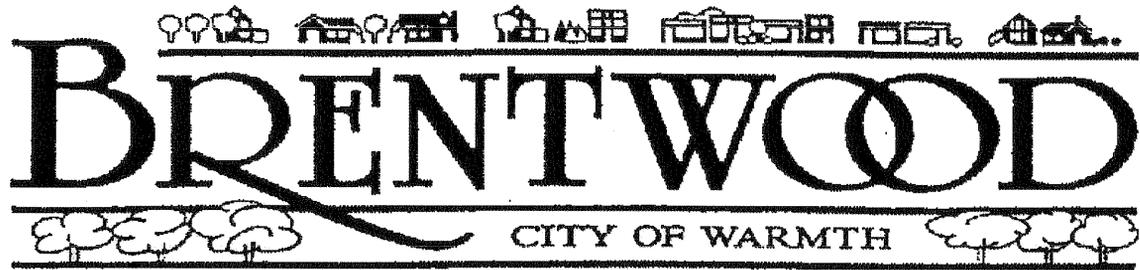


CITY OF BRENTWOOD, MISSOURI



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2007

CITY OF BRENTWOOD, MISSOURI

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2007

PREPARED BY THE CITY CLERK/ADMINISTRATOR
AND FINANCE OFFICER

CITY OF BRENTWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT

	Page
SECTION I - INTRODUCTORY SECTION	
Principal City Officials	ii
Organizational Chart	iii
Certificate of Achievement	iv
Letter of Transmittal	v
SECTION II - FINANCIAL SECTION	
Independent Auditors' Report	2
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Fiduciary Net Assets - Pension Trust Fund	18
Statement of Changes in Fiduciary Net Assets - Pension Trust Fund	19
Notes to Financial Statements	20
Required Supplemental Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	43
Library Special Revenue Fund	44
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	45
Other Supplemental Information:	
Combining Balance Sheet - Nonmajor Governmental Funds	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	56
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Capital Improvements Capital Projects Fund	61
Stormwater and Park Improvements Capital Projects Fund	62
Sewer Improvements Capital Projects Fund	63

CITY OF BRENTWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT

	Page
SECTION III - STATISTICAL SECTION	
Net Assets by Component - Last Five Fiscal Years	66
Changes in Net Assets - Last Five Fiscal Years	67
Fund Balances of Governmental Funds - Last Five Fiscal Years	69
Changes in Fund Balances, Governmental Funds - Last Five Fiscal Years	70
Program Revenues by Function/Program - Last Five Fiscal Years	71
Tax Revenues by Source, Governmental Funds - Last Five Fiscal Years	72
Property Tax Rates - Direct and All Overlapping Governments - Last Ten Fiscal Years	73
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	74
Principal Taxpayers - Current Year and Six Years Ago	75
Property Tax Levies and Collections - Last Ten Fiscal Years	76
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	77
Direct and Overlapping Governmental Activities Debt	78
Legal Debt Margin Information - Last Ten Fiscal Years	79
Demographic and Economic Statistics - Last Ten Fiscal Years	80
Principal Employers - Current Year and Ten Years Ago	81
Full-time Equivalent City Government Employees by Functions/Programs - Last Ten Fiscal Years	82
Operating Indicators by Functions/Programs - Last Ten Fiscal Years	83
Capital Assets Statistics by Functions/Programs - Last Ten Fiscal Years	84
SECTION IV - COMPLIANCE SECTION	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	86

INTRODUCTORY SECTION

CITY OF BRENTWOOD, MISSOURI
PRINCIPAL CITY OFFICIALS

Elected Officials

Terms

Charles Patrick Kelly
Mayor

April 2007 - April 2009

Barbara Clements
Alderman Ward 1

April 2006 - April 2008

Anthony Harper
Alderman Ward 1

November 2007 - April 2008

Lee Wynn
Alderman Ward 2

April 2007 - April 2009

Michael Marshall
Alderman Ward 2

April 2006 - April 2008

Keith Robertson
Alderman Ward 3

April 2007 - April 2009

Andrew Leahy
Alderman Ward 3

April 2006 - April 2008

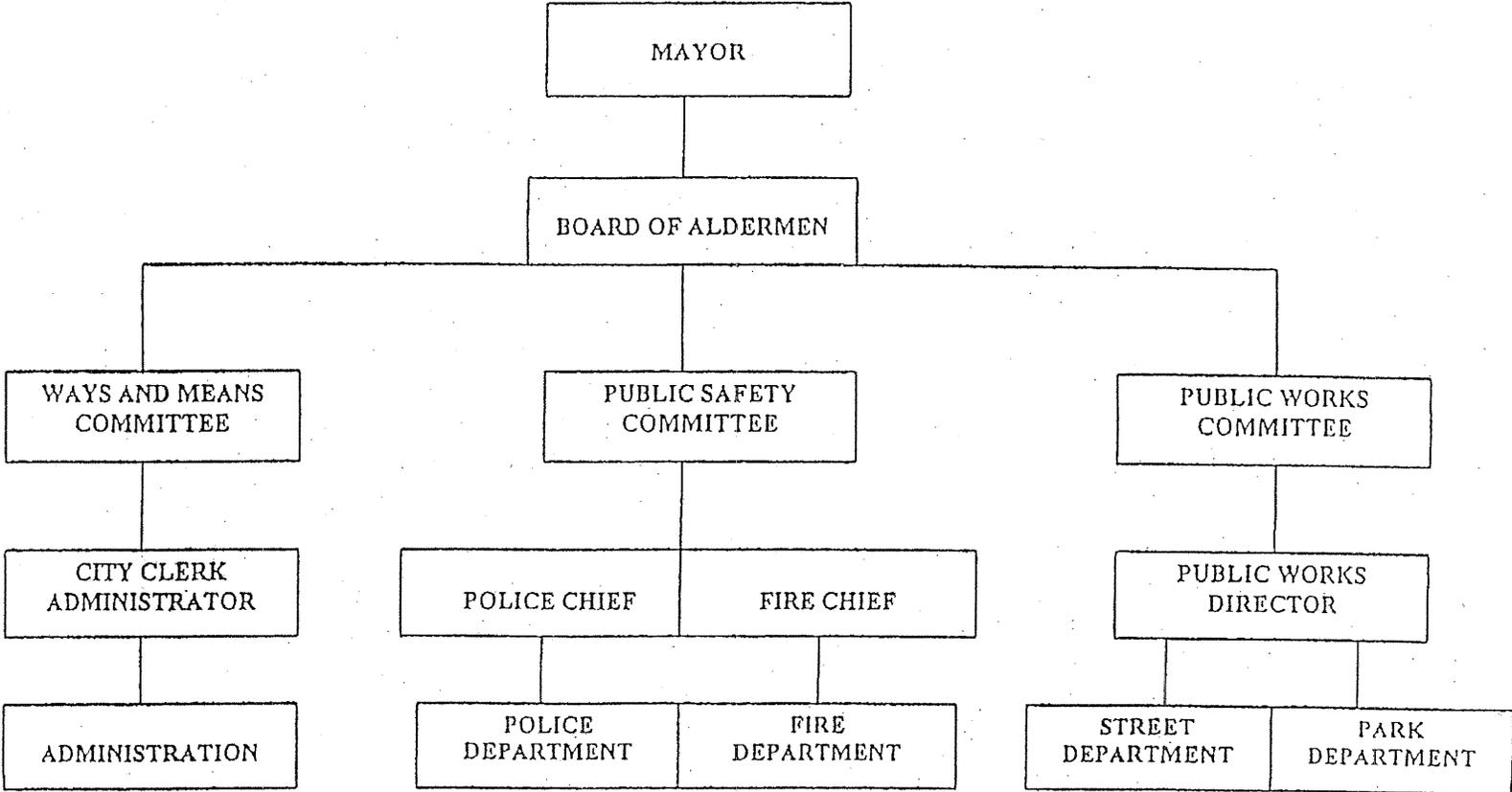
Thomas Kramer
Alderman Ward 4

April 2007 - April 2009

Lorraine Krewson
Alderman Ward 4

April 2006 - April 2008

CITY OF BRENTWOOD, MISSOURI
ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brentwood
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

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

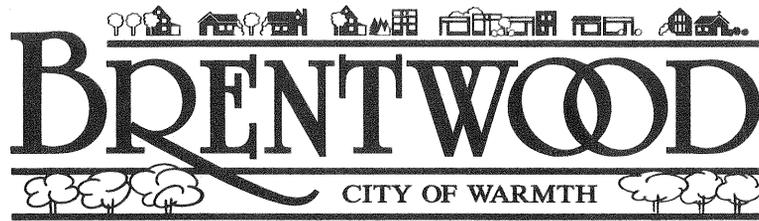


Charles S. Cox

President

Jeffrey R. Emer

Executive Director



2348 Brentwood Blvd. • Brentwood, MO 63144
(314) 962-4800 • FAX (314) 962-0819

June 30, 2008

The Honorable Mayor, Board of Aldermen,
and Citizens of Brentwood, Missouri

State law and local ordinances require that all general purpose local governments publish a complete set of financial statements presented in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Brentwood, Missouri (the City), for the fiscal year ended December 31, 2007.

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

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2007, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

Established in the early 1800's, the City was known as Maddenville and governed by a Board of Trustees. The City received its current name and became incorporated in 1919. The City covers approximately 2.6 miles. The City is a small city with a population of 7,365.

The City is a fourth class city and is governed under the City Administrator form of government. The legislative body is comprised of the Mayor and an eight member Board of Aldermen. Two aldermen are elected from each of the City's four wards to serve two-year terms, one half of which expire annually.

The City is located within suburban St. Louis County with easy access to Highway 40 (I-64), the Innerbelt (Highway 170), and Interstate Highway 44. The City is within fifteen minutes of the Lambert-St. Louis International Airport and within ten minutes of the downtown business and industrial heart of St. Louis. Moreover, it is just five minutes from the St. Louis County Government offices located in Clayton. This location helps to make the City a sought after place in which to live and to operate a business.

ECONOMIC CONDITION

Since mid 2004 we have seen a slow but steady increase in the total sales in the City, ranging from 3% to 5%. While we cannot predict that the trend will continue, we can be sure that we have set ourselves up to reap the benefits in good economies and weather the storm during the economic downturns. One aspect that will certainly help in down economies is building our cash reserves to a level sufficient to support our services.

MAJOR INITIATIVES

The highlight for 2007 was the start of the Highway 40 project. Obviously the City is concerned about our revenue stream since 47% of our money comes from sales tax. We are taking steps to address this potential problem. Another highlight for 2007 was the first business opening at Hanley Station. Houlihans opened in February and several other retailers have opened since. The Strassner extension opened in January 2008, providing much traffic relief for our commuters. The City also acquired a sorely needed Public Works facility in 2007, tripling their current size. The former Children's Aquarium in Hanley Industrial Court was also purchased to add to our park property.

Another great accomplishment for 2007 was the City's reserves reached one million dollars. Over the last two years, we have been fortunate to add a half million dollars to the reserves.

Several important accomplishments were achieved in 2007 regarding storm water improvements. A major project was completed between Rosalie and Eulalie that has plagued homeowners for years. The Helen Avenue storm water project, Phase 1 was completed and Phase 2 is in the design stage. Two large projects on the west side of town are moving along, the York Woods project and the Parkside project. These projects involve separating the storm and sanitary lines bringing relief to overtaxed combination lines that have been in place for many years.

Although 2007 was very busy, and many accomplishments were produced, 2008 may exceed last year with many exciting happenings occurring in and around the City. The first event to occur in 2008 is, of course, the total closure of Highway 40 from Hanley Road to Ballas Road. The City has made preparations for this event, including joining efforts with our neighboring cities of Clayton, Richmond Heights, and Maplewood to create the Mid Metro Four. This group of cities applied for and received a grant

from MoDOT in the amount of \$430,000 to market our cities during highway construction. A web site, radio and print ads, and discount cards will be part of the campaign to keep shoppers coming to the area.

In early 2008 Office Depot and Ace Hardware opened their doors on Manchester Road on the site formerly occupied by Syms. A fast food restaurant is also planning a grand opening on the same site. This is an important development for the City as it shows a commitment to reinvestment along the Manchester Road corridor. Another important development occurring on Manchester Road is the construction of Truman Bank's new headquarters at Manchester and Hanley. Other developments scheduled for 2008 openings include the Marriott Hotel at Hanley Station, 150 condos, additional retail, and three restaurants. The Strassner Road extension also opened in January 2008.

The Meridian at Brentwood project will be completed by the end of 2008. Phase II includes a seven story office building, a three story office building, and an additional parking garage. This development also contains a vital commuter link that allows drivers to access both Eager and Hanley.

The City expects to hire two additional employees in 2008, a Director of Parks and Recreation and a police, fire, and ambulance dispatcher. The parks position has been vacant for over three years and a recent study indicated a need to hire a Director to help with the overall direction of the parks department. The extra dispatcher is in response to the ever increasing number of calls for service and the expected increase with Highway 40 project.

The City should realize additional revenues in 2008 from the wireless phone settlements. We anticipate receiving a substantial increase. Throughout the year the City will continue to look for ways to generate additional revenues and reduce expenses.

To summarize, 2008 should be an interesting year. The highway project clearly is the driving force for our economic forecast. The City could be facing difficult times in the next two years or we may see increased business due to heavier traffic on our local roads. We have tried to make all of the necessary preparations including financial, public safety, and within our parks and public works. One thing most people agree with is that when the dust settles and the construction is done, mid county and specifically the City will benefit. We are poised to weather any adversity that comes our way and in the end we will reap substantial rewards.

PENSION TRUST FUND OPERATIONS

The uniformed police and fire personnel have a separate pension plan, which continues to show growth. According to the most recent actuarial valuation dated January 1, 2008, the funded ratio is 120%. This is an increase of 68% over the 2004 funded ratio. This change reflects a higher return on investments due to an increase in the market in 2007.

CASH MANAGEMENT

In order to maximize interest potential, the City's current operating funds held in checking accounts are swept daily into overnight repurchase accounts. The City also has longer-term investments in collateralized certificates of deposits. The investments are held in safekeeping at the various financial institutions trust departments in the City's name. Also in order to obtain the best possible interest rates, the City offers its investments through a competitive bid process to local banks and investment brokerage companies.

RISK MANAGEMENT

The City participates with 22 other area cities in a self-insurance pool. The St. Louis Area Insurance Trust (SLAIT) provides workers' compensation insurance coverage and property and liability insurance coverage. This self-insurance pool has provided cost savings as well as excellent coverage. SLAIT is well funded as is indicated by annual return of premiums from previous years loss control experience. The cities cooperate to minimize cost by holding quarterly safety training meetings for supervisors and employees. The City also has monthly meetings of a safety committee to discuss safety issues. Awards are issued for the best employee-submitted safety suggestions.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Finance Reporting (the Certificate) to the City for its CAFR for the fiscal year ended December 31, 2006. The Certificate is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

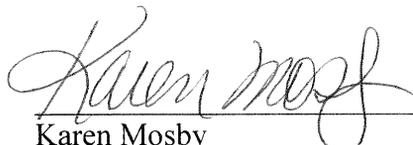
In order to be awarded a Certificate, the City must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both GAAP and applicable legal requirements. The City received its first Certificate award for the fiscal year ended December 31, 1999. A Certificate is valid for a period of only one year. We believe our current report conforms to the Certificate program requirements, and we are submitting it to the GFOA.

