

**City of Riverside, Missouri**

**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2013**

**Prepared by Finance Department**

Donna Resz, Finance Director



City of Riverside, Missouri  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2013

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2950 NW Vivion Road  
Riverside, MO 64150

October 29, 2013

To the Honorable Mayor, Board of Aldermen and Citizens of the City of Riverside:

This document is the Comprehensive Annual Financial Report (CAFR) for the City of Riverside for the fiscal year ended June 30, 2013. The CAFR was prepared by the City's Finance Division in close cooperation with the external auditor, McGladrey LLP.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McGladrey LLP, have issued an unmodified ("clean") opinion on the City of Riverside's financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Riverside is a suburban community located in Platte County, Missouri, and within the northern sector of the Kansas City metropolitan area. It currently occupies 5.87 square miles and serves an estimated population of 3,011.

The City of Riverside was incorporated in 1951 and is governed by a Mayor-Board of Aldermen-City Administrator form of government. The Mayor and the 6 Board of Aldermen members are elected on an at large basis and serve two- year staggered terms. The Board of Aldermen appoints the City Administrator who serves as the chief administrative officer of the City.

The City of Riverside provides a full range of services including police and fire protection, traffic regulation and municipal court service, construction and maintenance of City streets and bridges, and recreational activities. The financing of infrastructure projects in the L-385 Tax Increment Financing District is provided through two legally separate entities. The Tax Increment Financing Commission and the Riverside Industrial Development Authority, which function, in essence, as departments of the City of Riverside have been included as an integral part of the City of Riverside's financial statements.

The Board of Aldermen is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of Riverside's financial planning and control. The budget is prepared by fund (e.g., General Fund), department (e.g., public safety) and cost center (e.g., police services). Department heads may transfer resources within a department. Transfers between departments, however, need special approval from the Board of Aldermen.

### **Local economy**

The City of Riverside is located strategically between the Kansas City International Airport and downtown Kansas City. Two interstate highways (I-29 and I-635) and one state highway (9) serve the community. The Kansas City Area Transportation Authority, which operates a metropolitan-wide bus system, provides frequent, low cost service to Riverside.

With total governmental fund type revenue of \$21.2 million in fiscal 2013, use of which is prudently allocated by the City Council, the City provides many services not available elsewhere, such as one police officer for every 120 residents, refuse collections weekly for residential property at no charge, and a 75% subsidy on all resident community center memberships.

### **Relevant financial policies**

Cash Management Policies and Practices – The City pools idle cash from all funds for the purpose of increasing income through investment activities. Cash, temporarily idle during the year, was invested in certificates of deposit, federal agencies and MOSIP. The maturities of the investments generally range from thirty days to one year, with the average maturity being six months. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, 100% of City deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by either the City's agent or a financial institution's trust department in the City's name.

Risk Management – The City is provided property, casualty and liability insurance coverage by MOPERM and worker's compensation coverage by Mid-American Regional Council Insurance Trust. Both entities are not-for-profit corporations consisting of governmental entities formed to acquire insurance for its members. The City utilizes all risk control procedures and training made available by these entities.

### **Major initiatives**

The City of Riverside continues to see significant interest in development projects throughout the community. In support of these projects, the City is moving ahead with infrastructure improvements designed to support the ultimate build-out. These projects both help to attract

new growth and better serve our current citizens and businesses. Some of these initiatives include:

**Parks and Recreation:** The City of Riverside continues to develop its trail system with the construction and subsequent opening of the Upper and Lower Line Creek Trails. Future trail projects include the Jumping Branch Trail, 9 Highway Link Trail and the Vivon Road to Interurban Bridge Trail.

**Horizons:** Riverside Horizons Business Park saw a tremendous amount of development activity this past year. On the east side of the park, phase 1 infrastructure is nearly completed and vertical construction has commenced. Two buildings, totaling 205,000 square feet, were completed and fully occupied. Two additional buildings, totaling 365,000 square feet were started in 20013 and will be fully occupied by January 1, 2014.

On the west side of the park, the City initiated its third infrastructure project utilizing Community Development Black Grant funds. This project extends a street and utilities to serve a 260,000 square foot facility for an automotive supplier. The project also opens three other parcels for development.

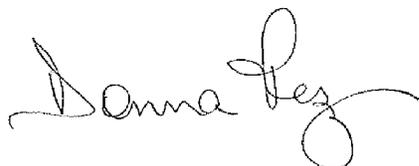
#### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Riverside for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the seventh year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement's Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

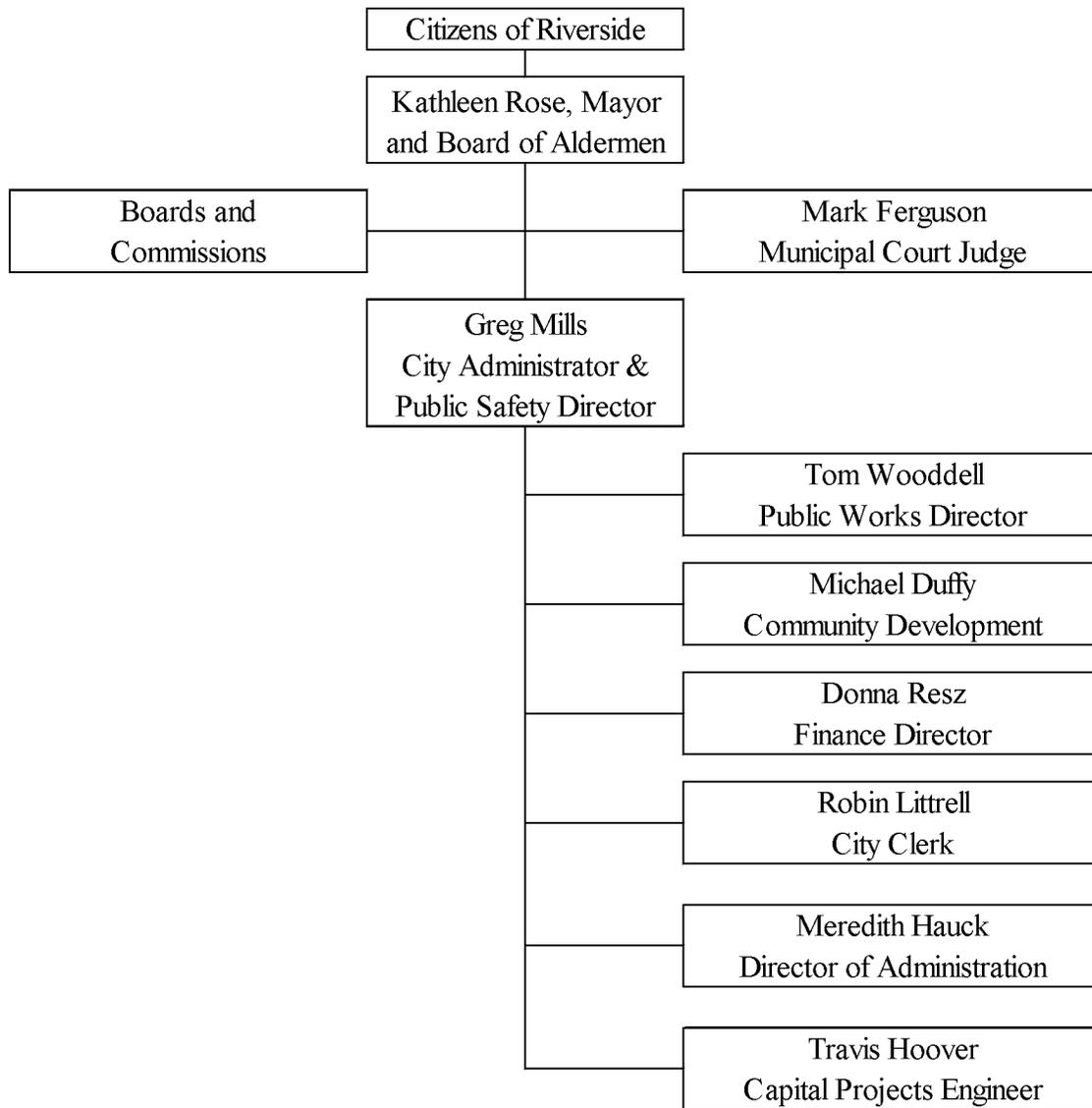
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and the assistance of other departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the board of aldermen for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Riverside's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Donna Resz". The signature is written in black ink and is positioned above the typed name and title.

Donna Resz  
Finance Director

**City of Riverside, Missouri**  
**Organizational Chart**  
**For the Year Ended June 30, 2013**



**City of Riverside, Missouri  
Principal Officers  
June 30, 2013**

**Elected Officials**

Mayor	Kathleen Rose
Alderman, Ward 3	Brad Cope
Alderman, Ward 2	Seth DeRose
Alderman, Ward 1	Mike Fuller
Alderman, Ward 3	Art Homer
Alderman, Ward 1	Ron Super
Alderman, Ward 2	Aaron Thatcher

**Appointed Officials**

City Administrator/Director of Public Safety	Greg Mills
City Clerk	Robin Littrell
Finance Director	Donna Resz
Municipal Court Judge	Mark Ferguson
Community Development Director	Michael Duffy
Public Works Director	Tom Wooddell
Director of Community Relations	Meredith Hauck
Capital Projects Engineer	Travis Hoover



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Riverside  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO



## Independent Auditor's Report

To the Honorable Mayor and  
Members of the Board of Aldermen of the  
City of Riverside, Missouri  
Riverside, Missouri

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Riverside, Missouri (the City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *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 of the City of Riverside, Missouri, as of June 30, 2013, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

As explained in Note 10 to the basic financial statements, the City adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which restated beginning net position for items previously reported as assets.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 11 through 19 and the schedules of funding progress on page 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Riverside, Missouri's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2013, on our consideration of the City of Riverside, Missouri's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Riverside, Missouri's internal control over financial reporting and compliance.

*McGladrey LLP*

Kansas City, Missouri  
October 28, 2013

**CITY OF RIVERSIDE, MISSOURI  
2950 N.W. Vivion Road  
Riverside, MO 64150**

Management's Discussion and Analysis

Our discussion and analysis of the City of Riverside's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the City's letter of transmittal and the financial statements that begin on page 21.

