

AMEREN CORP
Form 11-K
June 28, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

COMMISSION FILE NUMBER 1-14756

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

AMEREN CORPORATION EMPLOYEE
LONG-TERM SAVINGS PLAN - IBEW NO. 702
(formerly known as the Central Illinois Public Service Company
Employee Long - Term Savings Plan - IBEW 702)

B. Name of issuer of securities held pursuant to the plan and the address of its principal executive office:

Ameren Corporation
1901 Chouteau Avenue
St. Louis, Missouri 63103

**Ameren Corporation
Employee Long-Term
Savings Plan - IBEW No. 702
Financial Statements
December 31, 2005 and 2004**

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Employee Long-Term Savings Plan - IBEW No. 702
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Additional Information*

Schedule I: Schedule of Assets (Held at End of Year).....

* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, have been omitted because they are not applicable.

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of the
Ameren Corporation Employee Long-Term
Savings Plan - IBEW No. 702

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Ameren Corporation Employee Long-Term Savings Plan - IBEW No. 702 (the "Plan") at December 31, 2005 and 2004, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The schedule of assets (held at end of year) that accompanies the Plan's financial statements does not disclose the historical cost of certain nonparticipant-directed Plan assets held by the Plan's trustee. Disclosure of this information is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
St. Louis, Missouri
June 23, 2006

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Statements of Net Assets Available for Benefits
December 31, 2005 and 2004

| | 2005 | 2004 |
|---|---------------|---------------|
| Assets | | |
| Investments (Note 6) | \$ 49,073,086 | \$ - |
| Investments in Central Illinois Public Service Company Master Long-Term Savings Trust (Note 7) | - | 46,021,108 |
| Cash | 1,845 | 867 |
| Receivables | | |
| Participant contributions | 124,376 | 143,860 |
| Employer contributions | 15,342 | 18,366 |
| Dividends and interest | 22,750 | 21,864 |
| Due from broker for securities sold | 18,819 | 160 |
| Total receivables | 181,287 | 184,250 |
| Net assets available for benefits | \$ 49,256,218 | \$ 46,206,225 |

* Represents five percent or more of net assets available for benefits.

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

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2005 and 2004

| | 2005 | 2004 |
|---|-------------------|-------------------|
| Additions | | |
| Interest and dividends | \$ 1,174,534 | \$ - |
| Net appreciation in fair value of investments | 1,438,985 | - |
| Plan interest in Central Illinois Public Service Company Master Long-Term Savings Trust (Note 7) | (112,149) | 4,211,859 |
| Participant contributions | 3,290,304 | 3,155,261 |
| Employer contributions | 399,975 | 396,797 |
| Total additions | 6,191,649 | 7,763,917 |
| Deductions | | |
| Benefits paid to participants | 2,597,334 | 2,504,031 |
| Administrative expenses | 3,547 | 4,103 |
| Total deductions | 2,600,881 | 2,508,134 |
| Net transfers in/(out) (Note 1) | (540,775) | 16,854 |
| Net increase | 3,049,992 | 5,272,637 |
| Net assets available for benefits | | |
| Beginning of the year | 46,206,225 | 40,933,588 |
| End of the year | \$ 49,256,218 | \$ 46,206,225 |

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

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

1. Description of the Plan

General

The following is a brief summary of the various provisions of the Ameren Corporation (the "Company") Employee Long-Term Savings Plan - IBEW No. 702 (the "Plan"). The Plan provides for the investment in certain funds by each participating employee ("Participants") who are members of the IBEW No. 702 collective bargaining unit employed by Central Illinois Public Service Company, a wholly owned subsidiary of the Company, or Ameren Energy Generating Company, an indirectly wholly owned subsidiary of the Company ("Participating Subsidiaries"), as applicable. Participants should refer to the Plan document for more complete information.

The Company adopted the Plan on January 1, 1990, to provide a systematic means by which certain eligible employees of the Company may adopt a regular savings program and secure federal income tax benefits resulting from participation in the Plan. The Plan is a defined contribution plan subject to certain provisions of ERISA, as amended, and regulations of the Securities and Exchange Commission.