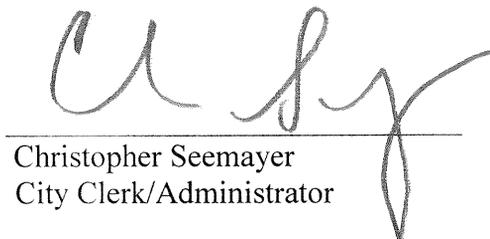
ACKNOWLEDGMENTS

The preparation of the CAFR on a timely basis was made possible by the dedicated service and cooperation of the entire administrative staff of the Finance, Administration, and Planning and Development Departments. Each member of these departments has our sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Hochschild, Bloom & Company LLP, in formulating this report.

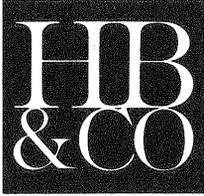
In closing, without the support of the Mayor and Board of Alderman, preparation of this report would not have been possible.

Respectfully submitted,


Karen Mosby
Finance Officer


Christopher Seemayer
City Clerk/Administrator

FINANCIAL SECTION



Hochschild, Bloom & Company LLP

Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITORS' REPORT

June 30, 2008

Honorable Mayor and Board of Aldermen
CITY OF BRENTWOOD, MISSOURI

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF BRENTWOOD, MISSOURI** (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of December 31, 2007, and the respective changes in financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2008 on our consideration of the City's internal control over financial reporting on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial 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 the 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 and required supplemental information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information, as listed in the table of contents, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Nochschild, Bloom + Company LLP

CERTIFIED PUBLIC ACCOUNTANTS

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007

This section of the City of Brentwood, Missouri's (the City) financial report presents an easily readable analysis of the City's financial activities based on currently known facts, decisions, and conditions. We encourage readers to consider the information presented here in conjunction with additional information, which is furnished in our letter of transmittal. For a comprehensive understanding of the financial statements, please review the City's financial statements, including the footnotes that follow the Management's Discussion and Analysis (MD&A).

FINANCIAL HIGHLIGHTS

On a government-wide basis, the City's total liabilities exceeded its assets for the most recent fiscal year by \$30,018,736.

Governmental activities had unrestricted net assets of (\$50,278,072). This negative amount is due to tax increment revenue bonds and notes totaling \$53,265,000 outstanding at year-end for development not owned by the City.

The cost of the City's governmental activities was \$26,095,169 in fiscal year 2007.

As of the close of the current year, the City's governmental funds reported combined ending fund balances of \$15,881,793, an increase of \$2,156,162 in comparison to the prior year. Of this amount, \$3,936,041 or 25% is unreserved funds available for spending at the City's discretion.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,823,119 or 19% of the General Fund expenditures.

The City's total debt increased by \$6,191,116 or 11% during the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplemental information and other supplemental information in addition to the basic financial statements.

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

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The statement of net assets also provides information on unrestricted and restricted net assets and net assets invested in capital assets, net of related debt.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007

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

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

The government activities of the City include administrative, police, fire, public works, planning and development, sanitation, building maintenance, recreation, community services, legislative, judicial, municipal operating, economic development, library as well as interest and fiscal charges. The City does not have any business-type activities.

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

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

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

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

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

The City maintains several individual governmental funds according to their type (General, Special Revenue, Debt Service, and Capital Projects Funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Library Fund, Tax Increment Financing District Fund,

**CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

and the Brentwood Eager Road Project Fund which are considered to be major funds. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements.

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

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

Notes to financial statements. The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on page 20 through 41 of this report.

Required supplemental information. In addition to the basic financial statements and notes to financial statements, this report presents required supplementary information concerning the City's budgetary comparisons for the General and Library Funds, which can be found on pages 43 through 46 of this report.

Other supplemental information. The combining and individual fund statements provide fund level detail for all nonmajor governmental funds and Pension Trust Funds. In addition, schedules of capital assets used in governmental funds are presented. These statements and schedules can be found on pages 48 through 63 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

In compliance with the reporting model required by the Government Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - State and Local Governments*, a comparative analysis of government-wide data is also included in this report.

Net assets. At the close of the 2007 fiscal year, the City's combined net assets were (\$30,018,736). The governmental activities condensed statement of net assets was as follows:

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>December 31</u>		<u>2007 Change</u>	
	<u>2007</u>	<u>2006</u>	<u>Amount</u>	<u>Percent</u>
ASSETS				
Current and other assets	\$20,641,025	17,508,213	3,132,812	17.9%
Capital assets, net	<u>12,923,985</u>	<u>11,570,448</u>	<u>1,353,537</u>	11.7
Total Assets	<u>33,565,010</u>	<u>29,078,661</u>	<u>4,486,349</u>	15.4
LIABILITIES				
Long-term debt outstanding	61,572,398	55,381,282	6,191,116	11.2
Other liabilities	<u>2,011,348</u>	<u>1,863,252</u>	<u>148,096</u>	7.9
Total Liabilities	<u>63,583,746</u>	<u>57,244,534</u>	<u>6,339,212</u>	11.1
NET ASSETS (DEFICIENCY)				
Invested in capital assets, net of related debt	6,404,598	4,767,362	1,637,236	34.3
Restricted	13,854,738	12,045,190	1,809,548	15.0
Unrestricted (deficit)	<u>(50,278,072)</u>	<u>(44,978,425)</u>	<u>(5,299,647)</u>	(11.8)
Total Net Deficiency	<u>(\$30,018,736)</u>	<u>(28,165,873)</u>	<u>(1,852,863)</u>	(6.6%)

As shown in the above schedule, the liabilities exceeded assets by (\$30,018,736) at the close of the current year. This deficit balance is due to the City's tax increment financing (TIF) long-term debt which is due in more than one year, and which will be paid out of TIF revenue. The TIF debt is not a general obligation of the City and, as was noted under the financial highlights, the City does not own the property. It should further be noted that a positive balance in two categories of net assets is shown for the City as a whole.

A portion of the City's net assets reflects its investment of \$6,404,598 in capital assets (e.g., land, buildings, and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

Changes in net assets. The City's total revenue on a government-wide basis was \$24,242,306, an increase over the prior year of \$2,737,919 or 13%. In the current year, taxes represent 79% of the City's revenue and charges for services represent 10%. The remainder is fines and forfeitures, interest earnings, assessments, state and federal aid (intergovernmental), and other miscellaneous revenues.

The total cost of all programs and services was \$26,095,169. The City's expenses cover a range of typical City services. The largest programs were public safety (police and fire) and economic development.

Governmental activities. Governmental activities decreased the City's net assets by \$1,852,863. Key elements of this are as follows:

**CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	For The Years		2007 Change	
	Ended December 31		Amount	Percent
	2007	2006		
REVENUES				
Program revenues:				
Charges for services	\$ 2,405,537	2,093,146	312,391	14.9%
Operating grants and contributions	848,288	688,991	159,297	23.1
Capital grants and contributions	1,200,000	16,100	1,183,900	7,353.4
General revenues:				
Taxes	19,255,952	18,137,213	1,118,739	6.2
Investments income	476,697	464,665	12,032	2.6
Miscellaneous	<u>55,832</u>	<u>104,272</u>	<u>(48,440)</u>	<u>(46.5)</u>
Total Revenues	<u>24,242,306</u>	<u>21,504,387</u>	<u>2,737,919</u>	<u>12.7</u>
EXPENSES				
Administrative	673,524	635,885	37,639	5.9
Police	2,741,984	2,584,987	156,997	6.1
Fire	2,057,089	2,000,789	56,300	2.8
Public works	1,262,523	1,219,086	43,437	3.6
Planning and development	205,776	223,760	(17,984)	(8.0)
Sanitation	628,301	641,898	(13,597)	(2.1)
Building maintenance	91,650	123,143	(31,493)	(25.6)
Recreation	1,422,062	1,449,934	(27,872)	(1.9)
Community services	154,818	174,835	(20,017)	(11.4)
Legislative	82,225	67,690	14,535	21.5
Judicial	106,028	92,993	13,035	14.0
Municipal operating	3,101,123	3,245,630	(144,507)	(4.6)
Library	477,560	544,685	(67,125)	(12.3)
Economic development	10,800,617	5,255,618	5,544,999	105.5
Interest on long-term debt	<u>2,289,889</u>	<u>2,562,088</u>	<u>(272,199)</u>	<u>(10.6)</u>
Total Expenses	<u>26,095,169</u>	<u>20,823,021</u>	<u>5,272,148</u>	<u>25.3</u>
CHANGE IN NET ASSETS	(1,852,863)	681,366	(2,534,229)	(371.9)
NET DEFICIENCY, JANUARY 1	(28,165,873)	(28,847,239)	<u>681,366</u>	2.4
NET DEFICIENCY, DECEMBER 31	(<u>\$30,018,736</u>)	(<u>28,165,873</u>)	(<u>1,852,863</u>)	(6.6%)

SIGNIFICANT CHANGES IN NET ASSETS

The decrease in net assets is largely due to economic development, which increased \$5,544,999 due to the issuance of TIF notes for the Hanley Station Project.

**CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$1,823,119. This amount represents the total fund balance, at this time, there are no funds allocated as reserved funds other than \$90 for prepaid items.

The fund balance in the City's General Fund increased by \$549,626 or 43% from the prior year's fund balance. The change of the current fiscal year's fund balance is mainly due to:

1. Sales tax was up due to businesses opening.
2. License fees were up due to an increased business license fee structure.
3. Fines and forfeitures increased due to increasing the police manpower for traffic control.

The fund balance for the Library Fund decreased \$114,587. This decrease was due to taxes being lower than anticipated.

Fiduciary funds. The City maintains Fiduciary Funds for the assets of the uniformed personnel through the Police and Firemen's Retirement Fund Plan. As of the end of the current fiscal year ending December 31, 2007, the net assets of the Pension Fund totaled \$21,804,288. This represents an increase of \$2,181,902 in total net assets over the last fiscal year. This change is primarily due to increases in the market value of the Pension Fund's investments.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budget for the City's General Fund expenditures for the fiscal year ending December 31, 2007, was \$9,588,486. The General Fund ended the year with an operating balance of \$549,626.

CAPITAL ASSETS

The City invested \$2,155,217 in a broad range of capital assets, including buildings, park facilities, and vehicles. This amount represents a net increase for the current fiscal year (including additions and deletions) of \$1,353,537.

Capital assets, net of depreciation, were as follows:

**CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	December 31	
	2007	2006
Land	\$ 3,159,163	3,159,163
Construction in progress	191,495	88,305
Buildings and other improvements	5,839,188	4,130,431
Machinery and equipment	1,025,805	1,114,352
Vehicles	792,726	850,468
Infrastructure	<u>1,915,608</u>	<u>2,227,729</u>
Total	<u>\$12,923,985</u>	<u>11,570,448</u>

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

Additional information on the City's capital assets can be found in Note D found on pages 30 and 31 of this report.

LONG-TERM DEBT

At the end of the fiscal year 2007, the City has outstanding long-term debt obligations for governmental activities in the amount of \$59,844,398 compared to \$53,416,249 in fiscal year 2006. Of this amount, \$449,398 is capital lease payable, \$2,105,000 are general obligation bonds, \$4,025,000 are certificates of participation, \$5,000,000 are tax increment revenue notes, and \$48,265,000 are tax increment revenue bonds.

The City's governmental activities outstanding long-term debt obligations is detailed below:

	December 31		Change
	2007	2006	
Capital lease	\$ 449,398	61,249	633.7%
General obligation bonds	2,105,000	2,475,000	(14.9)
Certificates of participation	4,025,000	4,285,000	(6.1)
Tax increment revenue notes	5,000,000	5,000,000	-
Tax increment revenue bonds	<u>48,265,000</u>	<u>41,595,000</u>	16.0
Total	<u>\$59,844,398</u>	<u>53,416,249</u>	12.0

State statutes limit the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for fiscal year 2007 was \$32,361,818. As is shown in this bond indebtedness schedule, the City is well under this limit.

The City's underlying general obligation credit rating by Moody's Investor's Service, Inc. as of December 31, 2007 was Aa.

**CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Additional information on the City's long-term debt can be found in Note C found on pages 27 through 30 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2008 General Fund budget is \$10,037,447, an increase of 5% over the 2007 budget appropriation.

This increase in budget is due to the sale of two City properties, the former Masonic Temple and the Public Works garage plus the wireless phone settlement. Without these one-time sources we actually have a decrease in General Fund revenue. The main reason for the decrease is the potential loss of sales tax revenue due to Highway 40 construction.

Areas of increase within the General Fund include pay raises, employee benefits, fuel, and insurance.