**FINANCIAL HIGHLIGHTS**

- The City's net position at end of the fiscal year was \$98,948,225. Of this amount, (\$7,486,325) is unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position of the City of Riverside increased by 1.2% or \$1,149,443. Analysis is included in the overview of the financial statements.
- As of the close of the current fiscal year, the City of Riverside's governmental funds reported combined ending fund balances of \$16,425,515 a decrease of (\$7,971,882) over the previous year. Approximately \$7,391,475 of this amount is available for spending at the government's discretion.
- The unassigned fund balance for the General Fund was \$7,391,475 compared to \$8,654,105 in general fund expenditures.
- The City of Riverside total debt (excluding compensated absences) decreased by (\$3,420,627) or (12%).

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the City of Riverside's basic financial statements. The City of Riverside's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

## Report Components

This annual report consists of five parts as follows:

**Government-wide financial statements:** The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector companies.

The statement of net position includes all of the City of Riverside's assets and liabilities and deferred inflows and outflows. All of the current year's revenues and expenses are reported in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position – the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources—is one way to measure the City's overall financial health or position. Over time, increases or decreases in net position can be monitored to determine whether the City of Riverside's financial position is improving or deteriorating.

The government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from those that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general administration, public safety, public works and parks and recreation. The City does not engage in business-type activities.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. The City utilizes two types of funds: governmental and fiduciary.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City'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, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 23-27 of this report.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The basic fiduciary fund financial statements can be found on page 28 of this report.

**Notes to the Financial Statements:** The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements. The notes to basic financial statements can be found on pages 30-52 of this report.

**Other Information:** The combining statements referred to earlier in connection with nonmajor funds and combining and individual fund statements and schedules can be found on pages 54-62 of this report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. In the case of the City of Riverside, the net position increased by \$1,149,443. Following is a condensed version of the government-wide statement of net position comparing fiscal year 2013 and 2012.

#### City of Riverside Net Position

	2013	2012
Current and other assets	\$ 21,153,430	\$ 31,476,689
Capital assets	126,699,283	118,719,822
Total assets	<u>147,852,713</u>	<u>150,196,511</u>
Long-term liabilities outstanding	44,247,981	48,241,259
Other liabilities	1,986,837	2,089,299
Total liabilities	<u>46,234,818</u>	<u>50,330,558</u>
Deferred inflows of resources	2,669,670	2,067,171
Net position		
Net investment in capital assets	97,455,751	87,447,540
Restricted	8,978,799	11,755,164
Unrestricted	(7,486,325)	(1,403,922)
Total net position	<u>\$ 98,948,225</u>	<u>\$ 97,798,782</u>

The total net position of the City increased by \$1,149,443. However, all of the components either are restricted as to the purposes they can be used for or are invested in capital assets (e.g., land, buildings, machinery and equipment). Consequently, the unrestricted component of the net position showed a \$7.5 million deficit at the end of this year. This deficit does not mean that the City does not have resources available to pay its bills next year. Rather, it is the result of having long-term commitments that are greater than currently available resources.

During the fiscal year, the City used unrestricted net position to invest into infrastructure throughout the City and for the Horizons business park, as well as to reduce outstanding long-term debt related to capital assets. As a result, net position related to capital assets increased by \$10,008,211 and unrestricted decreased by (6,082,403). The investment into the Horizons business park will begin to be repaid in the near future with significantly increased tax increment financing revenue.

**City of Riverside  
Changes in Net Position**

	2013	2012	% Change
Revenues:			
Program revenues:			
Charges for services	\$ 719,628	\$ 770,570	(6.6)%
Operating grants and contributions	8,906	32,747	(72.8)%
Capital grants and contributions	3,512,010	3,689,165	(4.8)%
General revenues:			
Sales tax	1,397,363	1,358,640	2.9%
Other taxes	821,438	760,880	8.0%
Grants and contributions not restricted for specific programs	238,557	287,393	(17.0)%
Tax increment financing revenue	3,335,920	2,615,532	27.5%
Gaming revenue	7,133,275	8,528,022	(16.4)%
Real estate income – gaming	4,155,181	4,424,307	(6.1)%
Investment earnings	51,762	187,308	(72.4)%
Gain on land lease	1,153,512	325,557	254.3%
Other	26,529	18,736	41.6%
Total revenues	<u>22,554,081</u>	<u>22,998,857</u>	<u>(1.9)%</u>
Expenses:			
Administrative and support	3,291,806	3,340,602	(1.5)%
Municipal court	168,189	163,037	3.2%
Public safety	5,213,752	4,835,082	7.8%
Public works	9,024,716	9,347,065	(3.4)%
Parks and recreation	725,478	776,223	(6.5)%
Community development	382,271	422,397	(9.6)%
Building and codes	117,154	138,467	(15.4)%
Interest on long-term debt	2,481,272	2,614,854	(5.1)%
Total expenses	<u>21,404,638</u>	<u>21,637,727</u>	<u>(1.1)%</u>
Increase in net position	\$ 1,149,443	\$ 1,361,130	77.8%

Last fiscal year operating grants and contributions were significantly higher due to an operating grant of \$20,625 from FEMA for flood damage at E. H. Young Park.

Tax increment financing revenues increased by \$720,388 due to the construction of new buildings and creation of new jobs within the Horizons business park.

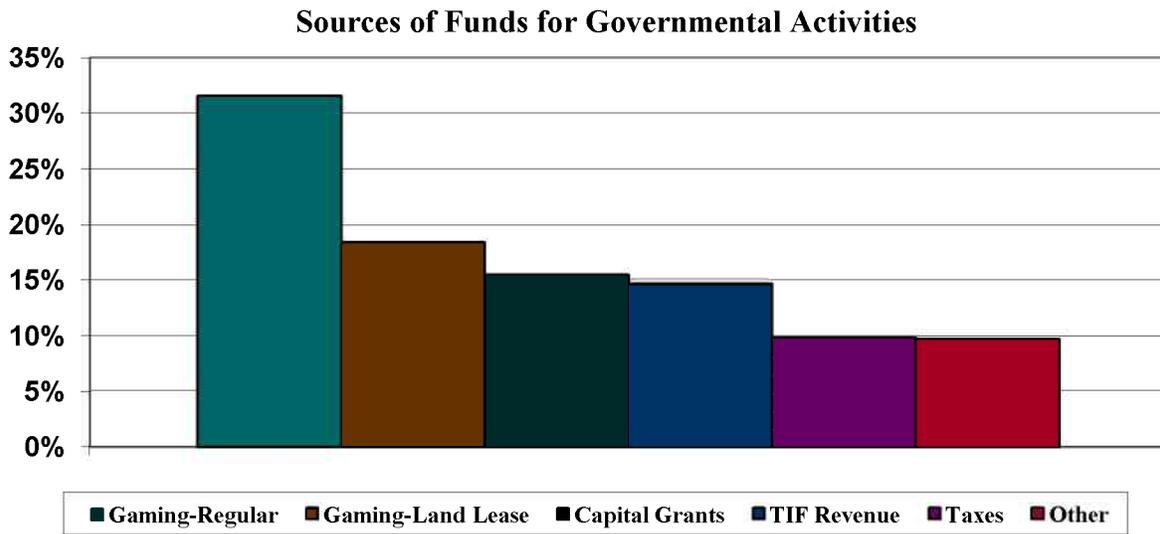
Gaming revenues decreased by (16.4%) due to the opening of an additional casino in the Kansas City metropolitan area. While significant, the City had been forecasting this decrease in its five year capital plan.

Investment earnings decreased by (72%) as the result of significantly lower interest rates.

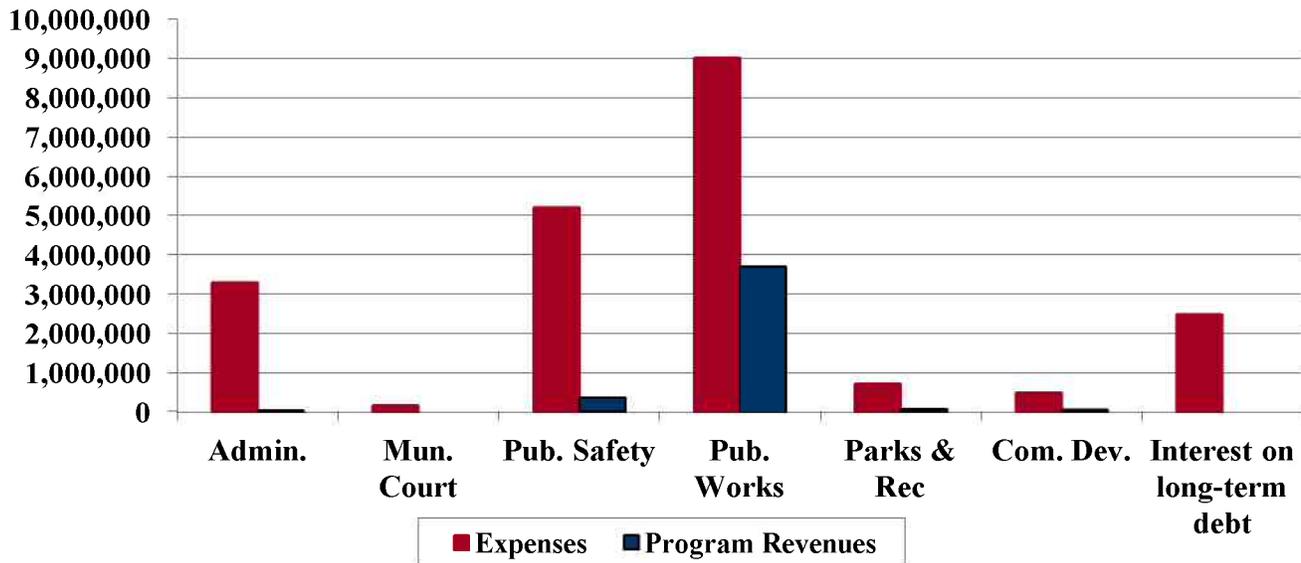
Gain on land lease increased by \$827,955 or 254.3%. Due to the development within the Horizons business park, the City entered into multiple sales-type agreements with private businesses which have resulted in recognition of gains on land leases.