The Company serves as sponsor of the Plan, and, consequently, has the authority to amend or terminate the Plan subject to certain restrictions. The Board of Directors of the Company has the authority and responsibility for the general administration of the Plan. Merrill Lynch & Co., Inc. ("Merrill Lynch"), as Trustee, has the authority and responsibility to hold and protect the assets of the Plan in accordance with Plan provisions and with the Central Illinois Public Service Company Master Long-Term Savings Trust (the "Master Trust"), through March 16, 2005, at which time the Master Trust assets were transferred to other investments.

Participation

Each employee of the Participating Subsidiaries receiving regular salary or wages who is part of the IBEW Local No. 702 collective bargaining unit and who has both completed one year of service (defined as a consecutive twelve-month period beginning with his/her employment commencement date or anniversary thereof during which he/she has completed at least 1,000 hours of service) and has attained the age of 21 is eligible to become an active participant.

Contributions

The Plan allows Participants to contribute up to the lesser of one to 100 percent of their base compensation, or the maximum prescribed by applicable law (\$14,000 in 2005 and \$13,000 in 2004), annually to the Plan through payroll deductions (basic contributions). The Company makes a matching contribution equal to \$.25 for each \$1.00 on the first six percent of a Participant's contribution. Company contributions are made in accordance with specific agreements between the Company and the collective bargaining unit. All Company matching contributions are made to the extent sufficient earnings are available, as described in the Plan document.

The Plan permits "catch-up" contributions for all employees age 50 and older. Eligible employees could contribute \$4,000 in 2005 and \$3,000 in 2004 as a "catch-up" contribution. The Company does not match "catch-up" contributions.

Participants direct their contributions and the Company's matching contributions by electing that such contributions be placed in a single investment fund or allocated in increments of one percent to any combination of available investment funds. Such fund allocation elections may be changed

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

daily. Earnings derived from the assets of any investment fund are reinvested in the fund to which they relate. Participants may elect daily to reallocate the value of their accounts between funds, in whole dollars, percents, or number of shares. Pending investment of the assets into any investment fund, the Trustee may temporarily purchase short-term investments on behalf of participants.

Participant Loans

The Plan permits Participants to borrow from their accounts within the Plan. Such borrowings may be made subject to the following: (1) the minimum amount of the loan is \$500, (2) the amount of the loan may not exceed the lesser of \$50,000 or fifty percent of the vested amount in the Participant's account, (3) the loan will bear a fixed interest rate and repayments will be made through mutual agreement subject to certain statutory repayment time limits, and (4) such other rules and regulations as may be adopted by the Company. At December 31, 2005 and 2004, the interest rates on Participant loans ranged from 4.0 percent to 9.5 percent.

Vesting

The amounts in Participants' accounts, including Company contributions, are fully vested at all times.

Payment of Benefits

Upon termination of employment for any reason, a Participant will be entitled to receive the balance in the Participant's account less the unpaid amount of any outstanding loan, including accrued interest. Generally, distributions will be made in a lump sum; however, in certain circumstances a Participant may also elect to receive his/her distribution in installments. Certain distributions may be deferred until a Participant reaches age 70 1/2, dies, or requests an earlier distribution, whichever occurs first.

Plan Transfers

For 2005, Plan transfers out represent Participants' account balances which were transferred from the Plan into the Ameren Corporation Savings Investment Plan. For 2004, Plan transfers in and out represent amounts of the Participants' account balances which were transferred between the Plan and the Ameren Corporation Employee Long-Term Savings Plan - IUOE No. 148 during the year. In each year, plan transfers were due to participants changing their participant status, such as transferring to a different collective bargaining unit or transferring from a collective bargaining unit to a management position.

Plan Termination

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as provided for in the Plan document.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting, except that benefit payments to participants are recorded upon distribution.

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Investments

All investments are presented at fair value as of December 31, 2005 and 2004. The fair value of the Ameren Common Stock Fund was determined using the year-end published market price. Investments in equity securities and bonds are valued at published net asset market values including accrued income on the last business day of each year. Investments in the BGI Money Market Fund are valued at cost plus accrued income, which approximates market value. Investments in the Merrill Lynch Retirement Preservation Trust are valued at contract value, or principal plus accrued interest. Participant loans are valued at cost which approximates market value.

Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

Income

Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Gains and losses on security transactions are recorded on the trade date.