REQUESTS FOR INFORMATION

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

City of Brentwood
Department of Finance
2348 South Brentwood Blvd.
Brentwood, MO 63144
314-962-4800

CITY OF BRENTWOOD, MISSOURI**STATEMENT OF NET ASSETS****DECEMBER 31, 2007**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 2,421,546
Investments	1,098,426
Receivables (net of allowances for uncollectibles):	
Property taxes	3,110,296
Other	1,874,666
Prepaid items	192,338
Bond issue costs	952,447
Restricted assets	8,611,825
Net pension asset	2,379,481
Capital assets:	
Land and construction in progress	3,350,658
Other capital assets, net of accumulated depreciation	9,573,327
Total Assets	<u>33,565,010</u>
LIABILITIES	
Accounts payable	124,348
Accrued interest payable	927,628
Deposits payable	64,319
Due to Fiduciary Fund	540,020
Funds held for others	355,033
Noncurrent liabilities:	
Due within one year	6,471,105
Due in more than one year	55,101,293
Total Liabilities	<u>63,583,746</u>
NET ASSETS (DEFICIENCY)	
Invested in capital assets, net of related debt	6,404,598
Restricted for:	
Debt service	11,674,088
Library	488,271
Capital projects	1,692,379
Unrestricted (deficit)	<u>(50,278,072)</u>
Total Net Deficiency	<u>\$ (30,018,736)</u>

CITY OF BRENTWOOD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

	Program Revenues			Net Revenues (Expenses) And Changes In Net Assets Primary Government	
FUNCTIONS/PROGRAMS	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities
Primary Government					
Governmental Activities					
Administrative	\$ 673,524	9,331	-	-	(664,193)
Police	2,741,984	778,110	15,337	-	(1,948,537)
Fire	2,057,089	208,922	-	-	(1,848,167)
Public works	1,262,523	104,133	816,955	1,200,000	858,565
Planning and development	205,776	337,769	-	-	131,993
Sanitation	628,301	30,151	10,000	-	(588,150)
Building maintenance	91,650	-	-	-	(91,650)
Recreation	1,422,062	924,731	-	-	(497,331)
Community services	154,818	-	-	-	(154,818)
Legislative	82,225	-	-	-	(82,225)
Judicial	106,028	-	-	-	(106,028)
Municipal operating	3,101,123	-	-	-	(3,101,123)
Library	477,560	12,390	5,996	-	(459,174)
Economic development	10,800,617	-	-	-	(10,800,617)
Interest on long-term debt	2,289,889	-	-	-	(2,289,889)
Total Governmental Activities	\$ 26,095,169	2,405,537	848,288	1,200,000	(21,641,344)
General Revenues					
Taxes:					
Sales tax					12,698,947
Property taxes					4,007,401
Utility taxes					1,338,886
Other					1,210,718
Investment income					476,697
Gain on sale of assets					3,669
Miscellaneous					52,163
Total General Revenues					19,788,481
CHANGE IN NET ASSETS					(1,852,863)
NET DEFICIENCY, JANUARY 1					(28,165,873)
NET DEFICIENCY, DECEMBER 31					\$ (30,018,736)

See notes to financial statements

CITY OF BRENTWOOD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2007

	<u>General</u>	<u>Library</u>	<u>Tax Increment Financing District</u>	<u>Brentwood Eager Road Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash	\$ 702,414	191,155	1,219,920	-	308,057	2,421,546
Investments	1,001,672	96,754	-	-	-	1,098,426
Receivables:						
Property taxes	114,910	204,088	2,168,849	-	622,449	3,110,296
Other	1,266,898	-	-	-	607,768	1,874,666
Prepaid items	90	-	-	-	-	90
Restricted assets	-	-	52,898	1,000,000	7,558,927	8,611,825
Due from other funds	233	21,362	527,181	-	4,411,674	4,960,450
	<u>233</u>	<u>21,362</u>	<u>527,181</u>	<u>-</u>	<u>4,411,674</u>	<u>4,960,450</u>
Total Assets	<u>\$ 3,086,217</u>	<u>513,359</u>	<u>3,968,848</u>	<u>1,000,000</u>	<u>13,508,875</u>	<u>22,077,299</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 57,089	1,026	-	-	66,233	124,348
Deposits payable	64,319	-	-	-	-	64,319
Deferred revenues	40,456	71,852	-	-	39,028	151,336
Due to other funds	1,101,144	-	3,613,815	-	785,511	5,500,470
Funds held for others	-	-	355,033	-	-	355,033
Total Liabilities	<u>1,263,008</u>	<u>72,878</u>	<u>3,968,848</u>	<u>-</u>	<u>890,772</u>	<u>6,195,506</u>
Fund Balances						
Reserved for:						
Prepaid items	90	-	-	-	-	90
Debt service	-	-	-	1,000,000	10,945,662	11,945,662
Unreserved:						
General Fund	1,823,119	-	-	-	-	1,823,119
Special Revenue Fund	-	440,481	-	-	-	440,481
Capital Projects Funds	-	-	-	-	1,672,441	1,672,441
Total Fund Balances	<u>1,823,209</u>	<u>440,481</u>	<u>-</u>	<u>1,000,000</u>	<u>12,618,103</u>	<u>15,881,793</u>
Total Liabilities And Fund Balances	<u>\$ 3,086,217</u>	<u>513,359</u>	<u>3,968,848</u>	<u>1,000,000</u>	<u>13,508,875</u>	<u>22,077,299</u>

CITY OF BRENTWOOD, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2007

Total Fund Balances - Governmental Funds	\$ 15,881,793
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$22,307,995 and the accumulated depreciation is \$9,384,010.	12,923,985
Prepaid assets used in governmental activities are not financial resources if they expire after 30 days and, therefore, are not reported in the governmental funds.	192,248
Net pension assets are not financial resources and, therefore, are not reported in the governmental funds.	2,379,481
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	151,336
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(927,628)
Compensated absences	(2,302,683)
Bonds, notes payable, and capital lease obligations outstanding	(59,269,715)
Unamortized bond issuance cost	952,447
Total Net Deficiency Of Governmental Activities	\$ (30,018,736)

CITY OF BRENTWOOD, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>General</u>	<u>Library</u>	<u>Tax Increment Financing District</u>	<u>Brentwood Eager Road Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 5,835,742	320,483	8,515,322	-	3,866,154	18,537,701
Licenses and permits	1,548,487	-	-	-	-	1,548,487
Fines and forfeitures	691,227	-	-	-	-	691,227
Intergovernmental	249,247	5,996	-	-	-	255,243
Charges for services	1,149,355	12,390	-	-	-	1,161,745
Assessments	-	-	-	-	103,114	103,114
Investment income	115,624	11,600	552	-	348,921	476,697
Miscellaneous	400,822	14,336	-	-	-	415,158
Total Revenues	<u>9,990,504</u>	<u>364,805</u>	<u>8,515,874</u>	<u>-</u>	<u>4,318,189</u>	<u>23,189,372</u>
EXPENDITURES						
Current:						
Administrative	677,909	-	-	-	-	677,909
Police	2,469,762	-	-	-	-	2,469,762
Fire	1,872,507	-	-	-	-	1,872,507
Public works	638,762	-	-	-	-	638,762
Planning and development	204,630	-	-	-	-	204,630
Sanitation	458,917	-	-	-	-	458,917
Building maintenance	62,437	-	-	-	-	62,437
Community services	154,818	-	-	-	-	154,818
Legislative	82,225	-	-	-	-	82,225
Judicial	98,765	-	-	-	-	98,765
Municipal operating	2,748,653	-	44,996	-	1,004,859	3,798,508
Library	-	445,550	-	-	-	445,550
Economic development	-	-	-	10,600,000	-	10,600,000
Intergovernmental	-	-	-	-	428,137	428,137
Capital outlay	-	-	-	-	2,798,184	2,798,184
Debt service:						
Principal	-	-	-	-	6,705,000	6,705,000
Interest and fiscal charges	-	1,986	-	-	2,041,542	2,043,528
Debt issuance costs	-	-	-	-	573,385	573,385
Total Expenditures	<u>9,469,385</u>	<u>447,536</u>	<u>44,996</u>	<u>10,600,000</u>	<u>13,551,107</u>	<u>34,113,024</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>521,119</u>	<u>(82,731)</u>	<u>8,470,878</u>	<u>(10,600,000)</u>	<u>(9,232,918)</u>	<u>(10,923,652)</u>
OTHER FINANCING SOURCES (USES)						
Capital lease	-	-	-	-	400,000	400,000
Issuance of long-term debt	-	-	-	11,600,000	9,310,000	20,910,000
Refunding of long-term debt	-	-	-	-	(8,258,693)	(8,258,693)
Transfers in	-	-	-	-	17,489,572	17,489,572
Transfers out	-	(31,856)	(8,470,878)	-	(8,986,838)	(17,489,572)
Sale of capital assets	28,507	-	-	-	-	28,507
Total Other Financing Sources (Uses)	<u>28,507</u>	<u>(31,856)</u>	<u>(8,470,878)</u>	<u>11,600,000</u>	<u>9,954,041</u>	<u>13,079,814</u>
NET CHANGE IN FUND BALANCES	549,626	(114,587)	-	1,000,000	721,123	2,156,162
FUND BALANCES, JANUARY 1	<u>1,273,583</u>	<u>555,068</u>	<u>-</u>	<u>-</u>	<u>11,896,980</u>	<u>13,725,631</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,823,209</u>	<u>440,481</u>	<u>-</u>	<u>1,000,000</u>	<u>12,618,103</u>	<u>15,881,793</u>

See notes to financial statements

CITY OF BRENTWOOD, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Net Change In Fund Balances - Governmental Funds \$ 2,156,162

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold (\$955,217) exceeded depreciation (\$776,842) in the current period. 178,375

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 100,578

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations) is to increase net assets. 1,175,162

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issued:			
Capital lease	(400,000)		
Bonds payable	(20,910,000)		
Issuance costs	573,385		
Deferred charges	584,121		
Repayments:			
Capital lease	11,851		
Debt payable	14,870,000		
Amortization	(577,705)		
Accrued compensated absence liability -- net increase	(129,301)		
Net Adjustment		(5,977,649)	

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 the governmental funds.

Accrued interest on debt	(159,083)	
Prepaid insurance	6,710	
Net pension asset	666,882	514,509

Change In Net Assets Of Governmental Activities \$ (1,852,863)

CITY OF BRENTWOOD, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS -
PENSION TRUST FUND
DECEMBER 31, 2007

ASSETS

Cash \$ 392,688

Investments:

Common stock 12,229,647

U.S. government and agency securities 1,164,800

Money market accounts 7,378,525

Total Investments 20,772,972

Interest receivable 98,608

Due from other funds 540,020

21,804,288

NET ASSETS

Held in trust for pension benefits \$ 21,804,288

CITY OF BRENTWOOD, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -
PENSION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

ADDITIONS

Investment income:	
Net appreciation in fair value of investments, interest, and dividends	\$ 1,804,004
Less - Investment expense	<u>(113,940)</u>
Total Investment Income	1,690,064
Employer contributions	935,668
Employee contributions	<u>208,502</u>
Total Additions	<u>2,834,234</u>

DEDUCTIONS

Benefits paid	642,991
Professional fees	<u>9,341</u>
Total Deductions	<u>652,332</u>

CHANGE IN NET ASSETS	2,181,902
NET ASSETS, JANUARY 1	<u>19,622,386</u>
NET ASSETS, DECEMBER 31	<u><u>\$ 21,804,288</u></u>

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF BRENTWOOD, MISSOURI** (the City) was created in 1919. The City operates under a Mayor/Council form of government and provides the following services: public safety (police and fire), public works, recreation, community development, and general administrative services.

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

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. It was determined that there are no component units to be included in the City's reporting entity.

2. Government-wide and Fund Financial Statements

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

The City reports the following major governmental funds:

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

Library Fund -- The Library Fund is a Special Revenue Fund used to account for special revenues received for the Brentwood Public Library.

Tax Increment Financing District Fund -- The Tax Increment Financing District Fund is a Special Revenue Fund used to account for revenues and expenditures related to specific economic development projects.

Brentwood Eager Road Project Fund -- The Brentwood Eager Road Project Fund is a Capital Projects Fund used to account for improvements to the Eager Road Redevelopment Area.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports the following fund types:

Pension Trust Fund -- The Pension Trust Fund is used to account for assets of the Police and Firemen's Pension Trust Fund.

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

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

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

4. Cash and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities.

Statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities. The Pension Trust Fund is also authorized to invest in corporate stocks and bonds as allowed by state law.

5. Allowance for Uncollectibles

Other receivables are shown net of an allowance for uncollectibles of \$8,597.

6. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are recorded in the government-wide financial statements and in the fund financial statements if they expire in 30 days.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Restricted Assets

Certain resources set aside for the payment of construction projects and tax increment financing bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

8. Due To/From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in “advances to” asset accounts) are equally offset by a fund balance reserve account which indicates that they do not constitute “available spendable resources” since they are not a component of net current assets. Current portions of long-term interfund loans receivable (reported in “due from” asset accounts) are considered “available spendable resources” and are subject to elimination upon consolidation.

9. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure acquired prior to the implementation of GASB 34 has been reported.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation is being computed on the straight-line method, using asset lives as follows:

Assets	Years
Buildings and other improvements	20 - 50
Machinery and equipment	5 - 30
Vehicles	8
Infrastructure	20

10. Compensated Absences

Earned vacation time is required to be used within one year of accrual. Upon termination, accumulated vacation is generally paid to the employee. Sick leave is generally paid upon termination. The City allows employees to accumulate unused sick leave to a maximum of 120 days (general) and 60 days (fire). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Long-Term Obligations

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

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

12. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

13. Property Tax Revenue

Property taxes attach as an enforceable lien on property as of January 1, based on the assessed value of the property. Taxes are levied in September and are due and payable on or before December 31.

Property tax revenue is recognized to the extent it is collected within 60 days after year-end in the fund financial statements. Property taxes not collected within 60 days of year-end are deferred for fund financial statements but are recognized as revenue in the government-wide financial statements.

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

14. Interfund Transactions

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Interfund Transactions (Continued)

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

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

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

15. Use of Estimates

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

NOTE B - CASH AND INVESTMENTS

1. Deposits

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

At December 31, 2007, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

As of December 31, 2007, the City had the following investments:

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

<u>Investments</u>	<u>Fair Market Value</u>	<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>More Than 10 Years</u>	<u>Credit Risk</u>
Primary Government							
Repurchase agreement	\$ 1,706,710	-	1,706,710	-	-	-	AAA
Government securities:							
U.S. agencies	256,093	-	256,093	-	-	-	AAA
Money market funds	8,303,464	8,303,464	-	-	-	-	Not Rated
Certificates of deposit	<u>1,097,796</u>	<u>-</u>	<u>1,097,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	N/A
Total Primary Government	<u>11,364,063</u>	<u>8,303,464</u>	<u>3,060,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fiduciary Funds							
Common stock	12,229,647	12,229,647	-	-	-	-	N/A
Government securities:							
U.S. Treasury notes	1,158,452	-	-	-	1,158,452	-	N/A
Mutual fund bonds	6,348	-	-	-	-	6,348	Not Rated
Money market funds	<u>7,378,525</u>	<u>7,378,525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not Rated
Total Fiduciary Investments	<u>20,772,972</u>	<u>19,608,172</u>	<u>-</u>	<u>-</u>	<u>1,158,452</u>	<u>6,348</u>	
Grand Total Investments	<u>\$32,137,035</u>	<u>27,911,636</u>	<u>3,060,599</u>	<u>-</u>	<u>1,158,452</u>	<u>6,348</u>	

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have a written investment policy covering credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City does not have a written investment policy covering interest rate risk.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a written investment policy covering concentration of credit risk.

Custodial Credit Risk

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

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by diversifying the investment portfolio.