Beginning Year	Ending Year	Current year gain
2011	2021	102,527
2012	2013	223,030
2013	2014	412,858
2013	2014	415,096

In the Building and Codes division, a full-time position was eliminated resulting in the subsequent decline in expenses.



## Expenses and Program Revenues



### Financial Analysis of the Government's Funds

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

**Governmental funds:** The focus of the City of Riverside's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City of Riverside'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.

As of the end of the current fiscal year, the City of Riverside's governmental funds reported combined ending fund balances of \$16,425,515, a decrease of (\$7,971,882) in comparison with the prior year. Approximately 45% or \$7,391,475 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed to pay debt service (\$6,466,375), to construct capital improvements (\$1,867,992), to community development (\$145,884), for law enforcement (\$106,265) and for tourism (\$392,283).

The general fund is the chief operating fund of the City of Riverside. At the end of the current fiscal year, the fund balance of the general fund was \$7,391,475. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 86% of total general fund expenditures.

The fund balance of the City of Riverside's general fund decreased by (\$5,250,758) or (42%) during the current fiscal year largely due to budgeted transfers of \$3,608,490 to other funds for capital improvements, future economic development and maintain debt service reserves. The decrease in fund balance has been planned for within the City's 5 year forecast.

The fund balance of the capital improvement fund decreased by (\$2,332,672) due to budgeted expenditures for infrastructure within the Horizons business park, improvements to Northwood Road and additions of trails.

The fund balance of the community development fund decreased by (\$1,472,269) due to the budgeted purchase of land within the Horizons business park.

### **General Fund Budgetary Highlights**

General Fund Revenues: Overall actual general fund revenues (\$7,011,837) were lower than budgeted revenues (\$7,087,237) by \$75,400. Some elements of this difference are the following:

- Investment earnings were less than the original budget by (88%) due to lower interest rates.

General Fund Expenditures: The legally adopted budget for the General Fund was amended by the Board of Aldermen during the current fiscal year to increase transfers to other funds. In addition, a full-time Planner and a full-time Capital Projects Coordinator positions were added into the Community Development department.

In the general government department, the elected officials division actual expenditures were 14% under budget as a result of fewer than anticipated meetings. The administration division was under budget by 20% due to two vacancies the majority of the year. In addition, the majority of outside engineering fees were charged to capital projects. The municipal court division was over budget by 4% due to higher prisoner expenditures for housing.

In the public safety department, the operations support division actual expenditures were under budget by 16% due to employee vacancies. The fire division actual expenditures were under budget by 12% due to employee and vacancies and lower than anticipated contract ambulance expenditures.

In the public works department, the public works division actual expenditures were under budget by 12% due to a mild winter that resulted in less overtime and snow removal material expenditures. In addition, fewer seasonal employees were utilized during the summer.

In the parks and recreation department, the parks division was under budget by 24% due to lower than anticipated expenditures for utilities and maintenance of the water features and irrigation throughout the city.

In the community development department, the community development division was amended to add two new positions. The partial year vacancies of these positions resulted in actual expenditures being under budget by 23%. The building and codes division actual expenditures were under budget by 29% due to the elimination of a full-time position after the budget was adopted.

## Capital Assets

The City of Riverside's investment in capital assets as of June 30, 2013, amounts to \$126,699,283, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the City of Riverside's investment in capital assets for the current fiscal year was 6.7% over the previous fiscal year.

### City of Riverside Capital Assets, (Net of Depreciation)

	2013	2012
Land	\$ 20,329,601	\$ 17,057,362
Buildings	16,459,178	16,862,305
Improvements	3,029,529	2,656,010
Machinery and Equipment	2,122,413	2,390,303
Infrastructure	78,291,045	72,873,814
Construction in Progress	6,467,517	6,880,028
Total	<u>\$126,699,283</u>	<u>\$118,719,822</u>

Additional information on the City of Riverside's capital assets can be found in Note 3 of this report.

## Long-term Debt

At the end of the current fiscal year, the City of Riverside had \$39,055,000 in outstanding tax increment financing debt which is secured solely by tax increment financing revenues generated.

### City of Riverside Outstanding Debt

	2013	2012
Tax Increment Financing Bonds	<u>\$39,055,000</u>	<u>\$42,450,000</u>

The City of Riverside's total debt decreased by (\$3,395,000) or (8%) during the current fiscal year.

Additional information on the City of Riverside's long-term debt can be found in Note 5 on page 43 of this report.

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

- The City of Riverside updated the compensation plan by 2.0 percent for the pay for performance plan.

- The unemployment rate for Platte County, which includes the City of Riverside, is currently 6.0% which is an increase from a rate of 5.7% a year ago. This compares favorably to the state's unemployment rate of 6.9% and the national rate of 7.6%.

All of these factors were considered in preparing the City of Riverside's budget for the 2013 fiscal year.

### **Requests and Information**

This financial report is designed to provide a general overview of the City of Riverside's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report should be addressed to the Finance Director at 2950 N.W. Vivion Road, Riverside, Missouri, 816-741-3993.

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## **BASIC FINANCIAL STATEMENTS**



**City of Riverside, Missouri**  
**Statement of Net Position**  
**June 30, 2013**

	Governmental Activities
Assets:	
Current assets:	
Cash and investments	\$ 8,236,938
Taxes receivable	445,873
Due from other governments	712,387
Interest receivable	45,290
Gaming receivable	527,660
Other receivable	2,319
Total current assets	9,970,467
Noncurrent assets:	
Restricted cash and investments	11,182,963
Capital assets not being depreciated:	
Land	20,329,601
Construction in progress	6,467,517
Capital assets being depreciated:	
Buildings	19,984,851
Land improvements	3,289,013
Equipment	5,428,076
Infrastructure	88,136,192
Accumulated depreciation	(16,935,967)
Total noncurrent assets	137,882,246
Total assets	\$ 147,852,713
Liabilities:	
Current liabilities:	
Accounts payable	\$ 1,815,388
Accrued wages	165,569
Deposits	5,880
Current portion of long-term obligations:	
Compensated absences	172,597
Accrued interest	311,897
TIF bonds payable, net	3,280,000
Total current liabilities	5,751,331
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Compensated absences	85,011
OPEB liability	68,290
Developer liability	4,001,654
TIF bonds payable, net	36,328,532
Total noncurrent liabilities	40,483,487
Total liabilities	46,234,818
Deferred Inflows of Resources, deferred gain from sale - leaseback	2,669,670
Net Position:	
Net investment in capital assets	97,455,751
Restricted for:	
Tax increment financing debt service	6,466,375
Capital improvements	1,867,992
Community development	145,884
Tourism	392,283
Law enforcement	106,265
Unrestricted (deficit)	(7,486,325)
Total net position	98,948,225
Total liabilities, deferred outflows of resources and net position	\$ 147,852,713

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Statement of Activities**  
**For the Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	
Primary Government				
Governmental Activities				
Administrative and support	\$ 3,291,806	\$ 41,535	\$ -	\$ -
Municipal court	168,189	-	-	-
Public safety administration	645,375	-	-	-
Police services	2,543,564	356,142	8,906	-
Operations support	606,699	-	-	-
Fire services	1,418,114	-	-	-
Public works	9,024,716	186,168	-	3,512,010
Parks and recreation	725,478	77,587	-	-
Community development	382,271	-	-	-
Building and codes	117,154	58,196	-	-
Interest on long-term debt and related to developer liability	2,481,272	-	-	-
Total governmental activities	<u>\$ 21,404,638</u>	<u>\$ 719,628</u>	<u>\$ 8,906</u>	<u>\$ 3,512,010</u>
General revenues				
Taxes				
Sales tax				1,397,363
Franchise tax				651,528
Tourism tax				169,910
Grants and contributions not restricted to specific programs				238,557
Investment earnings				51,762
Real estate income - gaming				4,155,181
Gaming revenue				7,133,275
Tax increment financing revenue				3,335,920
Gain from land lease				1,153,512
Miscellaneous				26,529
Total general revenues				<u>18,313,537</u>
Change in net position				1,149,443
Net position, beginning of year, as restated				<u>97,798,782</u>
Net position, end of year				<u>\$ 98,948,225</u>

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	General Fund	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and investments	\$ 7,468,345	\$ 33,102	\$ 145,249	\$ 32,091	\$ 558,151	\$ 8,236,938
Taxes receivable	424,097	-	-	-	21,776	445,873
Due from other governments	-	267,197	-	441,774	3,416	712,387
Interest receivable	22,066	-	-	23,224	-	45,290
Gaming receivable	-	527,660	-	-	-	527,660
Other receivable	1,684	-	635	-	-	2,319
Restricted cash and investments	-	5,213,677	-	5,969,286	-	11,182,963
Due from other funds	3,416	-	-	-	-	3,416
<b>Total Assets</b>	<b>\$ 7,919,608</b>	<b>\$ 6,041,636</b>	<b>\$ 145,884</b>	<b>\$ 6,466,375</b>	<b>\$ 583,343</b>	<b>\$ 21,156,846</b>
<b>Liabilities</b>						
Accounts payable	\$ 356,684	\$ 1,432,566	\$ -	\$ -	\$ 26,138	\$ 1,815,388
Accrued wages	165,569	-	-	-	-	165,569
Deposits	5,880	-	-	-	-	5,880
Advance from developer	-	2,741,078	-	-	-	2,741,078
Due to other funds	-	-	-	-	3,416	3,416
<b>Total liabilities</b>	<b>528,133</b>	<b>4,173,644</b>	<b>-</b>	<b>-</b>	<b>29,554</b>	<b>4,731,331</b>
<b>Fund balance</b>						
<b>Restricted for:</b>						
Debt service	-	-	-	6,466,375	-	6,466,375
Capital improvements	-	1,867,992	-	-	-	1,867,992
Community development	-	-	145,884	-	-	145,884
Law enforcement	-	-	-	-	106,265	106,265
Tourism	-	-	-	-	392,283	392,283
Committed for, capital projects	-	-	-	-	55,241	55,241
Unassigned	7,391,475	-	-	-	-	7,391,475
<b>Total fund balance</b>	<b>7,391,475</b>	<b>1,867,992</b>	<b>145,884</b>	<b>6,466,375</b>	<b>553,789</b>	<b>16,425,515</b>
<b>Total liabilities and fund balance</b>	<b>\$ 7,919,608</b>	<b>\$ 6,041,636</b>	<b>\$ 145,884</b>	<b>\$ 6,466,375</b>	<b>\$ 583,343</b>	<b>\$ 21,156,846</b>

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Reconciliation of the Governmental Fund Balances**  
**To the Net Position of Governmental Activities**  
**June 30, 2013**

Total governmental fund balances	\$	16,425,515
Capital assets used in Government Activities are not current financial resources and, therefore, are not reported as assets in the Government Funds Balance Sheet		
		126,699,283
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Long term liabilities at year end consist of the following:		
Accrued compensated absences	\$	(257,608)
OPEB liability		(68,290)
Deferred gain from sale-leaseback		(2,669,670)
Long-term portion of developer liability		(1,260,576)
Accrued interest on long term debt		(311,897)
TIF Bonds payable		(39,055,000)
Bond premium (discount), net		(553,532)
		(44,176,573)
Net position of governmental activities	\$	98,948,225

See Accompanying Notes to the Basic Financial Statement.