Administrative Expenses

In general, expenses to administer the Plan, including fees and expenses of the Trustee, are paid by the Company, except as provided for in the Plan provisions. All transaction and investment management fees of an investment fund are paid from the assets of that investment fund.

3. Transactions with Parties-in-Interest

At December 31, 2005, the Plan held Company common stock with a cost and market value of \$13,255,555 and \$13,358,711, respectively. During 2005, the Plan purchased shares at a cost of \$2,621,202 and sold shares valued at \$2,289,056.

At December 31, 2004, the Master Trust held Company common stock for the Plan with a cost and market value of \$12,098,501 and \$13,178,433, respectively. During 2004, the Plan purchased shares at a cost of \$2,326,091 and sold shares valued at \$1,773,044.

At December 31, 2005, the Plan held investments in various accounts that are related to Merrill Lynch, the Plan's Trustee. At December 31, 2005, these investments had a cost and market value of \$24,985,281 and \$25,867,366, respectively.

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

At December 31, 2004, the Master Trust held investments in various accounts for the Plan that are related to Merrill Lynch, the Plan's Trustee. At December 31, 2004, these investments had a cost and market value of \$21,368,536 and \$23,144,986, respectively.

These transactions are allowable party-in-interest transactions under Section 408(b)(8) of the ERISA regulations.

4. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31, 2005 and 2004:

| | 2005 | 2004 |
|--|---------------|---------------|
| Net assets available for benefits per the financial statements | \$ 49,256,218 | \$ 46,206,225 |
| Amounts allocated to withdrawing Participants | (1,844) | (867) |
| Net assets available for benefits per the Form 5500 | \$ 49,254,374 | \$ 46,205,358 |

The following is a reconciliation of benefits paid to Participants per the financial statements to the Form 5500 for the years ended December 31, 2005 and 2004:

| | 2005 | 2004 |
|--|--------------|--------------|
| Benefits paid to Participants per the financial statements | \$ 2,597,334 | \$ 2,504,031 |
| Add: Amounts allocated to withdrawing Participants during the current year | 1,844 | 867 |
| Less: Amounts allocated to withdrawing Participants during the prior year | (867) | - |
| Benefits paid to Participants per the Form 5500 | \$ 2,598,311 | \$ 2,504,898 |

Amounts allocated to withdrawing Participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

5. Federal Income Tax Status

The Company received a favorable determination letter from the Internal Revenue Service dated May 29, 2002, concerning the qualification of the Plan under federal income tax regulations. In addition, the Company also received a favorable determination letter from the Internal Revenue Service dated December 8, 1986, concerning qualification of the Master Trust under federal income tax regulations. Management believes that the Plan is currently designed and

is being operated in compliance with requirements of the Internal Revenue Code and that the Plan is tax exempt as of the financial statement date.

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Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

6. Investments

Beginning March 16, 2005, the Master Trust no longer existed as a funding vehicle for the Plan and for the other separate Long-Term Savings Plan, which was for the members of the IUOE No. 148 collective bargaining unit employed by Ameren Energy Generating Company. On this date the assets of the other separate Long-Term Savings Plan were transferred to the Ameren Corporation Saving Investment Plan.

The following table presents investments of the Plan at December 31, 2005:

Investments at Fair Value

| | |
|--|---------------|
| Common Stock | |
| Ameren Common Stock Fund ⁽¹⁾ | \$ 13,358,711 |
| Managed Domestic Equity Funds | |
| Merrill Lynch Equity Index Trust ⁽¹⁾ | 11,407,930 |
| Merrill Lynch Growth Equity Fund ⁽¹⁾ | 7,393,253 |
| American Funds Washington Mutual Investors Fund ⁽¹⁾ | 3,855,826 |
| Merrill Lynch Global Allocation Fund ⁽¹⁾ | 2,746,388 |
| Merrill Lynch Balanced Capital Fund | 1,411,994 |
| Managed Fixed Income Fund | |
| BGI Government Corporate Bond Index Fund ⁽¹⁾ | 2,491,865 |
| Investments at Estimated Fair Value | |
| Managed Fixed Income Funds | |
| Merrill Lynch Retirement Preservation Trust ⁽¹⁾ | 2,907,801 |
| BGI Money Market Fund | 2,229,283 |
| Participant Loan Fund | 1,270,035 |
| Total investments | \$ 49,073,086 |

⁽¹⁾ Investments that represent 5 percent or more of the Plan's net assets.