NOTE C - LONG-TERM DEBT

Long-term debt consisted of the following:

	<u>December 31</u> <u>2007</u>
Certificates of Participation	
2002 certificates of participation issue of \$3,300,000 used for acquiring, constructing, and improving the police station. Interest rates range from 2.1% to 4.95%.	\$2,690,000
2003 certificates of participation issue of \$1,330,000 used for renovating, improving, furnishing, and equipping the existing library and fire station. Interest rates range from 1.25% to 4.3%.	1,130,000
2003B certificates of participation issue of \$1,130,000 used for renovating, improving, furnishing, and equipping the fire station. Interest rates range from 1.7% to 3.2%.	<u>205,000</u>
	<u>\$4,025,000</u>
General Obligation Bonds	
1998 general obligation refunding bond issue of \$3,215,000 used for advance refunding of portion of 1991 and 1992 bond issues. Interest rates range from 3.35% to 4.65%.	\$1,665,000
1993 general obligation bond issue of \$1,000,000 used for acquiring, constructing, expanding, improving, and equipping parks and recreation facilities. Interest rates range from 4% to 6.5%.	<u>440,000</u>
	<u>\$2,105,000</u>

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - LONG-TERM DEBT (Continued)

A summary of principal debt service requirements is as follows:

For The Years Ended December 31	General Obligation Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
2008	\$ 390,000	96,749	270,000	170,790
2009	405,000	77,502	315,000	161,103
2010	425,000	57,586	200,000	152,019
2011	450,000	35,136	205,000	144,297
2012	435,000	11,450	215,000	135,986
2013 - 2017	-	-	1,205,000	533,920
2018 - 2022	-	-	1,520,000	214,630
2023	-	-	95,000	2,233
	<u>\$2,105,000</u>	<u>278,423</u>	<u>4,025,000</u>	<u>1,514,978</u>

The City has tax increment revenue bonds and notes which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds and notes do not constitute a general obligation of the City. Bonds and notes outstanding at December 31, 2007 are as follows:

	Date Issued	Date Of Maturity	Date Of Annual Payment	Original Amount	Balance December 31 2007
Tax increment revenue bonds:					
Brentwood Promenade	12-12-2002	4-1-2019	April 1	\$22,900,000	\$ 9,990,000
Brentwood Square	8-26-2005	5-1-2022	May 1	13,885,000	11,810,000
Brentwood Pointe	4-29-2005	5-1-2023	May 1	6,785,000	5,555,000
Brentwood Eager Road - A	12-21-2007	11-1-2023	May 1	7,675,000	7,675,000
Brentwood Eager Road - B	12-21-2007	11-1-2023	May 1	13,235,000	13,235,000
Tax increment revenue note:					
Hanley Strassner	3-10-2006	9-14-2026	-	5,000,000	<u>5,000,000</u>
					<u>\$53,265,000</u>

In 2007 the City issued \$20,910,000 of tax increment revenue bonds for a current refunding of \$8,165,000 of 2004 tax increment revenue bonds. The refunding was undertaken to provide additional funding.

A savings analysis could not be generated because the bonds do not have mandatory sinking fund redemptions.

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - LONG-TERM DEBT (Continued)

The following is a summary of the changes in the City's long-term debt:

	<u>For The Year Ended December 31, 2007</u>			<u>Balance</u> <u>December 31</u> <u>2007</u>	<u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u>
	<u>Balance</u> <u>December 31</u> <u>2006</u>	<u>Additions</u>	<u>Reductions</u>		
	Governmental Activities				
Bonds, notes payable, and capital lease obligations:					
Tax increment revenue bonds	\$41,595,000	20,910,000	14,240,000	48,265,000	5,430,000
Tax increment revenue notes	5,000,000	-	-	5,000,000	-
General obligation bonds	2,475,000	-	370,000	2,105,000	390,000
Certificates of participation	4,285,000	-	260,000	4,025,000	270,000
Capital lease	61,249	400,000	11,851	449,398	12,676
Less - Deferred amount:					
For issuance discounts	(125,189)	-	(89,178)	(36,011)	-
On refunding	(83,160)	(584,121)	(128,609)	(538,672)	-
Total Bonds, Notes Payable, And Capital Lease Obligations	53,207,900	20,725,879	14,664,064	59,269,715	6,102,676
Compensated absences payable	<u>2,173,382</u>	<u>474,704</u>	<u>345,403</u>	<u>2,302,683</u>	<u>368,429</u>
 Total Governmental Activity Long-Term Liabilities	 <u>\$55,381,282</u>	 <u>21,200,583</u>	 <u>15,009,467</u>	 <u>61,572,398</u>	 <u>6,471,105</u>

Compensated absences are generally liquidated by the General Fund. Bonds payable are liquidated by the appropriate related fund.

Capital Lease

During 2006 the City entered into a lease agreement as lessee for financing the acquisition of a Mobile Stage. During 2007 the City entered into a lease agreement for the acquisition of a building.

The asset acquired through the capital lease is as follows:

	<u>December 31</u> <u>2007</u>
Building and improvements	\$400,000
Machinery and equipment	82,056
Less - Accumulated depreciation	<u>6,909</u>
	<u>\$475,147</u>

NOTE C - LONG-TERM DEBT (Continued)

The future minimum capital lease obligations and the net present value of these minimum lease payments as of December 31, 2007 were as follows:

For The Years	
<u>Ended December 31</u>	
2008	\$ 37,623
2009	37,623
2010	37,623
2011	30,852
2012	<u>412,833</u>
Total Minimum Lease Payments	556,554
Less - Amount representing interest	<u>107,156</u>
 Present Value of Minimum Lease Payments	 <u>\$449,398</u>

NOTE D - CAPITAL ASSETS

Capital asset activity was as follows:

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - CAPITAL ASSETS (Continued)

	<u>For The Year Ended December 31, 2007</u>			
	<u>Balance</u>			<u>Balance</u>
	<u>December 31</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31</u>
	<u>2006</u>			<u>2007</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 3,159,163	-	-	3,159,163
Construction in progress	<u>88,305</u>	<u>103,190</u>	<u>-</u>	<u>191,495</u>
Total Capital Assets Not Being				
Depreciated	<u>3,247,468</u>	<u>103,190</u>	<u>-</u>	<u>3,350,658</u>
Capital assets, being depreciated:				
Buildings and other improvements	5,958,136	1,848,652	-	7,806,788
Machinery and equipment	2,705,696	76,271	8,270	2,773,697
Vehicles	2,082,825	127,104	75,488	2,134,441
Infrastructure	<u>6,242,411</u>	<u>-</u>	<u>-</u>	<u>6,242,411</u>
Total Capital Assets Being				
Depreciated	<u>16,989,068</u>	<u>2,052,027</u>	<u>83,758</u>	<u>18,957,337</u>
Less - Accumulated depreciation for:				
Buildings and other improvements	1,827,705	139,895	-	1,967,600
Machinery and equipment	1,591,344	157,330	782	1,747,892
Vehicles	1,232,357	167,496	58,138	1,341,715
Infrastructure	<u>4,014,682</u>	<u>312,121</u>	<u>-</u>	<u>4,326,803</u>
Total Accumulated Depreciation	<u>8,666,088</u>	<u>776,842</u>	<u>58,920</u>	<u>9,384,010</u>
Total Capital Assets Being				
Depreciated, Net	<u>8,322,980</u>	<u>1,275,185</u>	<u>24,838</u>	<u>9,573,327</u>
 Governmental Activities Capital				
Assets, Net	<u>\$11,570,448</u>	<u>1,378,375</u>	<u>24,838</u>	<u>12,923,985</u>

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

	<u>For The Year Ended</u>
	<u>December 31, 2007</u>
Governmental activities:	
Administrative	\$ 1,147
Police	139,200
Fire	74,026
Public works	365,023
Sanitation	46,166
Building maintenance	18,606
Recreation	102,265
Library	<u>30,409</u>
	<u>\$776,842</u>

NOTE E - EMPLOYEE RETIREMENT SYSTEMS

1. Police and Firemen's Pension Fund (PFPF)

Plan Description and Provisions

Substantially all of the City's full-time police and fire employees participate in the PFPF, a single-employer, defined benefit pension plan. The Plan was created and is governed by City ordinance in accordance with Missouri state statutes. Contribution requirements are established by City ordinance. The Plan is included in the financial statements of the City as a Pension Trust Fund and does not issue a separate financial statement. The Plan may be amended under the provisions of the original ordinance.

Basis of Accounting

The financial statements of the Pension Trust Fund are prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are financed by the Pension Trust Fund.

As of December 31, 2006 (the most recent actuarial valuation date), membership in the PFPF is comprised of the following:

Group	
Retirees, disabled, and beneficiaries currently receiving benefits and vested terminated employees	29
Active employees:	
Fully vested	27
Nonvested	20

The Pension Plan provides that a member with 20 or more years of service may retire at age 55 and receive a monthly retirement benefit equal to 1) 3.25% of final average compensation (FAC) times the number of years of service, up to 20 years plus 2) 1% of FAC times the number of years of service in excess of 20, up to 10 additional years. Upon the death of the retired member, two-thirds of the monthly benefit will be continued to his/her widow until their death or remarriage. FAC, as used in this summary, means the highest average monthly salary received in any 24 consecutive full calendar months of employment. The Plan also provides death and disability benefits.

Employees of the police and fire departments are required to pay 6% of their base salary to the Pension Plan. Payments are deducted from the employees' salaries and remitted by the City to the Pension Trust Fund on a biweekly basis. Other funding is provided to the Pension Trust Fund in the form of ad valorem tax. If an employee leaves the employment

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)

1. Police and Firemen's Pension Fund (PFPF) (Continued)

of the City with less than 10 years of service, the accumulated contributions are refunded to the employee. If an employee leaves with more than 10 years but less than 20 years of service, they may elect to receive their accumulated contributions plus interest, or leave the funds until retirement and receive 3% of FAC times the number of years of service.

Funding Status and Progress

Pension Plan			
Valuation For The Actuarial Years Ended December 31	Actuarial Value Of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)
2006	\$19,599,111	\$25,631,632	\$6,032,521
2005	17,924,899	24,243,248	6,318,349
2004	16,722,777	23,338,184	6,615,407
2003	15,040,545	22,002,017	6,961,472
2002	13,653,577	22,665,590	9,012,013
2001	14,259,795	21,353,085	7,093,290
Valuation For The Actuarial Years Ended December 31	Funded Ratio	Covered Payroll	UAAL As A Percentage Of Covered Payroll
2006	76.5%	\$3,212,667	187.8%
2005	73.9	3,090,200	204.5
2004	71.7	3,122,800	211.8
2003	68.3	3,000,800	231.9
2002	60.2	2,910,333	309.7
2001	66.8	2,789,217	254.3

NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)

1. Police and Firemen's Pension Fund (PFPF) (Continued)

Schedule Of Contributions			
For The Years Ended December 31	Annual Required Contribution	Actual Contribution	Percentage Contributed
2006	\$374,754	\$1,095,966	292.4%
2005	469,103	920,076	196.1
2004	477,671	746,266	156.2
2003	508,165	808,108	159.0
2002	731,882	478,219	65.3
2001	524,738	493,726	94.1

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

Actuarial cost method	Frozen entry age
Asset valuation method	At market value
Amortization method	Level dollar
Amortization period	35 years and Closed
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	5.5%
Inflation rate	-

Annual Pension Cost

Current year annual pension costs for the Plan are shown in the trend information. Annual required contributions were made by the Plan. The Plan does not have a net pension obligation.

Trend Information

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

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)

1. Police and Firemen's Pension Fund (PFPF) (Continued)

Pension Plan			
Valuation For The Years Ended December 31	Annual Pension Cost	Percentage Contributed	Net Pension Asset
2006	\$429,084	255.4%	\$2,379,481
2005	514,876	178.7	1,712,599
2004	511,580	145.9	1,307,399
2003	531,381	152.1	1,072,713
2002	763,352	62.6	795,986
2001	555,591	88.9	1,081,119

Pension Plan							
Valuation For The Actuarial Years Ended December 31	Annual Required Contri- bution	Adjustment To Annual Required Contribution	Interest On Net Pension Obligation (Asset)	Annual Pension Cost	Actual Contri- bution	Increase (Decrease) In Net Pension Obligation (Asset)	Net Pension Obligation (Asset) End Of Year
2006	\$374,754	182,775	(128,445)	429,084	(1,095,966)	(666,882)	(2,379,481)
2005	469,103	143,828	(98,055)	514,876	(920,076)	(405,200)	(1,712,599)
2004	477,671	114,362	(80,453)	511,580	(746,266)	(234,686)	(1,307,399)
2003	508,165	82,915	(59,699)	531,381	(808,108)	(276,727)	(1,072,713)
2002	731,882	107,148	(75,678)	763,352	(478,219)	285,133	(795,986)
2001	524,738	110,862	(80,009)	555,591	(493,726)	61,865	(1,081,119)

2. Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

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

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

NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Funding Policy

The City's full-time employees do not contribute to the Pension Plan. The City is required by state statute to contribute at an actuarially determined rate; the current rate is 7.9% (general) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by state statute.

For 2007 the City's annual pension cost of \$231,874 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2005 and/or 2006 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; b) projected salary increases of 4% per year, compounded annually, attributable to inflation; c) additional projected salary increases ranging from 0% to 6% per year, depending on age and division, attributable to seniority/merit; d) pre-retirement mortality based on RP-2000 Combined Healthy Table set back zero years for men and zero years for women; and e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back one year for men and seven years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2007 was 15 years.

Three year trend information follows:

<u>For The Years Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation</u>
2007	\$231,874	100%	\$ -
2006	231,252	100	-
2005	211,969	100	-

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Schedule of funding progress follows:

<u>For The Years Ended February 28</u>	<u>Entry Age Actuarial Value Of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Excess Of Assets Over AAL</u>
2007	\$5,465,986	\$4,950,328	\$515,658
2006	4,738,987	4,417,704	321,283
2005	4,361,704	4,149,410	212,294

<u>For The Years Ended February 28</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Excess Assets As A Percentage Of Covered Payroll</u>
2007	110%	\$2,778,047	18.6%
2006	107	2,788,653	11.5
2005	105	2,764,738	7.7

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS' office in Jefferson City, MO.

NOTE F - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with GASB Statement No. 32, *Deferred Compensation Plans*, the City does not report the assets and associated liabilities within their financial statements as the deferred compensation plan is now a trust fund whose assets are not held by the City in a fiduciary capacity.

NOTE G - RESTRICTED ASSETS

Restricted assets consisted of the following:

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - RESTRICTED ASSETS (Continued)

	<u>December 31</u> <u>2007</u>
Cash and investments:	
Major Funds:	
Special Revenue Funds - Tax Increment Financing District	\$ 52,898
Debt Service Funds - Eager Road Project	1,000,000
Nonmajor Funds:	
Capital Projects - Brentwood Square Revenue Fund	49
Capital Projects - Brentwood Square Project Fund	102,516
Capital Projects - Police Station Project Fund	177
Capital Projects - Library Construction Fund	19,090
Debt Service Funds - Brentwood Square:	
Debt Service Fund	3,905
Debt Service Reserve Fund	909,215
Economic Activity Tax Revenue Fund	354,976
Municipal Revenue Fund	114,806
Redemption Fund	542,217
Revenue Fund	500
Debt Service Funds - Hanley Station:	
Economic Activity Tax Revenue Fund	32,723
Debt Service Funds - Brentwood Promenade:	
Debt Service Reserve Fund	1,080,080
Debt Service Fund	208,420
Economic Activity Tax Revenue Fund	805,609
Pilots Fund	3
Municipal Revenue Fund	406,407
Revenue Fund	7,833
Redemption Fund	10,796
Debt Service Funds - Brentwood Pointe:	
Debt Service Reserve Fund	501,513
Debt Service Fund	247,155
Economic Activity Tax Revenue Fund	120,811
Pilots Fund	2
Redemption Fund	5,886
Municipal Revenue Fund	26,341
Debt Service Funds - Police Station:	
Interest Fund	60,973
Principal Fund	135,053
Reserve Fund	255,364
Debt Service Funds - Library:	
Reserve Fund	101,095
Payment Fund	2,741

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - RESTRICTED ASSETS (Continued)

	<u>December 31</u> <u>2007</u>
Debt Service Funds - City Hall:	
Reserve Fund	114,255
Payment Fund	3,247
Prepayment Fund	220
Debt Service Funds - Brentwood Eager Road:	
Debt Service Fund	873
Economic Activity Tax Revenue Fund	58,327
Pilots Fund	4
Redemption Fund	6,171
Cost of Issuance Fund	128,163
Capitalized Interest Fund	<u>1,191,411</u>
	<u>\$8,611,825</u>
Cash	\$ 52,898
Investments	<u>8,558,927</u>
	<u>\$8,611,825</u>

NOTE H - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

		<u>December 31</u> <u>2007</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Nonmajor Funds	\$ 233
Tax Increment Financing District	General Fund	354,095
Tax Increment Financing District	Nonmajor Funds	173,086
Library Fund	General Fund	13,609
Library Fund	Tax Increment Financing District	7,753
Nonmajor Funds	Tax Increment Financing District	3,606,062
Nonmajor Funds	General Fund	733,440
Nonmajor Funds	Nonmajor Funds	72,172
Pension Trust Fund	Nonmajor Funds	<u>540,020</u>
		<u>\$5,500,470</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) inter-fund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2008.