**City of Riverside, Missouri**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2013**

	General	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total
<b>Revenues</b>						
Taxes:						
Sales and use tax	\$ 1,397,363	\$ -	\$ -	\$ -	\$ -	\$ 1,397,363
Franchise tax	651,528	-	-	-	-	651,528
Tourism tax	-	-	-	-	169,910	169,910
Intergovernmental revenue	291,095	3,196,317	-	-	8,906	3,496,318
Charge for services	-	186,168	-	-	-	186,168
Investment earnings	23,625	747	-	27,390	-	51,762
Real estate income - gaming	4,155,181	-	-	-	-	4,155,181
Gaming revenue	-	7,133,275	-	-	-	7,133,275
Licenses and fees	99,731	-	-	-	-	99,731
Fines and forfeitures	342,132	-	-	-	14,010	356,142
Recreation fees	40,206	-	-	-	37,381	77,587
Miscellaneous	10,976	-	381	-	15,072	26,429
Tax increment financing revenue	-	-	97,701	3,334,312	-	3,432,013
Developer contribution	-	2,540,649	-	-	-	2,540,649
Total revenues	<u>7,011,837</u>	<u>13,057,156</u>	<u>98,082</u>	<u>3,361,702</u>	<u>245,279</u>	<u>23,774,056</u>
<b>Expenditures</b>						
Current:						
Administrative and support	1,589,075	-	-	1,391,308	185,804	3,166,187
Municipal court	166,973	-	-	-	-	166,973
Public safety administration	580,092	-	-	-	37,452	617,544
Police services	2,073,074	-	-	-	168,360	2,241,434
Operations support	594,086	-	-	-	-	594,086
Fire services	1,309,947	-	-	-	21,534	1,331,481
Public works	1,254,521	-	-	-	294,016	1,548,537
Parks and recreation	598,104	-	-	-	-	598,104
Community development	374,349	-	-	-	-	374,349
Building and codes	113,884	-	-	-	-	113,884
Capital outlay	-	13,289,828	3,571,841	-	-	16,861,669
Debt service:						
Principal	-	-	-	3,395,000	-	3,395,000
Interest	-	-	-	2,012,606	-	2,012,606
Total expenditures	<u>8,654,105</u>	<u>13,289,828</u>	<u>3,571,841</u>	<u>6,798,914</u>	<u>707,166</u>	<u>33,021,854</u>
Deficiency of revenue under expenditures	<u>(1,642,268)</u>	<u>(232,672)</u>	<u>(3,473,759)</u>	<u>(3,437,212)</u>	<u>(461,887)</u>	<u>(9,247,798)</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	200,000	2,001,490	3,300,000	407,000	5,908,490
Transfers out	(3,608,490)	(2,300,000)	-	-	-	(5,908,490)
Sale of capital assets	-	-	-	870,829	-	870,829
Proceeds from sale-leaseback	-	-	-	405,087	-	405,087
Total other financing sources (uses)	<u>(3,608,490)</u>	<u>(2,100,000)</u>	<u>2,001,490</u>	<u>4,575,916</u>	<u>407,000</u>	<u>1,275,916</u>
Net change in fund balance	(5,250,758)	(2,332,672)	(1,472,269)	1,138,704	(54,887)	(7,971,882)
Fund balance, beginning of year	<u>12,642,233</u>	<u>4,200,664</u>	<u>1,618,153</u>	<u>5,327,671</u>	<u>608,676</u>	<u>24,397,397</u>
Fund balance, end of year	<u>\$ 7,391,475</u>	<u>\$ 1,867,992</u>	<u>\$ 145,884</u>	<u>\$ 6,466,375</u>	<u>\$ 553,789</u>	<u>\$ 16,425,515</u>

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2013**

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

Net change in fund balances - total governmental funds \$ (7,971,882)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlays	\$ 11,579,588	
Sale of capital assets	(870,829)	
Gain on disposal of capital assets	152,783	
Depreciation expense	<u>(2,882,081)</u>	7,979,461

Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources or are recognized as cash is received in the governmental funds.

TIF Revenue	(96,093)	
Lease revenue	<u>1,153,512</u>	1,057,419

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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.

Long-term debt interest expense	24,663	
Change in deferred gain from sale-lease back	(1,350,924)	
Principal payments	3,395,000	
Proceeds from sale-leaseback	(405,087)	
Change in developer liability	(1,616,331)	
Amortization of bond premium and discount	<u>43,750</u>	91,071

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.

Change in compensated absences accrual		11,497
Change in OPEB accrual		(18,123)

Change in net position of governmental activities \$ 1,149,443

**City of Riverside, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**Budget to Actual**  
**For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and fees	\$ 71,600	\$ 71,600	\$ 99,731	\$ 28,131
Fines & forfeitures	240,000	240,000	342,132	102,132
Recreation fees	36,700	36,700	40,206	3,506
Sales taxes	1,385,000	1,385,000	1,397,363	12,363
Franchise taxes	600,000	600,000	651,528	51,528
Intergovernmental revenue	296,937	296,937	291,095	(5,842)
Investment earnings	202,000	202,000	23,625	(178,375)
Real estate income - gaming	4,250,000	4,250,000	4,155,181	(94,819)
Miscellaneous revenue	5,000	5,000	10,976	5,976
Total revenues	<u>7,087,237</u>	<u>7,087,237</u>	<u>7,011,837</u>	<u>(75,400)</u>
Expenditures:				
General government:				
Elected officials	58,859	58,859	50,363	8,496
Administration	1,924,023	1,924,023	1,538,712	385,311
Municipal court	160,103	160,103	166,973	(6,870)
Total general government	<u>2,142,985</u>	<u>2,142,985</u>	<u>1,756,048</u>	<u>386,937</u>
Public safety				
Public safety administration	617,564	617,564	580,092	37,472
Police services	2,193,685	2,193,685	2,073,074	120,611
Operations support	706,490	706,490	594,086	112,404
Fire services	1,487,999	1,487,999	1,309,947	178,052
Total public safety	<u>5,005,738</u>	<u>5,005,738</u>	<u>4,557,199</u>	<u>448,539</u>
Public works				
Public works	1,103,153	1,103,153	974,883	128,270
Building maintenance	320,800	320,800	279,638	41,162
Total public works	<u>1,423,953</u>	<u>1,423,953</u>	<u>1,254,521</u>	<u>169,432</u>
Parks & recreation				
Parks	265,200	265,200	202,312	62,888
Community center	401,168	401,168	395,792	5,376
Total parks & recreation	<u>666,368</u>	<u>666,368</u>	<u>598,104</u>	<u>68,264</u>
Community development				
Community development	329,011	485,011	374,349	110,662
Building and codes	159,837	159,837	113,884	45,953
Total community development	<u>488,848</u>	<u>644,848</u>	<u>488,233</u>	<u>156,615</u>
Total expenditures	<u>9,727,892</u>	<u>9,883,892</u>	<u>8,654,105</u>	<u>1,229,787</u>
Revenues (under) expenditures	<u>(2,640,655)</u>	<u>(2,796,655)</u>	<u>(1,642,268)</u>	<u>1,154,387</u>
Other financing sources (uses),				
Transfers out	(6,900,000)	(6,990,900)	(3,608,490)	3,382,410
Total other financing sources (uses)	<u>(6,900,000)</u>	<u>(6,990,900)</u>	<u>(3,608,490)</u>	<u>3,382,410</u>
Net change in fund balance	<u>\$ (9,540,655)</u>	<u>\$ (9,787,555)</u>	<u>(5,250,758)</u>	<u>\$ 4,536,797</u>
Fund balance, beginning of year			12,642,233	
Fund balance, end of year			<u>\$ 7,391,475</u>	

See Accompanying Notes to the Basic Financial Statements

**City of Riverside, Missouri**  
**Statement of Assets and Liabilities**  
**Agency Fund**  
**June 30, 2013**

	<u>Municipal Court Bond Account</u>
Assets	
Cash and investments	\$ <u>31,600</u>
Liabilities	
Due to others	\$ <u>31,600</u>

See Accompanying Notes to the Basic Financial Statements.

**NOTES TO BASIC FINANCIAL STATEMENTS**



**CITY OF RIVERSIDE, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**Note 1 – Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies**

**Reporting Entity**

The City of Riverside, Missouri (the “City”), was incorporated in 1951. The City operates under a Board of Aldermen-City Administrator form of government. The City’s major operations include police and fire protection, parks and recreation, public works and general administrative services.

The City’s reporting entity consists of the primary government, as well as its blended component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit’s board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government.

The accompanying financial statements present the City (the primary government) and its component units. The financial data of the component units are included in the City’s reporting entity because of the significance of their operational or financial relationships with the City. The component units have a June 30, 2013 year-end.

Blended component units: The Riverside Industrial Development Authority serves all the citizens of the government and is governed by a 5-member board which is appointed by the Board of Aldermen. The Authority was established to finance infrastructure projects within blighted areas in the City. The services provided by the Authority are provided exclusively to the City or for the benefit of the City.

The Tax Increment Financing Commission serves all the citizens of the government and is governed by a self-perpetuating 11-member board of which 6 are appointed by the Board of Aldermen. The Commission was established to finance infrastructure projects within blighted areas in the City. The services provided by the Commission are provided exclusively to the City or for the benefit of the City.