From March 16, 2005 through December 31, 2005, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value as follows:

| | |
|----------------------------------|--------------|
| Investments at Fair Value | |
| Managed Domestic Equity Funds | \$ 1,116,436 |

| | |
|---------------------------|--------------|
| Managed Fixed Income Fund | 62,570 |
| Ameren Common Stock Fund | 259,979 |
| Net change in fair value | \$ 1,438,985 |

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Notes to Financial Statements
Years Ended December 31, 2005 and 2004

7. Participation in Master Trust

The Master Trust was established April 1, 1985, to serve as the funding vehicle for the Plan and for the other separate Employee Long-Term Savings Plan, which was for the members of the IUOE No. 148 collective bargaining unit employed by Ameren Energy Generating Company. Beginning March 16, 2005, the Master Trust no longer existed as a funding vehicle for the Plan and for the other separate Long-Term Savings Plan. On this date the assets of the other separate Long-Term Savings Plan were transferred to the Ameren Corporation Saving Investment Plan.

At December 31, 2004, the Plan's interest in the net assets of the Master Trust was approximately 61 percent. Investment income (loss), gains and losses, and administrative expenses relating to the Master Trust were allocated to the Participant's account balance based on the percentage of the Participant's account balance to the total of all Participants' account balances in each investment fund as of each valuation date.

The following table presents the fair value of investments for the Master Trust at December 31, 2004:

| | 2004 |
|---|---------------|
| Investments at Fair Value | |
| Ameren Common Stock Fund | \$ 24,515,713 |
| Merrill Lynch Equity Index Trust | 16,484,217 |
| Merrill Lynch Growth Equity Fund | 9,995,595 |
| AIM Premier Equity Fund | 4,689,202 |
| BGI Government Corporate Bond Index Fund | 3,473,606 |
| Merrill Lynch Global Allocation Fund | 2,508,102 |
| Merrill Lynch Balanced Capital Fund | 1,366,341 |
| Investments at Estimated Fair Value | |
| Merrill Lynch Retirement Preservation Trust | 5,787,683 |
| BGI Money Market Fund | 4,284,523 |
| Participant Loan Fund | 2,319,429 |
| Total Master Trust investments | \$ 75,424,411 |

Investment income (loss) for the Master Trust for the period January 1 through March 16, 2005 and for the year ended December 31, 2004 is as follows:

| | 2005 | 2004 |
|---|--------------|--------------|
| Interest and dividends | \$ 156,439 | 1,742,399 |
| Net appreciation/(depreciation) in fair value and estimated fair value of investments | (306,449) | 5,190,748 |
| Total Master Trust investment income (loss) | \$ (150,010) | \$ 6,933,147 |

Ameren Corporation
Employee Long-Term Savings Plan - IBEW No. 702
Schedule of Assets (Held at End of Year)
December 31, 2005

Schedule 1

| (a) | (b) | (c) | (e) |
|---|---|---|---------------|
| Identity of issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Current value | |
| * | Ameren Corporation | Ameren Common Stock Fund | \$ 13,358,711 |
| * | Merrill Lynch Investment Management | Merrill Lynch Equity Index Trust | 11,407,930 |
| * | Merrill Lynch Investment Management | Merrill Lynch Growth Equity Fund | 7,393,253 |
| | American Funds Group | Washington Mutual Investors Fund | 3,855,826 |
| * | Merrill Lynch Investment Management | Merrill Lynch Retirement Preservation Trust | 2,907,801 |
| * | Merrill Lynch Investment Management | Merrill Lynch Global Allocation Fund | 2,746,388 |
| | Barclays Global Investors | BGI Government Corporate Bond Index Fund | 2,491,865 |
| | Barclays Global Investors | BGI Money Market Fund | 2,229,283 |
| * | Merrill Lynch Investment Management | Merrill Lynch Balanced Capital Fund | 1,411,994 |
| * ** | Participants | Participant Loans | 1,270,035 |
| | | \$ | 49,073,086 |
| * | Investment represents allowable transaction with a party-in-interest. | | |
| ** | Interest rates vary from 4.0 percent to 9.5 percent on loans maturing through 2012. | | |

Note: Information pertaining to column (d) was omitted for participant-directed investments because it was not applicable.