CITY OF BRENTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>December 31</u> <u>2007</u>
Nonmajor Funds	Library	\$ 31,856
Nonmajor Funds	Tax Increment Financing District	8,470,878
Nonmajor Funds	Nonmajor Funds	<u>8,986,838</u>
		<u>\$17,489,572</u>

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

NOTE J - COMMITMENTS AND CONTINGENCIES

The City generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed and determinable in amount. Various suits and claims against the City are presently pending. It is management's opinion that any liability resulting from pending suits in excess of insurance coverage will not have a material effect on the basic financial statements of the City at December 31, 2007.

NOTE K - RISK MANAGEMENT

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

The City, along with various other local municipal governments, participates in an insurance trust for workers' compensation and for general liability matters (St. Louis Area Insurance Trust - SLAIT). The purpose of this trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed. The City's premium payment to the trust during fiscal 2007 was \$384,496.

The City also purchases commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE L - UNRESTRICTED NET ASSET DEFICIT

The government-wide statement of net assets reflects an unrestricted net asset deficit of (\$50,278,072). This total is comprised of \$2,986,928 in unrestricted net assets from operations and unrestricted net assets deficit resulting from the issuance of various TIF Revenue Bonds and Notes \$53,265,000, which is for development not owned by the City.

The City's responsibility to repay the TIF bonds and notes extends only to the incremental revenues generated by the TIF district. The TIF bonds and notes are a special limited obligation of the City and are not used in calculating the City's debt limit.

NOTE M - RESTRICTED NET ASSETS

The government-wide statement of net assets reports \$13,854,738 of restricted net assets, of which \$2,180,650 is restricted by enabling legislation.

NOTE N - TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note C is payable through November 2023. For the current year, principal and interest paid and total incremental tax revenues were \$7,813,307 and \$8,515,322, respectively.

NOTE O - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans* (GASB 45), establish accounting and financial reporting standards for postemployment benefits other than pensions. As part of a total compensation package, many governments offer postemployment benefit plans other than pensions such as healthcare, life insurance, and so forth. GASB 45 establishes standards for the measurement, recognition, and display of other postemployment benefit expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local government employers. GASB 45 will be effective for the City for the fiscal year ending December 31, 2008. Management of the City has not yet completed its assessment of the statement.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF BRENTWOOD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007		2006	
	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Actual
REVENUES				
Taxes	\$ 5,629,197	5,835,742	206,545	5,656,559
Licenses and permits	1,327,300	1,548,487	221,187	1,394,378
Fines and forfeitures	863,900	691,227	(172,673)	433,514
Intergovernmental	15,000	249,247	234,247	84,948
Charges for services	1,093,700	1,149,355	55,655	1,155,233
Investment income	60,000	115,624	55,624	93,003
Miscellaneous	283,500	400,822	117,322	559,748
Total Revenues	<u>9,272,597</u>	<u>9,990,504</u>	<u>717,907</u>	<u>9,377,383</u>
EXPENDITURES				
Current:				
Administrative	666,905	677,909	11,004	590,299
Police	2,544,793	2,469,762	(75,031)	2,341,218
Fire	1,927,966	1,872,507	(55,459)	1,801,490
Public works	678,151	638,762	(39,389)	661,747
Planning and development	203,400	204,630	1,230	218,630
Sanitation	482,806	458,917	(23,889)	469,251
Building maintenance	64,155	62,437	(1,718)	63,546
Community services	157,000	154,818	(2,182)	174,835
Legislative	76,300	82,225	5,925	67,690
Judicial	115,010	98,765	(16,245)	88,267
Municipal operating	2,672,000	2,748,653	76,653	2,598,805
Total Expenditures	<u>9,588,486</u>	<u>9,469,385</u>	<u>(119,101)</u>	<u>9,075,778</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(315,889)</u>	<u>521,119</u>	<u>837,008</u>	<u>301,605</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	145,000
Sale of capital assets	345,000	28,507	(316,493)	11,163
Total Other Financing Sources	<u>345,000</u>	<u>28,507</u>	<u>(316,493)</u>	<u>156,163</u>
NET CHANGE IN FUND BALANCE	<u>\$ 29,111</u>	<u>549,626</u>	<u>520,515</u>	<u>457,768</u>
FUND BALANCE, JANUARY 1		<u>1,273,583</u>		
FUND BALANCE, DECEMBER 31		<u>\$ 1,823,209</u>		

CITY OF BRENTWOOD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>2007</u>		<u>2006</u>	
	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Actual</u>
REVENUES				
Taxes	\$ 419,000	320,483	(98,517)	377,181
Intergovernmental	3,114	5,996	2,882	5,981
Charges for services	10,000	12,390	2,390	9,785
Investment income	10,000	11,600	1,600	13,058
Miscellaneous	27,230	14,336	(12,894)	1,275
Total Revenues	<u>469,344</u>	<u>364,805</u>	<u>(104,539)</u>	<u>407,280</u>
EXPENDITURES				
Current:				
Library	469,344	445,550	(23,794)	417,592
Debt service:				
Interest and fiscal charges	-	1,986	1,986	-
Total Expenditures	<u>469,344</u>	<u>447,536</u>	<u>(21,808)</u>	<u>417,592</u>
REVENUES UNDER EXPENDI- TURES	-	(82,731)	(82,731)	(10,312)
OTHER FINANCING USES				
Transfers out	<u>(31,000)</u>	<u>(31,856)</u>	<u>(856)</u>	<u>(26,783)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (31,000)</u>	(114,587)	<u>(83,587)</u>	<u>(37,095)</u>
FUND BALANCE, JANUARY 1		<u>555,068</u>		
FUND BALANCE, DECEMBER 31		<u>\$ 440,481</u>		

CITY OF BRENTWOOD, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007

Budgets

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Library, Capital Improvements, Stormwater and Park Improvements, and Sewer Improvements Funds. All annual appropriations lapse at fiscal year-end. Encumbrances are considered for reappropriation in the ensuing year's budget.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Public hearings are conducted to obtain comments from all interested parties for a proposed budget.
- b. The budget for the coming year is formally adopted on or before the last day of the fiscal year ending.
- c. Expenditures may not legally exceed budgeted appropriations at the department level or by projects as approved by City Aldermen. Management may authorize transfers of appropriations within a department. Proceeds of capital lease and related expenditures are not budgeted.

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OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND

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

Pension Tax Fund -- This fund accumulates taxes for the Pension Trust Fund.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Improvements Fund -- This fund is used to account for improvements to park and recreational facilities and infrastructure improvements, which are funded by a ½% sales tax and general obligation bond proceeds.

Stormwater and Park Improvements Fund -- This fund is used to account for improvements to park and recreational facilities and stormwater systems which will be funded by a ½% sales tax.

Sewer Improvements Fund -- This fund is used to monitor the funding of sewer improvements throughout the City, which are funded by special assessments.

Brentwood Square Revenue Fund -- This fund is used to account for improvements to the Kenilworth Transportation Development District, which are funded by a ¼% sales tax.

Brentwood Square Project Fund -- This fund is used to account for improvements to the Kenilworth Transportation Development District.

Police Station Project Fund -- This fund is used to account for a new police facility.

Library Construction Fund -- This fund is used to account for remodeling the library.

DEBT SERVICE FUNDS

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

Debt Service Fund -- This fund is used to account for the accumulation of resources for the Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square, Brentwood Promenade, Brentwood Pointe, and Brentwood Eager Road include this fund.

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS (Continued)

Debt Service Reserve Fund -- This fund is used to account for the amounts reserved according to the Tax Increment Refunding Revenue bond issue. Brentwood Square, Brentwood Promenade, Brentwood Pointe, and Brentwood Eager Road include this fund.

Economic Activity Tax Revenue Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square, Brentwood Hanley Station, Brentwood Promenade, Brentwood Pointe, and Brentwood Eager Road include this fund.

Pilots Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square, Brentwood Hanley Station, Brentwood Promenade, Brentwood Pointe, and Brentwood Eager Road include this fund.

Municipal Revenue Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square, Brentwood Promenade, and Brentwood Pointe include this fund.

Redemption Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square, Brentwood Promenade, Brentwood Pointe, and Brentwood Eager Road include this fund.

Revenue Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Square and Brentwood Promenade include this fund.

Interest Fund -- This fund is used to account for the accumulation of resources for, and the payment of, the certificates of participation interest. Police Station includes this fund.

Principal Fund -- This fund is used to account for the accumulation of resources for, and the payment of, the certificates of participation principal. Police Station includes this fund.

Reserve Fund -- This fund is used to account for the amounts reserved according to the certificates of participation bond issue. Police Station, Library, and City Hall include this fund.

Payment Fund -- This fund is used to account for the accumulation of resources for, and the payment of, the certificates of participation principal and interest. Library and City Hall include this fund.

Prepayment Fund -- This fund is used to account for the prepayment of principal for the certificates of participation. City Hall includes this fund.

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS (Continued)

Cost of Issuance Fund -- This fund is used for the payment of fees and expenses related to the Tax Increment Refunding Revenue bond issue. Brentwood Eager Road includes this fund.

Capitalized Interest Fund -- This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' interest. Brentwood Eager Road includes this fund.

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE
SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2007
WITH COMPARATIVE TOTALS DECEMBER 31, 2006

	2007						
	Special Revenue Fund Pension Tax Fund	Capital Projects Funds					
	Capital Improvements Fund	Stormwater And Park Improvements Fund	Sewer Improvements Fund	Brentwood Square Revenue Fund	Brentwood Square Project Fund	Police Station Project Fund	Library Construction Fund
ASSETS							
Cash	\$ -	90,022	123,179	94,856	-	-	-
Receivables:							
Property taxes	511,594	74,431	36,424	-	-	-	-
Other	-	260,452	302,403	22,330	-	-	-
Restricted assets	-	-	-	-	49	102,516	177
Due from other funds	28,426	440,903	285,434	-	99,946	-	-
	<u>28,426</u>	<u>440,903</u>	<u>285,434</u>	<u>-</u>	<u>99,946</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 540,020</u>	<u>865,808</u>	<u>747,440</u>	<u>117,186</u>	<u>99,995</u>	<u>102,516</u>	<u>177</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	60,314	5,919	-	-	-	-
Deferred revenues	-	26,205	12,823	-	-	-	-
Due to other funds	540,020	24,135	150,142	233	-	-	-
Total Liabilities	<u>540,020</u>	<u>110,654</u>	<u>168,884</u>	<u>233</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Reserved for:							
Debt service	-	-	-	-	-	-	-
Unreserved:							
Capital Projects Funds	-	755,154	578,556	116,953	99,995	102,516	177
Total Fund Balances	<u>-</u>	<u>755,154</u>	<u>578,556</u>	<u>116,953</u>	<u>99,995</u>	<u>102,516</u>	<u>177</u>
Total Liabilities And Fund Balances	<u>\$ 540,020</u>	<u>865,808</u>	<u>747,440</u>	<u>117,186</u>	<u>99,995</u>	<u>102,516</u>	<u>177</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE
SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2007
WITH COMPARATIVE TOTALS DECEMBER 31, 2006

	2007								
	Debt Service Funds							Brentwood Hanley Station	
	Brentwood Square							Economic Activity Tax	Pilots
Debt Service Fund	Debt Service Reserve Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Redemption Fund	Revenue Fund	Revenue Fund	Revenue Fund	Pilots Fund
ASSETS									
Cash	-	-	-	-	-	-	-	-	-
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Restricted assets	3,905	909,215	354,976	-	114,806	542,217	500	32,723	-
Due from other funds	-	-	290,041	318,871	-	-	-	6,811	173,102
Total Assets	<u>3,905</u>	<u>909,215</u>	<u>645,017</u>	<u>318,871</u>	<u>114,806</u>	<u>542,217</u>	<u>500</u>	<u>39,534</u>	<u>173,102</u>
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	-	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	6,905	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances									
Reserved for:									
Debt service	3,905	909,215	645,017	318,871	107,901	542,217	500	39,534	173,102
Unreserved:									
Capital Projects Funds	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>3,905</u>	<u>909,215</u>	<u>645,017</u>	<u>318,871</u>	<u>107,901</u>	<u>542,217</u>	<u>500</u>	<u>39,534</u>	<u>173,102</u>
Total Liabilities And Fund Balances	<u>3,905</u>	<u>909,215</u>	<u>645,017</u>	<u>318,871</u>	<u>114,806</u>	<u>542,217</u>	<u>500</u>	<u>39,534</u>	<u>173,102</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE
SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2007
WITH COMPARATIVE TOTALS DECEMBER 31, 2006

	2007												
	Debt Service Funds												
	Brentwood Promenade						Brentwood Pointe						
	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Revenue Fund	Redemption Fund	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Redemption Fund	Municipal Revenue Fund
ASSETS													
Cash	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables:													
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	22,583	-	-	-
Restricted assets	1,080,080	208,420	805,609	3	406,407	7,833	10,796	501,513	247,155	120,811	2	5,886	26,341
Due from other funds	-	-	387,893	961,798	146,734	-	-	-	-	195,562	377,154	-	21,678
Total Assets	<u>1,080,080</u>	<u>208,420</u>	<u>1,193,502</u>	<u>961,801</u>	<u>553,141</u>	<u>7,833</u>	<u>10,796</u>	<u>501,513</u>	<u>247,155</u>	<u>338,956</u>	<u>377,156</u>	<u>5,886</u>	<u>48,019</u>
LIABILITIES AND FUND BALANCES													
Liabilities													
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	64,076	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>64,076</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances													
Reserved for:													
Debt service	1,080,080	208,420	1,129,426	961,801	553,141	7,833	10,796	501,513	247,155	338,956	377,156	5,886	48,019
Unreserved:													
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>1,080,080</u>	<u>208,420</u>	<u>1,129,426</u>	<u>961,801</u>	<u>553,141</u>	<u>7,833</u>	<u>10,796</u>	<u>501,513</u>	<u>247,155</u>	<u>338,956</u>	<u>377,156</u>	<u>5,886</u>	<u>48,019</u>
Total Liabilities And Fund Balances	<u>1,080,080</u>	<u>208,420</u>	<u>1,193,502</u>	<u>961,801</u>	<u>553,141</u>	<u>7,833</u>	<u>10,796</u>	<u>501,513</u>	<u>247,155</u>	<u>338,956</u>	<u>377,156</u>	<u>5,886</u>	<u>48,019</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE
SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2007
WITH COMPARATIVE TOTALS DECEMBER 31, 2006