The Riverside Industrial Development Authority and the Tax Increment Financing Commission are reported within the Tax Increment Financing Debt Service Fund.

**Basis of Presentation**

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function 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.

The City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in the current year. The adoption of this Statement changed the presentation of the basic financial statements to a statement of net position format.

Separate financial statements are provided for governmental funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements.

Fund accounting: The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures, as appropriate. The City has the following fund types:

**Governmental Fund Types:** Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as “fund balance.” The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The City reports the following major governmental funds:

**General Fund:** The General Fund is the City’s primary operating fund. It accounts for all financial resources for the general government, except those required to be accounted for in another fund.

**Capital Improvements Fund:** A Capital Projects Fund, accounts for real estate gaming income and other charges for services that are restricted for capital improvement projects.

**Community Development Fund:** A Capital Projects Fund, accounts for revenues that are restricted for community development projects.

**Tax Increment Financing Debt Service Fund:** A Debt Service Fund, accounts for the resources accumulated and payments made for principal and interest on long-term debt.

The other governmental funds of the City are considered nonmajor and are as follows:

**Special Revenue Funds:** Account for revenues and expenditures related to programs that are restricted in nature for specific purposes. The nonmajor special revenue funds account for the activities of the DUI Fund, Tourism Tax Fund, Federal & State Grants Fund, Officer Training Fund, Inmate Security Fund, and Fire-Police Athletic League Fund.

**Capital Projects Fund:** Account for resources that are restricted for the construction or acquisition of designated capital assets. The nonmajor capital projects fund is the Capital Equipment Fund.

**Fiduciary Fund Types:** Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City has the following fiduciary fund type:

**Agency Fund:** Accounts for resources received and held by the City as an agent and are to be expended as directed by the party for which the City is acting as an agent. The City's Agency Fund accounts for municipal court bonds held for individuals awaiting court dates, monies collected from fine assessment payable to the City.

### **Measurement Focus and Basis of Accounting**

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. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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 and claims and judgments are recorded only when payment is due.

Sales taxes, franchise taxes 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 generally recognized as revenue when cash is received by the government because they are generally not measurable until actually received.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Internal services provided and used (charges based on actual use) are not eliminated in the process of consolidation.

## Summary of Significant Accounting Policies

### 1. *Cash and Investments*

The City maintains a cash and investment pool that is available for use by all funds. Certain resources set aside are classified as restricted assets on the balance sheet because their use is limited by applicable bond requirements. The bond reserve account is used to report resources set aside to subsidize potential deficiencies that could adversely affect debt service payments. The amount available in the Debt Service Fund and the Capital Improvements Fund, capital projects fund is used to report resources accumulated for future debt service payments and construction.

Investments, other than external investment pools, are stated at fair value, which is based on quoted market prices. For U.S. Government securities and bankers' acceptances with maturity dates of less than one year, the investments are valued at amortized cost.

The City invests in the Missouri Securities Investment Program (MOSIP) which is an external investment pool. In accordance with Missouri state law, MOSIP operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, MOSIP qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. MOSIP is subject to regulatory oversight by the state of Missouri, although it is not registered with the SEC.

### 2. *Restricted Assets*

Certain funds have been set aside, in accordance with debt agreements, to cover debt payments in the event that the TIF Commission or the Riverside Industrial Development Authority were to default on their obligations on these liabilities. These resources have been shown as restricted.

Cash and cash equivalents held in partnership trusts associated with agreements with developers is also shown as restricted.

### 3. *Capital Assets*

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The City utilizes a capitalization threshold to \$10,000 for purposes of reporting capital assets.

The range of estimated useful lives by type of asset is as follows:

Buildings	10-50 years
Improvements Other than Buildings	10-25 years
Machinery, Furniture and Equipment	5-20 years
Infrastructure	50 years

#### 4. *Deferred Outflows of Resources*

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City had no items that qualified for reporting in this category.

#### 5. *Deferred Inflows of Resources*

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City only has one item that qualifies for reporting in this category. It is the deferred gain from sale-leaseback transactions reported in the government-wide statement of net position. A deferred gain from a sale-leaseback transaction results from the difference between the acquisition cost of property and the amount paid by the lessee. The amount is deferred and amortized over the term of the lease. See Note 8E for information pertaining to the deferred gain from sale-leaseback reported on the City's statement of net position.

#### 6. *Compensated Absences*

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide statements. 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.

#### 7. *Interfund Transactions*

Interfund transactions are defined as transactions among City funds that would be treated as revenues and expenditures if they involved organizations external to City government and are accounted for as revenues and expenditures in the funds involved. Interfund services provided and used are not eliminated in the process of consolidation.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as “due to/from other funds.”

#### 8. *Long-term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using a method which approximates the interest method. Bond issuance costs are expensed as incurred.

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 the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### 9. *Advance from developer*

The City and a developer contributed cash to a partnership escrow account which is recorded as restricted cash and cash equivalents in the Capital Projects Fund. The escrow account is used to fund City projects that will be sold to the developer upon completion. The advance from developer account represents the portion of funds contributed by the developer. As cash payments are made from escrow the City’s portion of the expenditures is recorded as capital outlay and the developer’s portion of the payment is recognized as developer contributions revenue in the statement of revenues, expenditures and changes in fund balance as all revenue recognition criteria have been met.

#### 10. *Developer liability*

The City is currently constructing office buildings in connection with developer agreements. The agreements require the developer to provide an advance of cash for the project and upon sale of the property the advance will be returned to the developer with an additional 15% return on investment. The advance and an estimate of the return on investment is recorded as a developer liability on the statement of net position.

#### 11. *Fund Balance*

GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definition* establishes criteria for reclassifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types.

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the Board of Alderman through ordinance approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the Board of Alderman removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The City's fund balance policy delegated the authority to assign fund balance to the City Manager and Finance Director.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

#### 12. *Net Position*

Net position represents the difference between assets and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net position restricted through enabling legislation consist of \$6,466,375 for debt service, \$1,867,992 for capital improvements, \$106,265 for law enforcement, \$145,884 for community development and \$392,283 for tourism.

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### 13. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

#### 14. *Budgetary Information*

The Board of Aldermen annually adopts budgets for the following funds:

General Fund

Tourism Tax Fund – Nonmajor Special Revenue Fund

Capital Improvements Fund – Major Capital Projects Fund

Community Development Fund – Major Capital Projects Fund

Capital Equipment Fund – Nonmajor Capital Projects Fund

Tax Increment Financing Debt Service Fund

The City does not adopt a budget for the DUI Fund, Federal & State Grants Fund, Officer Training Fund, the Inmate Security Fund and the Fire-Police Athletic League Fund.

All appropriations are legally controlled at the fund level for the individual funds. On June 19, 2012, the Board of Aldermen formally approved the original adopted budget for fiscal year 2013.

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

- The City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed operating expenditures, capital expenditures and the means for financing them.
- Public hearings are conducted to obtain comments from all interested parties.
- The budget for the coming year is formally adopted on or before the last day of the current fiscal year.
- The City Administrator is authorized to make changes within departments, between departments and between functions within each fund. Changes or transfers at the fund level require approval by the Board of Aldermen.
- Under Missouri law, expenditures may not legally exceed budgeted appropriations at the fund level. If expenditures for a fund exceed the budget, either the budget must be amended or the Board of Aldermen must pass a resolution authorizing the expenditures in excess of the budget. There was one budget amendment made during the fiscal year, which increased budgeted expenditures by \$937,800.

The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented in the same format as the actual statements.

**Note 2 – Deposits and Investments**

As of June 30, 2013, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Government Sponsored Enterprise Notes	\$6,252,895	3.15
Missouri Securities Investment, Program Money Market Fund	893,447	n/a
Missouri Securities Investment, Program Certificate of Deposits	2,963,000	1.41
Certificate of Deposit	750,000	n/a
Federated Money Market Fund	6,681,067	.10
Total Fair Value	\$17,540,409	

*Interest Rate Risk.* In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the final maturity date of all operating investments to 2 years or less from the date of purchase. Investments for bond proceeds and debt service reserve accounts may be extended to match the anticipated cash flow needs.

*Credit Risk/Concentration of Credit Risk.* Missouri state statutes authorize the City, with certain restrictions, to investments which are:

- a. Obligations of the United States government, the State of Missouri, this city, or;
- b. In bonds, bills, notes, debentures or other obligations guaranteed as to payment of principal and interest by the government of the United States or any agency or instrumentality thereof, the State of Missouri or this city, or;
- c. In revenue bonds of the City, or;
- d. In certificates of deposit, savings accounts as defined in Chapter 369, Revised Missouri Statutes or in interest bearing time deposits when such funds are held in United States banks, state banks, savings and loan associations operating under Chapter 369, Revised Missouri Statutes, or savings and loan associations authorized by the United States government so long as such deposits, savings accounts, and interest bearing deposits are secured by one or more of the types of securities described in subparagraphs (a), (b), or (c) of this section.
- e. Banker's acceptances issued by domestic commercial banks possessing the highest rating issued by a nationally recognized rating agency, or;
- f. Commercial paper issued by domestic corporations which has received the highest rating issued by a nationally recognized rating agency.
- g. Investments permitted by the Board of Aldermen which are authorized in the model investment policy prepared by the State of Missouri for political subdivisions.

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The City's investment policy limits the percentage of the portfolio that can be in various investment classes. The investment classes and their respective limits are shown below.

<u>Investment Class</u>	<u>Limit</u>
Collateralized Certificate of Deposit	75%
U.S. Treasuries	100%
U.S. Agencies	100%

The table below illustrates the City’s exposure to credit risk and concentration of credit risk:

<u>Investment Type</u>	<u>Standard &amp; Poor’s Credit Rating</u>	<u>Percent of Total Investments</u>
Federal Home Loan Bank	AA+	30.0%
Federal National Mortgage Association	AA+	5.7%
Federated Treasury Obligation Fund	AAA	N/A
Missouri Securities Investment Program	AAA	N/A

The City’s investments in certificates of deposit are not rated and not subject to concentration of credit risk. Investments in the Missouri Securities Investment Program and the Federated Treasury Obligation Fund are not subject to concentration of credit risk as this is an external investment pool.

