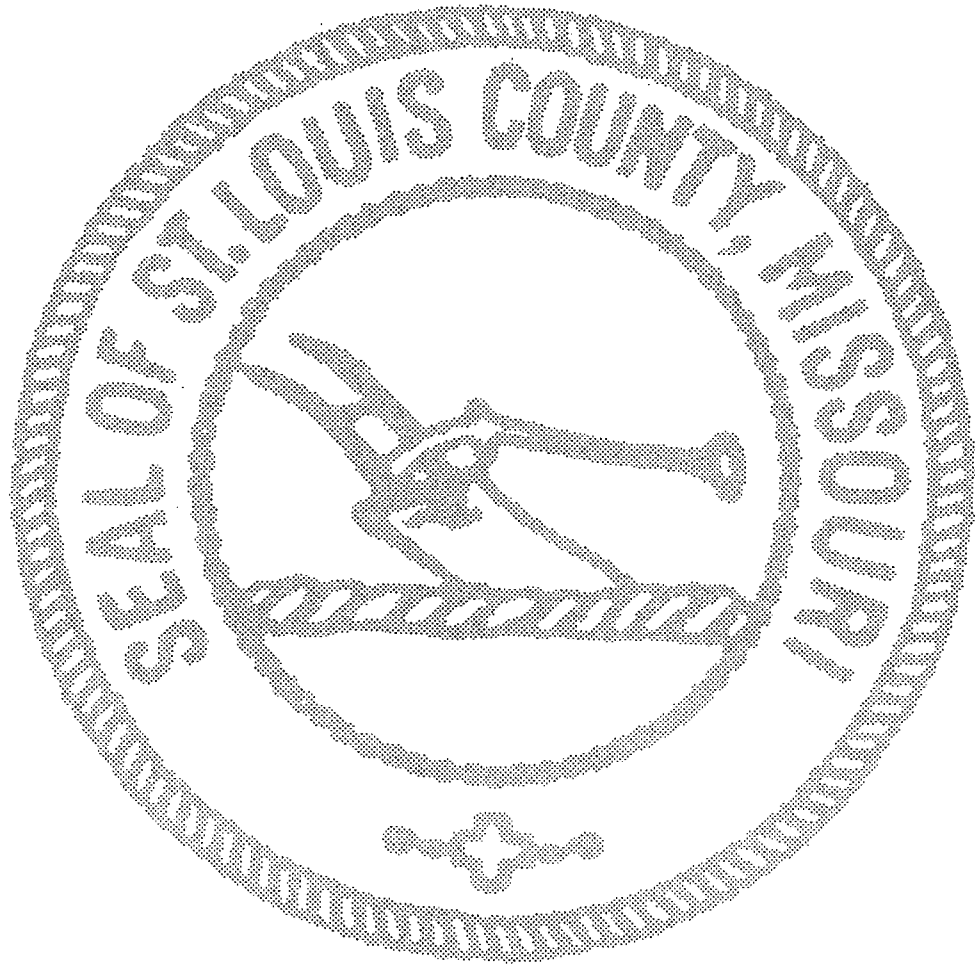
St. Louis County, Missouri

Agency Funds

Collections for Other Taxing Units – used to account for funds held for ultimate distribution to the state and other taxing districts.

Special Purpose Funds – used to account for activity of the Probate Court, Circuit Court Clerk, and other miscellaneous activities not allocable to other funds.





ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
DECEMBER 31, 2004

<u>ASSETS</u>	<u>Collections for Other Taxing Units</u>	<u>Special Purpose Funds</u>	<u>Total</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$24,666,725	\$13,271,445	\$37,938,170
CASH AND INVESTMENTS	701,533,897	20,889,614	722,423,511
RECEIVABLES:			
Taxes	179,791,988		179,791,988
Interest	180,935	29,349	210,284
Other		40	40
Net receivables	<u>179,972,923</u>	<u>29,389</u>	<u>180,002,312</u>
Total assets	<u>906,173,545</u>	<u>34,190,448</u>	<u>940,363,993</u>
 <u>LIABILITIES</u>			
Due to other taxing units	906,173,545		906,173,545
Other obligations		34,190,448	34,190,448
Total liabilities	<u>906,173,545</u>	<u>34,190,448</u>	<u>940,363,993</u>
 NET ASSETS			

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2004

<u>COLLECTIONS FOR OTHER TAXING UNITS</u>	Balance December 31, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2004</u>
<u>ASSETS</u>				
EQUITY IN POOLED CASH AND INVESTMENTS	\$22,322,971	\$362,402,062	\$360,058,308	\$24,666,725
CASH AND INVESTMENTS	778,631,707	3,179,113,068	3,256,210,878	701,533,897
RECEIVABLES - Taxes	309,101,487	1,386,623,707	1,515,933,206	179,791,988
RECEIVABLES - Interest	188,039	766,146	773,250	180,935
Total assets	<u>1,110,244,204</u>	<u>4,928,904,983</u>	<u>5,132,975,642</u>	<u>906,173,545</u>
<u>LIABILITIES</u>				
Due to other taxing units	1,110,244,204	4,526,332,746	4,730,403,405	906,173,545
Total liabilities	<u>1,110,244,204</u>	<u>4,526,332,746</u>	<u>4,730,403,405</u>	<u>906,173,545</u>
NET ASSETS				

SPECIAL PURPOSE FUNDS

ASSETS

EQUITY IN POOLED CASH AND INVESTMENTS	\$14,139,898	\$41,835,331	\$42,703,784	\$13,271,445
CASH AND INVESTMENTS	18,456,074	3,521,090	1,087,550	20,889,614
RECEIVABLES - Interest	40,308	340,895	351,854	29,349
RECEIVABLES - Other	50,907	1,140	52,007	40
Total assets	<u>32,687,187</u>	<u>45,698,456</u>	<u>44,195,195</u>	<u>34,190,448</u>

LIABILITIES

Other obligations	32,687,187	58,883,824	57,380,563	34,190,448
Total liabilities	<u>32,687,187</u>	<u>58,883,824</u>	<u>57,380,563</u>	<u>34,190,448</u>

NET ASSETS

See accompanying independent auditors' report.

(Continued)

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2004
(Continued)

<u>TOTAL AGENCY FUNDS</u>	Balance December 31, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2004</u>
<u>ASSETS</u>				
EQUITY IN POOLED CASH AND INVESTMENTS	\$36,462,869	\$404,237,393	\$402,762,092	\$37,938,170
CASH AND INVESTMENTS	797,087,781	3,182,634,158	3,257,298,428	722,423,511
RECEIVABLES:				
Taxes	309,101,487	1,386,623,707	1,515,933,206	179,791,988
Interest	228,347	1,107,041	1,125,104	210,284
Other	50,907	1,140	52,007	40
Net receivables	<u>309,380,741</u>	<u>1,387,731,888</u>	<u>1,517,110,317</u>	<u>180,002,312</u>
Total assets	<u>1,142,931,391</u>	<u>4,974,603,439</u>	<u>5,177,170,837</u>	<u>940,363,993</u>
<u>LIABILITIES</u>				
Due to other taxing units	1,110,244,204	4,526,332,746	4,730,403,405	906,173,545
Other obligations	32,687,187	58,883,824	57,380,563	34,190,448
Total liabilities	<u>1,142,931,391</u>	<u>4,585,216,570</u>	<u>4,787,783,968</u>	<u>940,363,993</u>
NET ASSETS				

See accompanying independent auditors' report.