	2007							
	Debt Service Funds							
	Police Station			Library		City Hall		
	Interest Fund	Principal Fund	Reserve Fund	Reserve Fund	Payment Fund	Reserve Fund	Payment Fund	Prepayment Fund
ASSETS								
Cash	-	-	-	-	-	-	-	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Restricted assets	60,973	135,053	255,364	101,095	2,741	114,255	3,247	220
Due from other funds	-	-	-	-	-	-	-	-
Total Assets	<u>60,973</u>	<u>135,053</u>	<u>255,364</u>	<u>101,095</u>	<u>2,741</u>	<u>114,255</u>	<u>3,247</u>	<u>220</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances								
Reserved for:								
Debt service	60,973	135,053	255,364	101,095	2,741	114,255	3,247	220
Unreserved:								
Capital Projects Funds	-	-	-	-	-	-	-	-
Total Fund Balances	<u>60,973</u>	<u>135,053</u>	<u>255,364</u>	<u>101,095</u>	<u>2,741</u>	<u>114,255</u>	<u>3,247</u>	<u>220</u>
Total Liabilities And Fund Balances	<u>60,973</u>	<u>135,053</u>	<u>255,364</u>	<u>101,095</u>	<u>2,741</u>	<u>114,255</u>	<u>3,247</u>	<u>220</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE
SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2007
WITH COMPARATIVE TOTALS DECEMBER 31, 2006

	2007								
	Debt Service Funds								
	Brentwood Eager Road								
	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Redemption Fund	Cost of Issuance Fund	Capitalized Interest Fund	Totals	2006
ASSETS									
Cash	-	-	-	-	-	-	-	308,057	464,104
Receivables:									
Property taxes	-	-	-	-	-	-	-	622,449	523,426
Other	-	-	-	-	-	-	-	607,768	684,853
Restricted assets	-	873	58,327	4	6,171	128,163	1,191,411	7,558,927	6,664,033
Due from other funds	-	-	247,788	429,533	-	-	-	4,411,674	4,088,980
	-	873	306,115	429,537	6,171	128,163	1,191,411	13,508,875	12,425,396
Total Assets	-	873	306,115	429,537	6,171	128,163	1,191,411	13,508,875	12,425,396
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	-	-	-	-	-	-	-	66,233	-
Deferred revenues	-	-	-	-	-	-	-	39,028	8,623
Due to other funds	-	-	-	-	-	-	-	785,511	840,714
Total Liabilities	-	-	-	-	-	-	-	890,772	849,337
Fund Balances									
Reserved for:									
Debt service	-	873	306,115	429,537	6,171	128,163	1,191,411	10,945,662	9,672,244
Unreserved:									
Capital Projects Funds	-	-	-	-	-	-	-	1,672,441	1,903,815
Total Fund Balances	-	873	306,115	429,537	6,171	128,163	1,191,411	12,618,103	11,576,059
	-	873	306,115	429,537	6,171	128,163	1,191,411	13,508,875	12,425,396
Total Liabilities And Fund Balances	-	873	306,115	429,537	6,171	128,163	1,191,411	13,508,875	12,425,396

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007						
	Special Revenue Fund	Capital Projects Funds					
	Capital Fund	Stormwater And Park Improvements Fund	Sewer Improvements Fund	Brentwood Square Revenue Fund	Brentwood Square Project Fund	Police Station Project Fund	Library Construction Fund
REVENUES							
Taxes	\$ 965,870	1,388,953	1,511,331	-	-	-	-
Assessments	-	-	-	103,114	-	-	-
Investment income	-	7,782	21,285	2,058	1,067	4,515	8
Total Revenues	<u>965,870</u>	<u>1,396,735</u>	<u>1,532,616</u>	<u>105,172</u>	<u>1,067</u>	<u>4,515</u>	<u>8</u>
EXPENDITURES							
Current:							
Municipal operating	965,870	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Capital outlay	-	1,048,064	1,626,274	123,846	-	-	-
Debt service:							
Principal	-	310,000	60,000	-	-	-	-
Interest and fiscal charges	-	100,066	24,294	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-
Total Expenditures	<u>965,870</u>	<u>1,458,130</u>	<u>1,710,568</u>	<u>123,846</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(61,395)</u>	<u>(177,952)</u>	<u>(18,674)</u>	<u>1,067</u>	<u>4,515</u>	<u>8</u>
OTHER FINANCING SOURCES (USES)							
Capital lease	-	400,000	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-
Refunding of long-term debt	-	-	-	-	-	-	-
Transfers in	-	-	-	86,317	-	-	-
Transfers out	-	(378,635)	-	-	(87,552)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>21,365</u>	<u>-</u>	<u>-</u>	<u>(1,235)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>(40,030)</u>	<u>(177,952)</u>	<u>(18,674)</u>	<u>(168)</u>	<u>4,515</u>	<u>8</u>
FUND BALANCES, JANUARY 1	<u>-</u>	<u>795,184</u>	<u>756,508</u>	<u>135,627</u>	<u>100,163</u>	<u>98,001</u>	<u>169</u>
FUND BALANCES, DECEMBER 31	<u>\$ -</u>	<u>755,154</u>	<u>578,556</u>	<u>116,953</u>	<u>99,995</u>	<u>102,516</u>	<u>177</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007								
	Debt Service Funds								
	Brentwood Square						Brentwood Hanley Station		
Debt Service Fund	Debt Service Reserve Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Redemption Fund	Revenue Fund	Economic Activity Tax Revenue Fund	Pilots Fund	
REVENUES									
Taxes	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-
Investment income	5,447	38,116	13,644	7,341	3,628	15,458	23	-	-
Total Revenues	<u>5,447</u>	<u>38,116</u>	<u>13,644</u>	<u>7,341</u>	<u>3,628</u>	<u>15,458</u>	<u>23</u>	<u>-</u>	<u>-</u>
EXPENDITURES									
Current:									
Municipal operating	-	-	15,429	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	200,617	227,520	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	650,000	-	-	-	-	705,000	-	-	-
Interest and fiscal charges	542,313	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,192,313</u>	<u>-</u>	<u>15,429</u>	<u>200,617</u>	<u>227,520</u>	<u>705,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,186,866)</u>	<u>38,116</u>	<u>(1,785)</u>	<u>(193,276)</u>	<u>(223,892)</u>	<u>(689,542)</u>	<u>23</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)									
Capital lease	-	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-	-
Refunding of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	1,189,265	18,530	1,406,571	318,862	340,349	531,524	-	39,534	173,102
Transfers out	-	-	(1,388,733)	(96,092)	(170,003)	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,189,265</u>	<u>18,530</u>	<u>17,838</u>	<u>222,770</u>	<u>170,346</u>	<u>531,524</u>	<u>-</u>	<u>39,534</u>	<u>173,102</u>
NET CHANGE IN FUND BALANCES	2,399	56,646	16,053	29,494	(53,546)	(158,018)	23	39,534	173,102
FUND BALANCES, JANUARY 1	1,506	852,569	628,964	289,377	161,447	700,235	477	-	-
FUND BALANCES, DECEMBER 31	<u>3,905</u>	<u>909,215</u>	<u>645,017</u>	<u>318,871</u>	<u>107,901</u>	<u>542,217</u>	<u>500</u>	<u>39,534</u>	<u>173,102</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007												
	Debt Service Funds												
	Brentwood Promenade						Brentwood Pointe						
	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Revenue Fund	Redemption Fund	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Redemption Fund	Municipal Revenue Fund
REVENUES													
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	49,253	16,204	29,568	1,068	11,146	352	10,996	21,062	4,582	6,369	1,162	3,762	325
Total Revenues	49,253	16,204	29,568	1,068	11,146	352	10,996	21,062	4,582	6,369	1,162	3,762	325
EXPENDITURES													
Current:													
Municipal operating	-	-	2,285	-	-	6,126	-	-	-	10,244	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:													
Principal	-	1,475,000	-	-	-	-	2,110,000	-	400,000	-	-	220,000	-
Interest and fiscal charges	-	514,379	-	-	-	-	-	-	248,625	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	1,989,379	2,285	-	-	6,126	2,110,000	-	648,625	10,244	-	220,000	-
REVENUES OVER (UNDER) EXPENDITURES	49,253	(1,973,175)	27,283	1,068	11,146	(5,774)	(2,099,004)	21,062	(644,043)	(3,875)	1,162	(216,238)	325
OTHER FINANCING SOURCES (USES)													
Capital lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Refunding of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	1,860,674	2,216,980	956,406	892,133	56,230	2,101,284	-	890,504	599,396	375,791	3,975	39,217
Transfers out	(56,230)	-	(2,158,935)	(906,019)	(842,536)	(54,468)	-	(27,019)	-	(664,060)	(205,272)	-	(25,147)
Total Other Financing Sources (Uses)	(56,230)	1,860,674	58,045	50,387	49,597	1,762	2,101,284	(27,019)	890,504	(64,664)	170,519	3,975	14,070
NET CHANGE IN FUND BALANCES	(6,977)	(112,501)	85,328	51,455	60,743	(4,012)	2,280	(5,957)	246,461	(68,539)	171,681	(212,263)	14,395
FUND BALANCES, JANUARY 1	1,087,057	320,921	1,044,098	910,346	492,398	11,845	8,516	507,470	694	407,495	205,475	218,149	33,624
FUND BALANCES, DECEMBER 31	<u>1,080,080</u>	<u>208,420</u>	<u>1,129,426</u>	<u>961,801</u>	<u>553,141</u>	<u>7,833</u>	<u>10,796</u>	<u>501,513</u>	<u>247,155</u>	<u>338,956</u>	<u>377,156</u>	<u>5,886</u>	<u>48,019</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007							
	Debt Service Funds							
	Police Station			Library		City Hall		
	Interest Fund	Principal Fund	Reserve Fund	Reserve Fund	Payment Fund	Reserve Fund	Payment Fund	Prepayment Fund
REVENUES								
Taxes	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment income	298	655	13,518	5,433	341	5,363	362	11
Total Revenues	<u>298</u>	<u>655</u>	<u>13,518</u>	<u>5,433</u>	<u>341</u>	<u>5,363</u>	<u>362</u>	<u>11</u>
EXPENDITURES								
Current:								
Municipal operating	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	130,000	-	-	50,000	-	80,000	-
Interest and fiscal charges	124,155	-	-	-	47,360	-	7,360	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total Expenditures	<u>124,155</u>	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>97,360</u>	<u>-</u>	<u>87,360</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(123,857)</u>	<u>(129,345)</u>	<u>13,518</u>	<u>5,433</u>	<u>(97,019)</u>	<u>5,363</u>	<u>(86,998)</u>	<u>11</u>
OTHER FINANCING SOURCES (USES)								
Capital lease	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-
Refunding of long-term debt	-	-	-	-	-	-	-	-
Transfers in	236,768	128,411	-	-	97,289	-	87,306	-
Transfers out	(115,121)	-	(13,290)	(5,433)	-	(5,439)	-	-
Total Other Financing Sources (Uses)	<u>121,647</u>	<u>128,411</u>	<u>(13,290)</u>	<u>(5,433)</u>	<u>97,289</u>	<u>(5,439)</u>	<u>87,306</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(2,210)	(934)	228	-	270	(76)	308	11
FUND BALANCES, JANUARY 1	<u>63,183</u>	<u>135,987</u>	<u>255,136</u>	<u>101,095</u>	<u>2,471</u>	<u>114,331</u>	<u>2,939</u>	<u>209</u>
FUND BALANCES, DECEMBER 31	<u><u>60,973</u></u>	<u><u>135,053</u></u>	<u><u>255,364</u></u>	<u><u>101,095</u></u>	<u><u>2,741</u></u>	<u><u>114,255</u></u>	<u><u>3,247</u></u>	<u><u>220</u></u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007								Totals	2006
	Debt Service Funds									
	Brentwood Eager Road									
	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Redemption Fund	Refunding Fund	Cost of Issuance Fund	Capitalized Interest Fund		
REVENUES										
Taxes	-	-	-	-	-	-	-	-	3,866,154	3,849,884
Assessments	-	-	-	-	-	-	-	-	103,114	69,752
Investment income	30,809	1,776	5,992	2,574	4,641	-	-	-	348,921	324,739
Total Revenues	<u>30,809</u>	<u>1,776</u>	<u>5,992</u>	<u>2,574</u>	<u>4,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,318,189</u>	<u>4,244,375</u>
EXPENDITURES										
Current:										
Municipal operating	-	-	4,905	-	-	-	-	-	1,004,859	1,010,285
Economic development	-	-	-	-	-	-	-	-	-	7,123
Intergovernmental	-	-	-	-	-	-	-	-	428,137	521,213
Capital outlay	-	-	-	-	-	-	-	-	2,798,184	2,053,482
Debt service:										
Principal	-	-	-	-	515,000	-	-	-	6,705,000	4,265,000
Interest and fiscal charges	-	432,990	-	-	-	-	-	-	2,041,542	1,636,566
Debt issuance costs	-	-	-	-	-	-	573,385	-	573,385	-
Total Expenditures	<u>-</u>	<u>432,990</u>	<u>4,905</u>	<u>-</u>	<u>515,000</u>	<u>-</u>	<u>573,385</u>	<u>-</u>	<u>13,551,107</u>	<u>9,493,669</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>30,809</u>	<u>(431,214)</u>	<u>1,087</u>	<u>2,574</u>	<u>(510,359)</u>	<u>-</u>	<u>(573,385)</u>	<u>-</u>	<u>(9,232,918)</u>	<u>(5,249,294)</u>
OTHER FINANCING SOURCES (USES)										
Capital lease	-	-	-	-	-	-	-	-	400,000	65,956
Issuance of long-term debt	-	-	-	-	-	7,417,041	701,548	1,191,411	9,310,000	-
Refunding of long-term debt	-	-	-	-	-	(8,258,693)	-	-	(8,258,693)	-
Transfers in	-	430,893	626,767	429,533	514,309	841,652	-	-	17,489,572	13,478,763
Transfers out	(770,670)	-	(688,344)	(327,840)	-	-	-	-	(8,986,838)	(7,934,546)
Total Other Financing Sources (Uses)	<u>(770,670)</u>	<u>430,893</u>	<u>(61,577)</u>	<u>101,693</u>	<u>514,309</u>	<u>-</u>	<u>701,548</u>	<u>1,191,411</u>	<u>9,954,041</u>	<u>5,610,173</u>
NET CHANGE IN FUND BALANCES	(739,861)	(321)	(60,490)	104,267	3,950	-	128,163	1,191,411	721,123	360,879
FUND BALANCES, JANUARY 1	739,861	1,194	366,605	325,270	2,221	-	-	-	11,896,980	11,215,180
FUND BALANCES, DECEMBER 31	<u>-</u>	<u>873</u>	<u>306,115</u>	<u>429,537</u>	<u>6,171</u>	<u>-</u>	<u>128,163</u>	<u>1,191,411</u>	<u>12,618,103</u>	<u>11,576,059</u>