*Custodial Credit Risk*

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments 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 investment or collateral securities that are in the possession of an outside party. The City’s policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution’s agent and in the City’s name.

At June 30, 2013, the City’s deposits were insured by Federal depository insurance and uninsured deposits were fully collateralized by securities held in the City’s name by their financial institution’s agent. The City’s securities were registered and held by the City’s financial institution in the City’s name. As of June 30, 2013, the City’s bank balance of deposits with financial institutions of \$2,705,470 and the City’s investments were not exposed to custodial credit risk.

### Note 3 – Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2013:

	2012 Balance	Additions	Deletions	2013 Balance
Capital assets not being depreciated:				
Land	\$17,057,361	3,990,286	(718,046)	\$20,329,601
Construction in progress	6,880,029	3,902,092	(4,314,604)	6,467,517
Total capital assets not being depreciated	<u>23,937,390</u>	<u>7,892,378</u>	<u>(5,032,650)</u>	<u>26,797,118</u>
Capital assets being depreciated:				
Buildings	19,984,851	-	-	19,984,851
Improvements	2,853,818	435,195	-	3,289,013
Machinery and equipment	5,110,679	386,664	(69,267)	5,428,076
Infrastructure	80,956,237	7,179,955	-	88,136,192
Total capital assets being depreciated	<u>108,905,585</u>	<u>8,001,814</u>	<u>(69,267)</u>	<u>116,838,132</u>
Less accumulated depreciation for:				
Buildings	(3,122,546)	(403,127)	-	(3,525,673)
Improvements	(197,808)	(61,676)	-	(259,484)
Machinery and equipment	(2,720,376)	(654,554)	69,267	(3,305,663)
Infrastructure	(8,082,423)	(1,762,724)	-	(9,845,147)
Total accumulated depreciation	<u>(14,123,153)</u>	<u>(2,882,081)</u>	<u>69,267</u>	<u>(16,935,967)</u>
Total capital assets, being depreciated, net	<u>94,782,432</u>	<u>5,119,733</u>	<u>-</u>	<u>99,902,165</u>
Governmental activities capital assets, net	<u>\$118,719,822</u>	<u>13,012,111</u>	<u>(5,032,650)</u>	<u>\$126,699,283</u>

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

Administration	\$141,430
Police Services	392,002
Operations Support	13,676
Fire Service	67,816
Public Works	2,133,105
Parks and Recreation	127,474
Community Development	3,847
Building and Codes	<u>2,731</u>
Total Depreciation Expense	<u>\$2,882,081</u>

## Subsequent Events

In August 2013 the City transferred the title of a sanitary sewer lift station with a net book value of \$7,990,535 to the City of Kansas City, Missouri Water Services.

## Construction Commitments

A summary of the City's commitments on uncompleted construction contracts and developer agreements and the amount, which is expected to be funded by the City as follows:

Capital Improvements Fund	Contract Amount	Completed	To Be Completed
Riverside Horizons	\$902,772	\$624,729	\$ 278,043
Horizons Phase I Construction	10,415,162	6,029,807	4,385,354
Line Creek Bridge	182,836	60,836	122,000
Line Creek Trail	396,742	365,458	31,285
Infrastructure Maintenance	314,934	116,343	198,591
Mattox Road	1,430,140	1,416,433	13,707
Northwood Road Phase 2	3,842,740	3,731,331	111,410
Total	<u>\$17,485,236</u>	<u>\$12,344,937</u>	<u>\$5,140,390</u>

Community Development Fund	Contract Amount	Completed	To Be Completed
Briarcliff Development	<u>\$6,286,370</u>	<u>\$3,552,000</u>	<u>\$2,734,370</u>

## Note 4 – Interfund Balances and Transfers

Interfund balances at June 30, 2013 consisted of:

	Due From	Due To
General fund	\$3,416	\$ -
Nonmajor governmental funds	-	3,416
Total	<u>\$3,416</u>	<u>\$3,416</u>

Transfers for the year ended June 30, 2013 consisted of:

	Transfers In	Transfers Out
General fund	\$ -	\$3,608,490
Capital improvement fund	200,000	2,300,000
Community development fund	2,001,490	-
TIF debt service fund	3,300,000	-
Nonmajor governmental funds	407,000	-
Total	<u>\$5,908,490</u>	<u>\$5,908,490</u>

Transfers are used to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

## Note 5 – Long-Term Debt

Long-term liability balances and activity for the year ended June 30, 2013 were as follows:

	Balance June 30, 2012	Additions	Retirements	Balance June 30, 2013	Amounts Due Within One Year
Tax Increment Financing Bonds	\$42,450,000	\$ -	\$3,395,000	\$39,055,000	\$3,280,000
Premium (discount) on bonds, net	597,282	-	43,750	553,532	-
OPEB Liability	50,167	18,123	-	68,290	-
Compensated absences	269,105	257,608	269,105	257,608	172,597
<b>Total</b>	<u>\$43,366,554</u>	<u>\$275,731</u>	<u>\$3,707,855</u>	<u>\$39,934,430</u>	<u>\$3,452,597</u>

Compensated absences and OPEB liability are usually liquidated by the General Fund.

Long-term debt payable as of June 30, 2013 is comprised of the following individual issues:

	Fiscal Year Issued	Maturity Date	Outstanding Interest Rates	Balance June 30, 2013
Series 2004 Tax Increment Financing Debt \$16,300,000	2005	5/1/05 – 5/1/20	2.5% to 4.875%	\$ 8,735,000
Series 2007A Tax Increment Financing Debt \$30,265,000	2007	5/1/08 – 5/1/27	4.5% to 5.0%	20,745,000
Series 2007B Tax Increment Financing Debt \$10,000,000	2007	5/1/14 – 5/1/27	4.5%	7,945,000
Series 2011 Tax Increment Financing Debt \$2,385,000	2011	5/1/12-5/1/20	2.0% to 4.0%	1,630,000
<b>Total</b>				<u>\$39,055,000</u>

Annual debt service requirements to maturity for tax increment financing bonds are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 3,280,000	\$ 1,871,382
2015	3,180,000	1,725,145
2016	3,340,000	1,577,295
2017	3,505,000	1,420,069
2018	3,685,000	1,248,844
2019-2023	15,515,000	3,654,239
2024-2026	6,550,000	549,100
Total	<u>\$39,055,000</u>	<u>\$12,046,074</u>

The Series 2007 A and B Tax Increment Financing Bonds are collateralized by land owned by the City of Riverside.

During 2004, the Tax Increment Financing Commission, a blended component unit of the City, issued \$16,300,000 of Tax Increment Financing Revenue Bonds to finance construction of the Riverside Quindaro Bend Levee. These bonds are payable solely from property tax increment received with respect to the financial projects. Incremental property taxes were projected to produce \$30,432,019 or 100% of the debt service requirements over the life of the bonds. These bonds are not direct obligations of the City. Total principal and interest remaining on the bonds is \$10,654,250 payable through 2020. For the current year, principal and interest paid and total incremental property tax revenues were \$1,518,863 and \$3,334,312, respectively.

During 2007, the Riverside Industrial Development Authority, a blended component unit of the City, issued \$40,265,000 of Tax Increment Financing Revenue Bonds to finance construction of infrastructure within the Horizons Business Park. These bonds are payable solely from property tax increment received with respect to the financial projects and are collateralized by land owned by the City. Incremental property taxes were projected to produce \$64,706,572 or 100% of the debt service requirements over the life of the bonds. These bonds are not direct obligations of the City. Total principal and interest remaining on the bonds is \$38,604,556 payable through 2027. For the current year, principal and interest paid and total incremental property tax revenues were \$3,430,264 and \$0, respectively.

During 2011, the Tax Increment Financing Commission, a blended component unit of the City, issued \$2,385,000 of Tax Increment Financing Revenue Bonds for a current refunding of the City's Series 1998, 1999 and 2002 Tax Increment Financing Revenue Bonds. Total principal and interest remaining on the bonds is \$1,842,269 payable through 2020.

## Conduit Debt Obligations

The City has issued Missouri recovery facility revenue bonds to provide financial assistance to a private business for economic development purposes. These bonds are secured by properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the City nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of June 30, 2013, there was five issues of Missouri recovery zone facility revenue bonds outstanding with an aggregate original issue amount totaling \$139,400,000 and an aggregate principal balance outstanding of \$18,750,000.

## **Note 6 – Real Estate Income – Gaming**

The City has an agreement with Penn Gaming to operate a riverboat casino on land owned by the City. Under the agreement, Penn Gaming agreed to pay the City a percentage of the casino's adjusted gross receipts.

<b>Adjusted Gross Receipts</b>	<b>% Payable to City</b>
\$0 to \$50,000,000	3%
\$50,000,000 to \$100,000,000	4%
Over \$100,000,000	1 ½%

The agreement expires in fiscal year 2015, with six remaining five-year options to extend the terms of the lease. The amount of revenue recorded on the statement of revenues, expenditures and changes in fund balance in the General Fund for the fiscal year ended June 30, 2013 is \$4,155,181.

## **Note 7 – Other Post Employment Benefits**

Plan Description: The City provides for retiree Medical and Dental coverage to qualifying former employees through Midwest Public Risk (MPR), a public-entity risk pool. MPR functions as an agent multiple-employer plan. To be eligible, employees must be full-time with at least ten years of service with an MPR employer. Retirees and their spouses may obtain coverage until Medicare eligibility by paying required premium rates. Upon retiree death or attainment of age 65 spouses may continue coverage for up to three years not to exceed to their own age 65.

The City maintains a trust arrangement with MPR to collect premiums and pay claims/administrative costs. This trust arrangement does not qualify as an "OPEB Plan" and is not treated as holding assets in order to offset GASB 45 liabilities. However, GASB does require the "Plan" to determine the valuation interest rate (or discount rate) based on expected return of the MPR Health & Dental Fund since it is used to pay retiree claims. The plan is not accounted for as a trust fund since an irrevocable trust has not been established. There is no stand alone financial report for the plan.