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>2007</u>		<u>2006</u>	
	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Actual
REVENUES				
Taxes	\$ 1,457,600	1,388,953	(68,647)	1,406,705
Investment income	5,000	7,782	2,782	6,613
Total Revenues	<u>1,462,600</u>	<u>1,396,735</u>	<u>(65,865)</u>	<u>1,413,318</u>
EXPENDITURES				
Capital outlay	657,500	648,064	(9,436)	444,686
Debt service:				
Principal	310,000	310,000	-	295,000
Interest and fiscal charges	93,000	100,066	7,066	113,490
Total Expenditures	<u>1,060,500</u>	<u>1,058,130</u>	<u>(2,370)</u>	<u>853,176</u>
REVENUES OVER (UNDER) EXPENDITURES	402,100	338,605	(63,495)	560,142
OTHER FINANCING USES				
Transfers out	<u>(395,000)</u>	<u>(378,635)</u>	<u>(16,365)</u>	<u>(498,429)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 7,100</u>	<u>(40,030)</u>	<u>(47,130)</u>	<u>61,713</u>
FUND BALANCE, JANUARY 1		<u>795,184</u>		
FUND BALANCE, DECEMBER 31		<u>\$ 755,154</u>		

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
STORMWATER AND PARK IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>2007</u>		<u>2006</u>	
	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Actual</u>
REVENUES				
Taxes	\$ 1,562,000	1,511,331	(50,669)	1,477,309
Intergovernmental	-	-	-	-
Investment income	16,000	21,285	5,285	19,448
Total Revenues	<u>1,578,000</u>	<u>1,532,616</u>	<u>(45,384)</u>	<u>1,496,757</u>
EXPENDITURES				
Capital outlay	1,492,983	1,626,274	133,291	1,415,314
Debt service:				
Principal	60,000	60,000	-	55,000
Interest and fiscal charges	25,000	24,294	(706)	27,199
Total Expenditures	<u>1,577,983</u>	<u>1,710,568</u>	<u>132,585</u>	<u>1,497,513</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>17</u>	<u>(177,952)</u>	<u>(177,969)</u>	<u>(756)</u>
OTHER FINANCING SOURCES				
(USES)				
Capital lease	-	-	-	65,956
Transfers out	-	-	-	(45,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,956</u>
NET CHANGE IN FUND				
BALANCE	<u>\$ 17</u>	<u>(177,952)</u>	<u>(177,969)</u>	<u>20,200</u>
FUND BALANCE, JANUARY 1		<u>756,508</u>		
FUND BALANCE, DECEMBER 31		<u>\$ 578,556</u>		

CITY OF BRENTWOOD, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - SEWER IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2007
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	2007		2006	
	Original And Final Budgeted Amounts	Actual	Over (Under) Budget	Actual
REVENUES				
Assessments	\$ 106,000	103,114	(2,886)	69,752
Investment income	1,800	2,058	258	1,836
Total Revenues	107,800	105,172	(2,628)	71,588
EXPENDITURES				
Capital outlay	137,638	123,846	(13,792)	119,057
NET CHANGE IN FUND BALANCE	\$ (29,838)	(18,674)	11,164	(47,469)
FUND BALANCE, JANUARY 1		135,627		
FUND BALANCE, DECEMBER 31		\$ 116,953		

STATISTICAL SECTION

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City’s overall financial health.

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	66 - 70
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	71 - 72
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	73 - 79
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	80 - 81
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	82 - 84

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF BRENTWOOD, MISSOURI
NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS

	December 31				
	2007	2006	2005	2004	2003
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 6,404,598	4,767,362	4,995,893	4,820,146	5,076,903
Restricted	13,854,738	12,045,190	11,704,408	10,651,319	10,097,193
Unrestricted (deficit)	<u>(50,278,072)</u>	<u>(44,978,425)</u>	<u>(45,547,540)</u>	<u>(50,225,929)</u>	<u>(51,862,925)</u>
 Total Governmental Activities Net Assets	 <u>\$ (30,018,736)</u>	 <u>(28,165,873)</u>	 <u>(28,847,239)</u>	 <u>(34,754,464)</u>	 <u>(36,688,829)</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2003.

CITY OF BRENTWOOD, MISSOURI

CHANGES IN NET ASSETS

LAST FIVE FISCAL YEARS

	For The Years Ended December 31				
	2007	2006	2005	2004	2003
EXPENSES					
Administrative	\$ 673,524	635,885	560,706	607,299	594,056
Police	2,741,984	2,584,987	2,441,618	2,391,698	2,387,886
Fire	2,057,089	2,000,789	1,898,674	1,829,485	1,710,786
Public works	1,262,523	1,219,086	1,088,749	1,176,670	1,078,608
Planning and development	205,776	223,760	248,717	241,684	238,679
Sanitation	628,301	641,898	511,893	503,929	-
Building maintenance	91,650	123,143	119,106	78,953	101,708
Recreation	1,422,062	1,449,934	1,335,594	1,219,654	1,252,710
Community services	154,818	174,835	223,544	151,564	747,829
Legislative	82,225	67,690	65,470	78,395	68,179
Judicial	106,028	92,993	86,437	86,768	92,942
Municipal operating	3,101,123	3,245,630	3,219,809	2,987,552	3,127,796
Library	477,560	544,685	574,016	413,432	434,720
Economic development	10,800,617	5,255,618	86,284	2,001,801	5,835,068
Interest on long-term debt	2,289,889	2,562,088	2,869,394	2,866,986	2,821,061
Total Expenses	<u>26,095,169</u>	<u>20,823,021</u>	<u>15,330,011</u>	<u>16,635,870</u>	<u>20,492,028</u>
PROGRAM REVENUES					
Charges for services:					
Administrative	9,331	11,253	6,746	8,893	11,047
Police	778,110	607,309	500,569	473,310	315,520
Fire	208,922	220,392	215,886	147,896	125,461
Public works	104,133	79,065	133,595	157,394	3,633
Planning and development	337,769	218,352	110,905	120,673	150,475
Sanitation	30,151	31,772	-	-	-
Recreation	924,731	915,218	880,245	854,497	876,447
Library	12,390	9,785	11,373	8,223	9,289
Operating grants and contributions	848,288	688,991	576,655	592,107	580,932
Capital grants and contributions	1,200,000	16,100	-	-	-
Total Program Revenues	<u>4,453,825</u>	<u>2,798,237</u>	<u>2,435,974</u>	<u>2,362,993</u>	<u>2,072,804</u>
NET REVENUES (EXPENSES)	<u>(21,641,344)</u>	<u>(18,024,784)</u>	<u>(12,894,037)</u>	<u>(14,272,877)</u>	<u>(18,419,224)</u>

(Continued)

CITY OF BRENTWOOD, MISSOURI
CHANGES IN NET ASSETS (Continued)
LAST FIVE FISCAL YEARS

	For The Years Ended December 31				
	2007	2006	2005	2004	2003
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS					
Taxes:					
Sales	12,698,947	12,550,558	12,665,792	11,791,840	10,236,603
Property	4,007,401	3,368,671	3,209,684	2,151,231	2,311,686
Utility	1,338,886	1,041,958	990,040	978,530	924,024
Other	1,210,718	1,176,026	1,368,159	973,697	923,844
Investment income	476,697	464,665	310,453	127,764	139,418
Gain on sale of capital assets	3,669	-	-	2,375	58,689
Miscellaneous	52,163	104,272	257,134	181,805	226,974
Total General Revenues And Other Changes In Net Assets	<u>19,788,481</u>	<u>18,706,150</u>	<u>18,801,262</u>	<u>16,207,242</u>	<u>14,821,238</u>
CHANGES IN NET ASSETS	<u><u>\$ (1,852,863)</u></u>	<u><u>681,366</u></u>	<u><u>5,907,225</u></u>	<u><u>1,934,365</u></u>	<u><u>(3,597,986)</u></u>

Source: Basic Financial Statements

GASB 34 was implemented in 2003.

CITY OF BRENTWOOD, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS

	December 31				
	2007	2006	2005	2004	2003
General Fund:					
Reserved	\$ 90	90	68,586	-	58,045
Unreserved	1,823,119	1,273,493	747,229	500,365	711,380
Total General Fund	<u>\$ 1,823,209</u>	<u>1,273,583</u>	<u>815,815</u>	<u>500,365</u>	<u>769,425</u>
All other governmental funds:					
Reserved	\$ 11,945,662	9,993,165	9,630,963	8,554,681	7,108,572
Unreserved, reported in:					
Special Revenue Funds	440,481	555,068	592,163	812,373	833,622
Capital Projects Funds	1,672,441	1,903,815	1,945,608	1,799,712	2,808,788
Total All Other Govern- mental Funds	<u>\$ 14,058,584</u>	<u>12,452,048</u>	<u>12,168,734</u>	<u>11,166,766</u>	<u>10,750,982</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2003.

CITY OF BRENTWOOD, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS

	For The Years Ended December 31				
	2007	2006	2005	2004	2003
REVENUES					
Taxes	\$ 18,537,701	17,575,846	17,415,111	15,525,483	13,833,713
Licenses and permits	1,548,487	1,394,378	1,368,159	1,091,349	1,139,569
Fines and forfeitures	691,227	433,514	332,353	309,000	247,588
Intergovernmental	255,243	90,929	262,094	33,659	89,424
Charges for services	1,161,745	1,165,018	1,117,401	1,015,996	963,449
Assessments	103,114	69,752	101,123	135,063	104,000
Investment income	476,697	464,665	310,453	127,764	139,419
Miscellaneous	415,158	561,023	333,882	371,362	262,956
Total Revenues	<u>23,189,372</u>	<u>21,755,125</u>	<u>21,240,576</u>	<u>18,609,676</u>	<u>16,780,118</u>
EXPENDITURES					
Administrative	677,909	590,299	587,323	551,774	543,495
Police	2,469,762	2,341,218	2,271,564	2,208,504	2,152,604
Fire	1,872,507	1,801,490	1,705,290	1,671,981	1,603,225
Public works	638,762	661,747	694,519	681,924	686,661
Planning and development	204,630	218,630	294,649	231,692	225,762
Sanitation	458,917	469,251	421,168	475,300	-
Building maintenance	62,437	63,546	59,621	57,997	49,054
Recreation	-	-	185,615	183,983	180,341
Community services	154,818	174,835	223,544	151,564	742,870
Legislative	82,225	67,690	65,470	78,395	68,179
Judicial	98,765	88,267	86,266	85,480	86,767
Municipal operating	3,798,508	3,659,916	3,466,833	3,286,494	2,779,906
Library	445,550	417,592	407,965	366,352	355,032
Economic development	10,600,000	5,007,123	86,284	2,000,000	5,835,068
Intergovernmental	428,137	521,213	-	-	-
Capital outlay	2,798,184	2,053,482	1,740,340	1,902,947	2,180,452
Debt service:					
Principal	6,705,000	5,665,000	4,835,000	4,630,000	2,731,955
Interest and fiscal charges	2,043,528	2,289,863	2,835,797	2,453,396	2,395,294
Debt issuance costs	573,385	-	464,968	358,946	228,287
Total Expenditures	<u>34,113,024</u>	<u>26,091,162</u>	<u>20,432,216</u>	<u>21,376,729</u>	<u>22,844,952</u>
REVENUES OVER (UNDER)					
EXPENDITURES	<u>(10,923,652)</u>	<u>(4,336,037)</u>	<u>808,360</u>	<u>(2,767,053)</u>	<u>(6,064,834)</u>
OTHER FINANCING SOURCES (USES)					
Capital lease	400,000	65,956	-	-	-
Issuance of long-term debt	20,910,000	5,000,000	20,670,000	9,510,000	2,440,880
Refunding of long-term debt	(8,258,693)	-	(20,135,000)	(6,528,667)	6,000,000
Discount on bond issue	-	-	(46,338)	(95,100)	-
Transfers in	17,489,572	15,719,335	17,540,782	15,773,981	11,086,248
Transfers out	(17,489,572)	(15,719,335)	(17,540,782)	(15,773,981)	(11,086,248)
Sale of capital assets	28,507	11,163	20,396	27,544	136,689
Total Other Financing Sources (Uses)	<u>13,079,814</u>	<u>5,077,119</u>	<u>509,058</u>	<u>2,913,777</u>	<u>8,577,569</u>
NET CHANGES IN FUND BALANCES	<u>\$ 2,156,162</u>	<u>741,082</u>	<u>1,317,418</u>	<u>146,724</u>	<u>2,512,735</u>
Debt service as a percentage of noncapital expenditures	28.1 %	29.5	40.9	36.1	24.5

Source: Basic Financial Statements

CITY OF BRENTWOOD, MISSOURI
PROGRAM REVENUES BY FUNCTIONS/PROGRAMS
LAST FIVE FISCAL YEARS

FUNCTIONS/PROGRAMS	Program Revenues				
	2007	2006	2005	2004	2003
Governmental activities:					
Administrative	\$ 9,331	11,253	6,746	8,893	11,047
Police	793,447	611,740	526,099	485,375	315,520
Fire	208,922	220,392	215,886	147,896	125,461
Public works	2,121,088	739,427	679,850	719,460	524,270
Sanitation	40,151	49,989	-	-	-
Planning and development	337,769	218,352	110,905	120,673	150,475
Recreation	924,731	931,318	880,245	854,497	924,447
Community services	-	-	-	-	12,295
Library	18,386	15,766	16,243	26,199	9,289
Total Governmental Activities	<u>\$ 4,453,825</u>	<u>2,798,237</u>	<u>2,435,974</u>	<u>2,362,993</u>	<u>2,072,804</u>

GASB 34 was implemented in 2003.