Funding policy: The City does not pay retiree benefits directly; they are paid implicitly over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group. Retirees who elect to continue coverage in the medical and dental plans offered through MPR are required to pay a contribution until the employee becomes eligible for Medicare. Since the retirees pay the premiums each year, the City's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. The plan is financed on a pay-as-you-go basis. The benefits and benefit levels are governed by City policy and the MPR trust agreement. As of June 30, 2013, there was 1 City retiree participating in the plan.

Annual OPEB Cost and Net OPEB Obligation: The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the City's annual OPEB obligation:

Annual required contribution	\$17,654
Interest on net OPEB obligation	2,508
Adjustment to annual required contribution	<u>(2,039)</u>
Annual OPEB cost (expense)	18,123
Contributions and payments made	<u>-</u>
Increase in net OPEB obligation	18,123
Net OPEB obligation – July 1, 2012	<u>50,167</u>
Net OPEB obligation – June 30, 2013	<u><u>\$68,290</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations follows:

Fiscal Year Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2011	\$17,417	17.7%	\$32,907
June 30, 2012	17,260	0.0%	50,167
June 30, 2013	18,123	0.0%	68,290

Funded status and funding progress: As of July 1, 2011, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$64,212 and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$64,212. The covered payroll (annual payroll of active employees covered by the plan) was \$3,946,337 and the ratio of the UAAL to the covered payroll was 1.9 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial methods and assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and included in the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, projected unit credit actuarial cost method was used. The actuarial assumptions included a 5 percent investment rate of return (net of administrative expenses), 2.5 percent long-term general inflation rate, a dental care cost trend rate of 4 percent and a medical claims and prescription cost trend rate of 8.5 percent initially, grading down to 5 percent in 10 years. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open group. The remaining amortization period at July 1, 2011, was 30 years.

## **Note 8 – Other Information**

### **A. 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. To protect itself against these risks of loss, the City is a member of Midwest Public Risk (MPR) and MOPERM, not-for-profit corporations consisting of governmental entities formed to acquire insurance for its members. MPR and MOPERM operate as a purchasing pool and are not joint venture activities of the City. The City has no control over budgeting, financing, management selection, or the governing bodies. MPR and MOPERM provide both conventional and self-insurance coverage for their members, including medical, dental, property, casualty, general liability, and workers' compensation. The City participates in property casualty, general liability and workers' compensation insurance coverage.

MPR and MOPERM manage the cash and investment pool, funded by insurance premiums, on behalf of its members. MPR's and MOPERM's investment pools consist of interest-bearing deposits, U.S. Treasury strips, U.S. Governmental agency obligations, and collateralized mortgage obligations.

In the event that a deficit occurs with respect to any fiscal year of MPR or MOPERM for which the City was a participant at any time during such year, and in the event that MARCIT or MOPERM determines that an assessment is required in order to provide additional funds for the obligations of the insurance company for such year, and further, in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment whether or not the City is a member of MPR or MOPERM at the time of such assessment. Management of the City is not aware of any deficit situation in either company that would require an accrual of a liability as of June 30, 2013.

There has been no significant change in insurance coverage from the previous fiscal year. Settled claims have not exceeded insurance coverage in any of the past three years.

The City manages these various risks of loss as follows:

	<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
a.	Torts, errors and omissions health and life	Purchased commercial insurance	None
b.	Workers Compensation: Employee injuries	Purchased commercial insurance	None
c.	Physical property loss and natural disasters	Purchased commercial insurance	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

## **B. Retirement Plan – LAGERS**

### Plan Description:

The City of Riverside participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries.

LAGERS was created and is governed by statute, section RSMo.70.600 – 70.755. As such, it is the system’s responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

The Missouri Local Government Employees Retirement System 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 calling 1-800-447-4334.

Funding Status:

The City of Riverside’s full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rate is 16.0% (general), 19.8% (police) and 15.3% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provision of the City is established by state statute.

For fiscal 2013, the City’s annual pension cost of \$642,159 was equal to the required and actual contributions. The annual required contribution (ARC) was determined as part of the February 28, 2011 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2013 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women, and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 28, 2011, was 19 years for the general division, 20 years for the police division and 26 years for the fire division.

As of February 28, 2013, the most recent actuarial valuation date, the plan was 49 percent funded. The actuarial accrued liability for benefits was \$5,641,813, and the actuarial value of assets was \$2,739,684, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,902,129. The covered payroll (annual payroll of active employees covered by the plan) was \$3,660,459 and the ratio of the UAAL to the covered payroll was 79 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/11	\$607,327	100%	\$0
06/30/12	\$628,015	100%	\$0
06/30/13	\$642,159	100%	\$0

### **C. Commitments and Contingencies**

There are no claims for lawsuits to which the City is a part as a result of certain injuries and various other matters and complaints arising in the ordinary course of City activities. The City's management and legal counsel anticipate that any unknown potential claims, if any, against the City not covered by insurance would not have a material effect on the financial position of the City.

### **D. Federal and State Grants**

In the current and prior years the City has participated in a number of federal and state programs that were fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of June 30, 2013, certain grant expenditures have not been audited by grantor governments, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

### **E. Lease**

During fiscal year 2013, the City entered into two sales-type lease agreements with private businesses (the lessees) which expire in fiscal year 2014. In connection with the agreement, the City has purchased land for an approximate cost of \$229,936 and \$231,123, respectively. The lessees will pay the City \$1,055,653 and \$1,061,315, respectively, in order to lease the land; the title of the land will not transfer to the third parties until the end of the lease term (June 2014). The lessees paid the City \$202,593 and 202,494, respectively, during fiscal year 2013, which has been recorded as another financing source on the statement of revenues, expenditures and changes in fund balance in the TIF Debt Service Fund. In addition to the cash payment, the City reduced amounts previously owed to the developer of \$844,523 and \$849,052, respectively.

In accordance with GASB Statement No. 62, these transactions result in a gain on a sales-type lease of (\$1,047,116) and (\$1,051,546), (difference between the cost of the land and the amount paid by the lessee). Because the title to the land will not be transferred to the lessee until the end of the lease term, this gain is being recorded as a deferred inflow of resources - deferred gain on sales-type lease on the City's government-wide statement of net position and is being recognized as revenue on a straight-line basis over the life of the lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2013 is \$827,954. The balance of the deferred gain on sale-leaseback as of June 30, 2013 is \$1,270,707.

During fiscal year 2012, the City entered into a sales-type lease agreement with a private business (the lessee) which expired in 2013. In connection with the agreement, the City had purchased land for an approximate cost of \$342,650 and the Lessee paid the City \$788,711 in order to lease the land and the land transferred to the lessee in June 2013. In accordance with GASB No. 62, this transaction resulted in a gain on sales-type lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2013 is \$223,030. The City transferred the land to the lessee in the current year as required by the lease agreement.

During fiscal year 2011, the City entered into a sales-type lease agreement with a private business (the lessee) which expires in fiscal year 2021. In connection with the agreement, the City purchased land for an approximate cost of \$630,012. The lessee will pay the City \$1,655,280 in order to lease the land; the title of the land will not transfer to the third party until the end of the lease term (December 2020). The lessee paid the City \$762,300 during fiscal year 2011. The remaining balance of \$892,980 was received in fiscal year 2012. In accordance with GASB Statement No. 62, this transaction resulted in a gain on a sales-type lease of \$1,025,268 (difference between the cost of the land and the amount paid by the lessee). Because the title to the land will not be transferred to the lessee until the end of the lease term, this gain was recorded as a deferred inflow of resources - deferred gain on the City's government-wide statement of net position and is being recognized as revenue on a straight-line basis over the life of the lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2013 is \$102,527. The balance of the deferred gain on sales- leaseback as of June 30, 2013 is \$1,398,963.

## Note 9 – Governmental Accounting Standards Board Statements

GASB has issued several statements not yet required to be implemented by the City. The City's management has not yet determined the effect these Statements will have on the City's financial statements. However, the City plans to implement all standards by required dates. The Statements which may impact the City are as follows:

GASB Statement No. 66, *Technical Corrections - 2012*, issued April 2012, will be effective for the City beginning with its year ending June 30, 2014. This Statement enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. This Statement amends GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund types. As a result, governments would base their decisions about governmental fund type usage for risk financing activities on the definitions in GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement also amends GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for: (a) operating lease payments that vary from a straight-line basis; (b) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans; and (c) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012, will be effective for the City beginning with its year ending June 30, 2015. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued April 2013, will be effective for the City beginning with its year ending June 30, 2014. This Statement provides accounting and financial reporting guidance to state and local governments that offer nonexchange financial guarantees and for governments that receive guarantees on their obligations. This Statement requires a state or local government guarantor that offers a nonexchange financial guarantee to another organization or government to recognize a liability on its financial statements when it is *more likely than not* that the guarantor will be required to make a payment to the obligation holders under the agreement. A nonexchange financial guarantee is a credit enhancement or assurance offered by a guarantor without receiving equal or approximately equal value in exchange. The guarantor agrees to pay an obligation holder in the event that the issuer of the obligation is not able to make its required payments to the obligation holder. Nonexchange financial guarantees can include guarantees by a state for bonds issued by local governments within that state or guarantees of mortgage loans to individuals, if equal or approximately equal value is not received in exchange.

**Note 10 - Restatement**

As a result of the adoption of GASB Statement No. 65, *Item Previously Reported as Assets and Liabilities* the beginning net position of the governmental activities was restated. The effect on fiscal year 2013 is as follows:

	Governmental Activities
Net Position June 30, 2012, as previously reported	\$98,608,573
Bond issuance costs previously reported as assets	809,791
Net position June 30, 2013 as restated	<u>\$97,798,782</u>

**City of Riverside, Missouri**  
**Required Supplementary Information**  
**Missouri Local Government Employees Retirement System**

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
02/28/2011	2,360,131	4,958,733	2,598,602	47.6%	3,635,044	71.5%
02/28/2012	2,419,659	5,232,116	2,812,457	46.2%	3,566,313	78.9%
02/28/2013	2,739,684	5,641,813	2,902,129	48.6%	3,660,459	79.3%

Note: The above assets and actuarial 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, 2011 annual actuarial valuations. For a complete description of the the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

**Required Supplementary Information**  
**Other Post Employment Benefit Plan**

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Accrued Liability (AAL)	(b-a) Unfunded (Over funded) AAL (UAAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
2011	07/01/2009	\$ -	\$ 72,352	\$ 72,352	- %	\$ 3,093,339	2.3%
2012	07/01/2011	-	64,212	64,212	- %	3,350,660	1.9%
2013	07/01/2011	-	64,212	64,212	- %	3,946,337	1.6%

The information presented in the required supplementary schedule was determined as part of the actuarial valuation date as of July 1, 2011. Additional information follows:

- a. The actuarial method used to determine the ARC is the projected unit credit actuarial cost method.
- b. There are no plan assets.
- c. The actuarial assumptions included: (1) 5 percent investment rate of return and (b) a dental care cost trend rate of 4 percent and 8.5 percent for medical claims and prescriptions; reduced by decrements to an ultimate rate of 5 percent in 8 years.
- d. The amortization method is level percentage of pay over 30 years based on an open group.