CITY OF BRENTWOOD, MISSOURI
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS

For The Years Ended December 31	Sales Tax (1)	Property Taxes	Utility Taxes	Other	Total
2007	\$ 12,698,947	\$ 3,289,150	\$ 1,338,886	\$ 1,210,718	\$ 18,537,701
2006	12,550,558	3,384,651	1,041,958	598,679	17,575,846
2005	12,665,792	3,209,684	990,040	549,595	17,415,111
2004	11,791,840	2,109,415	978,530	645,698	15,525,483
2003	10,104,650	2,394,874	924,024	410,165	13,833,713

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

CITY OF BRENTWOOD, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)
LAST TEN FISCAL YEARS

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
City of Brentwood	0.6500	0.7300	0.6800	0.5800	0.5600	0.4130	0.6070	0.7100	0.6600	0.6600
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County General	0.1900	0.1900	0.1900	0.2550	0.1900	0.1900	0.1900	0.1900	0.1900	0.1900
County Park Maintenance	0.0500	0.0350	0.0350	0.0450	0.0350	0.0350	0.0350	0.0350	0.0350	0.0350
County Bond Retirement	0.0630	0.0630	0.0630	0.0000	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850
Roads and Bridges	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
County Health	0.1500	0.1650	0.1650	0.1750	0.1650	0.1650	0.1650	0.1650	0.1650	0.1650
St. Louis Community College	0.2003	0.2233	0.2231	0.2368	0.2312	0.2320	0.2300	0.2400	0.2400	0.2400
Special School District	0.9084	0.8235	0.8399	0.9051	0.8600	0.8490	0.8350	0.6230	0.6200	0.6400
Metro Zoo	0.2230	0.2611	0.2654	0.2756	0.2260	0.2220	0.2220	0.2320	0.2270	0.2320
Sheltered Workshop	0.0700	0.0900	0.0900	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500	0.8500
Brentwood School District	3.1600	3.4400	3.4700	3.5100	3.6000	2.9450	2.7420	2.7950	2.8100	2.8100
Metro Sewer District	0.0667	0.0687	0.0686	0.0690	0.0690	0.0690	0.0690	0.0700	0.0700	0.0700
Deer Creek Sewer	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Black Creek Sewer	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Anti Pollution	-	-	-	-	-	-	-	0.0200	0.0200	0.0200

(1) Source - St. Louis County Collector (rates stated per \$100 assessed valuation)

CITY OF BRENTWOOD, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF
TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

For The Years Ended December 31	Real Property	Personal Property	Railroads And Utilities	Total	
				Assessed Value	Estimated Actual Value
2007	\$ 282,878,600	\$ 38,469,240	\$ 2,270,341	\$ 323,618,181	\$ 1,329,199,150
2006	226,129,740	38,300,390	2,254,615	266,684,745	1,093,789,203
2005	226,097,420	38,439,770	2,327,843	266,865,033	1,092,795,435
2004	194,439,620	36,720,710	2,233,241	233,393,571	943,974,664
2003	191,408,210	40,049,881	2,144,724	233,602,815	943,953,854
2002	180,603,360	40,730,936	2,198,944	223,533,240	897,595,882
2001	176,122,630	40,480,043	2,680,923	219,283,596	884,800,967
2000	149,691,370	41,943,098	2,482,490	194,116,958	769,383,925
1999	149,163,850	37,961,028	2,643,657	189,768,535	755,908,636
1998	136,725,410	36,652,201	2,624,643	176,002,254	699,093,910

(1) Source: St. Louis County Assessor

CITY OF BRENTWOOD, MISSOURI
PRINCIPAL TAXPAYERS (1)
CURRENT YEAR AND SIX YEARS AGO

<u>Taxpayer</u>	<u>2007</u>			<u>2001</u>		
	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
Eager Road Associates West LLC	\$ 8,269,370	1	2.56 %	\$ -	-	-
GS Brentwood LLC	7,560,870	2	2.34	-	-	-
St. Louis Brentwood Associates	7,423,070	3	2.29	6,344,030	2	2.89
Pace Brentwood Partners LLC	6,700,600	4	2.07	-	-	-
DP Brentwood LLC	5,171,840	5	1.60	-	-	-
GS Sansone Brentwood LLC	4,364,800	6	1.35	-	-	-
Center 40 LLC	4,162,020	7	1.29	-	-	-
Home Depot USA, Inc.	4,034,160	8	1.25	3,626,050	3	1.65
Dierbergs Brentwood LLC	3,083,940	9	0.95	-	-	-
Hanley Station Property Owners Assn	2,930,720	10	0.91	-	-	-
Orax Sansone Brentwood LLC	-		-	11,077,700	1	5.05
St. Louis Executive Centre 40, Inc.	-		-	3,361,590	4	1.53
Regents III LLC	-		-	2,329,560	5	1.06
Meridian Medical Technologies, Inc.	-		-	2,206,590	6	1.01
Purina Mills	-		-	1,839,240	7	0.84
Ice Cream Specialties, Inc.	-		-	1,777,370	8	0.81
Margulis, Jeanne Marie, Trustee	-		-	1,482,110	9	0.68
Trippos Realty LLC	-		-	1,423,490	10	0.65
	<u>\$ 53,701,390</u>		<u>16.61 %</u>	<u>\$ 35,467,730</u>		<u>16.17 %</u>

(1) Source: St. Louis County Assessor

CITY OF BRENTWOOD, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS

For The Years Ended December 31	Original Tax Levy	Net Tax Levy (2)	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collections (Refunds)	Total Tax Collections	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes (3)	Outstanding Delinquent Taxes As Percent Of Levy
2007	\$ 1,718,189	\$ 1,722,474	\$ 1,407,502	81.7 %	\$ 98,905	\$ 1,506,407	87.5 %	\$ 364,446	21.16 %
2006	1,675,283	1,675,283	1,573,093	93.9	247,665	1,820,758	108.7	137,716	8.22
2005	1,540,481	1,543,206	1,285,836	83.3	42,037	1,327,873	86.0	280,366	18.17
2004	1,163,573	1,163,954	1,101,339	94.6	148,768	1,250,107	107.4	86,395	7.42
2003	1,131,046	1,132,326	967,579	85.5	52,146	1,019,725	90.1	184,483	16.29
2002	864,750	864,163	819,271	94.8	72,056	891,327	103.1	68,805	7.96
2001	1,267,919	1,267,963	1,195,151	94.3	94,010	1,289,161	101.7	87,868	6.93
2000	1,305,603	1,306,523	1,212,389	92.8	77,633	1,290,022	98.7	113,303	8.67
1999	1,182,250	1,182,761	1,075,411	90.9	62,675	1,138,086	96.2	129,767	10.97
1998	1,112,760	-	1,051,064	94.5	72,054	1,123,118	100.9	-	-

(1) Source: St. Louis County Collector's office

(2) Originally adjusted for strikeoffs and additions by St. Louis Board of Equalization after 1978.

(3) Total cumulative delinquent taxes outstanding as of December 31 of prior year.

Note: Adjusted tax levy and outstanding delinquent tax information is not available for 1990 through 1998.

CITY OF BRENTWOOD, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

For The Years Ended December 31	Governmental Activities						Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	Notes Payable	Capital Lease Obligation	Tax Increment Revenue Bonds	Tax Increment Revenue Notes	General Obligation Bonds	Certificates Of Participation			
2007	\$ -	\$ 449,398	\$ 48,265,000	\$ 5,000,000	\$ 2,105,000	\$ 4,025,000	\$ 59,844,398	23.00 %	\$ 8,126
2006	-	61,249	41,595,000	5,000,000	2,475,000	4,285,000	53,416,249	20.53	7,253
2005	-	-	46,660,000	-	2,825,000	4,535,000	54,020,000	20.76	7,335
2004	-	-	50,385,000	-	3,160,000	4,775,000	58,320,000	21.95	7,756
2003	-	-	44,320,000	6,000,000	3,475,000	5,645,000	59,440,000	22.37	7,905
2002	-	176,955	46,460,000	-	3,775,000	3,300,000	53,711,955	22.78	6,982
2001	-	-	48,025,000	-	4,060,000	-	52,085,000	22.09	6,770
2000	-	-	25,155,000	-	4,330,000	-	29,485,000	12.51	3,833
1999	334,573	-	25,865,000	-	4,585,000	-	30,784,573	18.97	4,072
1998	422,745	-	26,310,000	-	4,815,000	-	31,547,745	19.26	4,136

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements.

(1) See Demographics and Economic Statistics Table.

CITY OF BRENTWOOD, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2007

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share Of Overlapping Debt</u>
St. Louis County	\$ 78,010,000	1.23 %	\$ 959,523
Brentwood School District	-	98.00	-
	<u>78,010,000</u>		<u>959,523</u>
City direct debt	<u>2,105,000</u>	100.00 %	<u>2,105,000</u>
Total Direct And Overlapping Debt	<u><u>\$ 80,115,000</u></u>		<u><u>\$ 3,064,523</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the St. Louis County Collector's office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

CITY OF BRENTWOOD, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	December 31									
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Debt limit	\$ 32,361,818	26,668,475	26,686,503	23,339,357	23,360,282	22,353,324	21,928,360	19,411,696	18,976,854	17,600,225
Net debt applicable to limit	<u>2,105,000</u>	<u>2,475,000</u>	<u>2,825,000</u>	<u>3,160,000</u>	<u>3,475,000</u>	<u>3,775,000</u>	<u>4,060,000</u>	<u>4,330,000</u>	<u>4,585,000</u>	<u>4,815,000</u>
Legal Debt Margin	<u>\$ 30,256,818</u>	<u>24,193,475</u>	<u>23,861,503</u>	<u>20,179,357</u>	<u>19,885,282</u>	<u>18,578,324</u>	<u>17,868,360</u>	<u>15,081,696</u>	<u>14,391,854</u>	<u>12,785,225</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	6.50 %	9.28	10.59	13.54	14.88	16.89	18.51	22.31	24.16	27.36

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

CITY OF BRENTWOOD, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

For The Years Ended December 31	Population (1)	Median Age (1)	Personal Income (1)	Per Capita Income (1)	Unemployment Rate (2)
2007	7,365	35.6	\$ 260,234,910	\$ 35,334	2.9
2006	7,365	35.6	260,234,910	35,334	2.8
2005	7,365	35.6	260,234,910	35,334	3.2
2004	7,519	35.6	265,676,346	35,334	3.4
2003	7,519	35.6	265,676,346	35,334	3.2
2002	7,693	35.6	235,751,985	30,645	2.9
2001	7,693	35.6	235,751,985	30,645	2.4
2000	7,693	35.6	235,751,985	30,645	1.7
1999	7,560	-	162,298,080	21,468	NA
1998	7,628	-	163,757,904	21,468	NA

(1) Source: U.S. Bureau of Census

(2) Source: Missouri Department of Economic Development

CITY OF BRENTWOOD, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

Employer	2007			1998		
	Employees	Rank	Percent Of Total City Employment	Employees	Rank	Percent Of Total City Employment
Target	244	1	1.08 %	NA	NA	NA %
Whole Foods Market	238	2	1.06			
Creve Coeur Mortgage Associates	206	3	0.92			
Home Depot	190	4	0.84			
Dierbergs Brentwood Pointe	182	5	0.81			
Meridian Medical Technologies	160	6	0.71			
Best Buy	133	7	0.59			
Zip Mail Services	132	8	0.59			
Tripos Inc.	100	9	0.44			
Otis Elevator Company	100	10	0.44			
Roman Company	92	11	0.41			
Southern Graphic Systems, Inc.	90	12	0.40			
Romano's Macaroni Grill	88	13	0.39			
Industrial Engineering & Equipment Co., Inc.	83	14	0.37			
Trader Joe's	79	15	0.35			
Schiler, W. & Co., Inc.	75	16	0.33			
Hampton Envelope Company	72	17	0.32			
Houlihan's	72	18	0.32			
Recreational Equipment, Inc.	63	19	0.28			
Privatebank	59	20	0.26			
Rosi Academy d/b/a Martha Rounds	58	21	0.26			
Walgreen's	54	22	0.24			
Circuit City	54	23	0.24			
Frederic Roofing Company, Inc.	50	24	0.22			
Ideacom Midwest, Inc.	48	25	0.21			
	<u>2,722</u>		<u>12.10 %</u>	<u>-</u>		<u>- %</u>

Source: The City's Planning Department

Note: Employment figures from 1998 cannot be obtained by the City.

CITY OF BRENTWOOD, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Full-Time Equivalent Employees As Of December 31									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General government:										
Legislative services	9	9	9	9	9	9	9	9	9	9
Administrative services	5	5	5	5	5	5	5	5	5	5
Information services	1	1	1	1	1	1	-	-	-	-
Maintenance of municipal property	1	1	1	1	1	1	1	1	1	1
Municipal court	1	1	1	1	1	1	1	1	1	1
Finance	3	3	3	3	3	3	3	3	3	3
Police:										
Officers	16	16	16	15	15	15	15	14	14	14
Civilians	7	7	7	6	6	6	6	5	5	5
Public works:										
Administration	4	4	4	4	4	4	4	4	4	4
Street maintenance	14	14	14	14	14	14	13	13	13	13
Parks maintenance	7	7	7	7	7	7	7	8	8	8
Community development	1	1	1	1	1	1	1	1	1	1
Ice arena	3	3	3	3	3	3	3	3	3	3

CITY OF BRENTWOOD, MISSOURI
OPERATING INDICATORS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Fiscal Years									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Police-patrol:										
Arrests	1,053	774	731	785	793	812	1,314	1,413	1,267	808
Traffic citations	6,721	5,931	5,482	4,938	4,390	5,359	6,226	5,704	5,293	3,983
Crime reports	1,718	1,836	1,677	1,809	1,988	1,973	1,439	1,694	2,427	1,135
Accident reports	426	423	435	483	483	470	517	528	505	521
Warrants	NA	1,900	1,518	NA	NA	NA	NA	NA	NA	NA
Public works:										
Road repair-tons of mix-STR	186	140	187	-	219	61	94	-	215	-
Weed violations issued-HW	NA	28	32	27	43	50	12	15	22	30
Acres mowed and maintained-P	NA	26	72	72	72	72	72	72	72	46
Trees and shrubs planted-P	30	171	73	49	66	509	36	171	184	-
Planning and building:										
Site development/concept plans-PL	5	10	4	3	3	5	2	9	3	5
Rezoning applications-PL	2	2	-	6	-	1	-	5	4	4
Text amendments-PL	2	2	-	2	2	4	2	3	2	1
Building permits issued-BI	368	358	361	341	341	257	632	274	274	247
Building inspections completed-BI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Finance and administration:										
Merchant licenses issued-F	710	698	703	682	707	705	NA	NA	NA	NA
Payroll checks issued-F	25,356	3,563	2,728	3,213	3,107	3,248	3,208	3,388	2,912	2,988
Accounts payable processed-F	3,939	3,802	3,892	3,948	3,725	3,320	2,895	2,765	NA	NA
Website visits-AD	4,326,854	186,907	137,871	88,232	53,175	NA	NA	NA	NA	NA
Requests for public records-LEG	7	5	8	3	4	6	2	10	4	2

CITY OF BRENTWOOD, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Fiscal Years									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	15	15	15	15	15	16	16	16	16	16
Public works:										
Miles of streets	44	44	44	44	44	44	44	44	44	44
Street lights and signals	629	629	629	629	629	629	629	629	629	629
Parks and recreation:										
Number of parks	7	7	7	7	7	6	6	6	6	6
Acres of parks	45	45	45	45	45	45	45	45	45	45
Ice arena	1	1	1	1	1	1	1	1	1	1

COMPLIANCE SECTION



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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

June 30, 2008

Honorable Mayor and Board of Aldermen
CITY OF BRENTWOOD, MISSOURI

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF BRENTWOOD, MISSOURI** (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2008. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the City in a separate letter dated June 30, 2008.

This report is intended solely for the information and use of management, others within the City, and applicable regulatory agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Nochschild, Bloom & Company LLP

CERTIFIED PUBLIC ACCOUNTANTS