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**City of Riverside, Missouri  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013**

	<b>Special Revenue</b>		
	DUI Fund	Tourism Tax	Federal & State Grants
<b>Assets</b>			
Cash and investments	\$ 25,007	\$ 383,722	\$ -
Taxes receivable	-	21,776	-
Due from other governments	-	-	3,416
Total assets	\$ 25,007	\$ 405,498	\$ 3,416
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 13,215	\$ -
Due to other funds	-	-	3,416
Total liabilities	-	13,215	3,416
<b>Fund balances</b>			
Restricted for:			
Law enforcement	25,007	-	-
Tourism	-	392,283	-
Committed for, capital projects	-	-	-
Total fund balance	25,007	392,283	-
Total liabilities and fund balances	\$ 25,007	\$ 405,498	\$ 3,416

<u>Special Revenue</u>			<u>Capital Project</u>	Total Nonmajor Governmental Funds
<u>Officer Training</u>	<u>Inmate Security</u>	<u>Fire-Police Athletic League</u>	<u>Capital Equipment</u>	
\$ 12,056	\$ 23,240	\$ 46,497	\$ 67,629	\$ 558,151
-	-	-	-	21,776
-	-	-	-	3,416
<u>12,056</u>	<u>\$ 23,240</u>	<u>\$ 46,497</u>	<u>\$ 67,629</u>	<u>\$ 583,343</u>
-	\$ -	\$ 535	\$ 12,388	\$ 26,138
-	-	-	-	3,416
-	-	535	12,388	29,554
12,056	23,240	45,962	-	106,265
-	-	-	-	392,283
-	-	-	55,241	55,241
<u>12,056</u>	<u>23,240</u>	<u>45,962</u>	<u>55,241</u>	<u>553,789</u>
<u>12,056</u>	<u>\$ 23,240</u>	<u>\$ 46,497</u>	<u>\$ 67,629</u>	<u>\$ 583,343</u>

**City of Riverside, Missouri**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2013**

	<b>Special Revenue</b>		
	DUI Fund	Tourism Tax	Federal & State Grants
Revenue:			
Taxes, tourism tax	\$ -	\$ 169,910	\$ -
Intergovernmental revenue	-	-	8,906
Fines and forfeitures	4,200	-	-
Recreation fees	-	14,511	-
Miscellaneous revenue	-	-	-
Total revenue	4,200	184,421	8,906
Expenditures:			
Current:			
Administrative and support	-	170,308	-
Public safety administration	-	-	-
Police services	961	-	8,906
Fire services	-	-	-
Public works	-	-	-
Total expenditures	961	170,308	8,906
Excess of revenue over/(under) expenditures	3,239	14,113	-
Other financing sources, transfers in	-	-	-
Net change in fund balance	3,239	14,113	-
Fund balance, beginning of year	21,768	378,170	-
Fund balance, end of year	\$ 25,007	\$ 392,283	\$ -

<b>Special Revenue</b>			<b>Capital Project</b>	Total Nonmajor Governmental Funds
Officer Training	Inmate Security	Fire-Police Athletic League	Capital Equipment	
\$ -	\$ -	\$ -	\$ -	\$ 169,910
-	-	-	-	8,906
4,916	4,894	-	-	14,010
-	-	22,870	-	37,381
-	-	15,072	-	15,072
<u>4,916</u>	<u>4,894</u>	<u>37,942</u>	<u>-</u>	<u>245,279</u>
-	-	-	15,496	185,804
-	-	-	37,452	37,452
1,257	-	27,460	129,776	168,360
-	-	-	21,534	21,534
-	-	-	294,016	294,016
<u>1,257</u>	<u>-</u>	<u>27,460</u>	<u>498,274</u>	<u>707,166</u>
<u>3,659</u>	<u>4,894</u>	<u>10,482</u>	<u>(498,274)</u>	<u>(461,887)</u>
<u>-</u>	<u>-</u>	<u>7,000</u>	<u>400,000</u>	<u>407,000</u>
3,659	4,894	17,482	(98,274)	(54,887)
8,397	18,346	28,480	153,515	608,676
<u>\$ 12,056</u>	<u>\$ 23,240</u>	<u>\$ 45,962</u>	<u>\$ 55,241</u>	<u>\$ 553,789</u>

**City of Riverside, Missouri**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**Budget to Actual**  
**For the Year Ended June 30, 2013**

	Tourism Tax Fund	
	Budget	Actual
Revenues:		
Taxes, tourism tax	\$ 175,000	\$ 169,910
Investment earnings	5,000	-
Recreation fees	-	14,511
Total revenues	180,000	184,421
Expenditures:		
Current:		
Administrative and support	180,000	170,308
Revenues over expenditures	-	14,113
Changes in fund balance	\$ -	14,113
Fund balance, beginning of year		378,170
Fund balance, end of year		\$ 392,283

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**City of Riverside, Missouri**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Project Funds**  
**Budget to Actual**  
**For the Year Ended June 30, 2013**

	Capital Improvements Fund		Community Development Fund	
	Budget	Actual	Budget	Actual
<b>Revenues:</b>				
Gaming revenue	\$ 7,000,216	\$ 7,133,275	\$ -	\$ -
Charges for services	637,000	186,168	-	-
Investment earnings	10,000	747	400	-
Intergovernmental revenue	3,693,000	3,196,317	-	-
Miscellaneous revenue	-	-	-	381
Tax increment financing revenue	-	-	91,500	97,701
Total revenues	<u>11,340,216</u>	<u>10,516,507</u>	<u>91,900</u>	<u>98,082</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Administrative and support	-	-	-	-
Public safety administration	-	-	-	-
Police services	-	-	-	-
Fire services	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	<u>22,582,500</u>	<u>13,289,828</u>	<u>4,500,000</u>	<u>3,571,841</u>
Total expenditures	<u>22,582,500</u>	<u>13,289,828</u>	<u>4,500,000</u>	<u>3,571,841</u>
Revenues (under) expenditures	<u>(11,242,284)</u>	<u>(2,773,321)</u>	<u>(4,408,100)</u>	<u>(3,473,759)</u>
<b>Other financing sources:</b>				
Transfers in	3,500,000	200,000	3,000,000	2,001,490
Transfers out	(2,500,000)	(2,300,000)	-	-
Developer contributions	-	2,540,649	-	-
Total other financing sources (uses)	<u>1,000,000</u>	<u>440,649</u>	<u>3,000,000</u>	<u>2,001,490</u>
Net change in fund balance	<u>\$ (10,242,284)</u>	<u>(2,332,672)</u>	<u>\$ (1,408,100)</u>	<u>(1,472,269)</u>
Fund balance, beginning of year		4,200,664		1,618,153
Fund balance, end of year		<u>\$ 1,867,992</u>		<u>\$ 145,884</u>

Capital Equipment Fund	
<u>Budget</u>	<u>Actual</u>
\$ -	\$ -
-	-
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>
4,500	15,496
101,479	37,452
136,365	129,776
21,000	21,534
288,400	294,016
-	-
-	-
<u>551,744</u>	<u>498,274</u>
<u>(551,744)</u>	<u>(498,274)</u>
490,900	400,000
-	-
-	-
<u>490,900</u>	<u>400,000</u>
<u>\$ (60,844)</u>	<u>(98,274)</u>
	153,515
	<u>\$ 55,241</u>

**City of Riverside, Missouri**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Tax Increment Financing Debt Service Fund**  
**Budget to Actual**  
**For the Year Ended June 30, 2013**

	Budget	Actual
Revenues:		
Investment earnings	\$ 50,000	\$ 27,390
Tax increment financing revenue	2,920,000	3,334,312
Total revenues	2,970,000	3,361,702
Expenditures:		
Current:		
Administrative and support	1,315,000	1,391,308
Debt service:		
Principal	3,681,000	3,395,000
Interest	2,015,000	2,012,606
Total expenditures	7,011,000	6,798,914
Revenues (under) expenditures	(4,041,000)	(3,437,212)
Other financing sources (uses),		
Transfers in	2,500,000	3,300,000
Sale of capital assets	1,000,000	870,829
Issuance of lease	-	405,087
Total other financing sources (uses)	3,500,000	4,575,916
Changes in fund balance	\$ (541,000)	1,138,704
Fund balance, beginning of year		5,327,671
Fund balance, end of year		\$ 6,466,375

**City of Riverside, Missouri**  
**Statement of Changes in Assets and Liabilities - Agency Funds**  
**For the Year Ended June 30, 2013**

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>Municipal Court Bond Account</b>				
Assets:				
Cash and investments	\$ <u>25,315</u>	\$ <u>118,018</u>	\$ <u>111,733</u>	\$ <u>31,600</u>
Liabilities:				
Due to others	\$ <u>25,315</u>	\$ <u>118,018</u>	\$ <u>111,733</u>	\$ <u>31,600</u>

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## Statistical Section

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

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	64-71
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the gaming revenue.	72-75
Debt Capacity These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	76-77
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	78-79
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	80-83

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

**City of Riverside, Missouri**  
**Net Position**  
**Last Eight Fiscal Years**  
**(Accrual Basis of Accounting)**  
**(unaudited)**

	Fiscal Year			
	2013	2012	2011	2010
Governmental Activities				
Net investment in capital assets	\$ 97,455,751	\$ 87,447,540	\$ 80,614,617	\$ 61,176,406
Restricted	8,978,799	11,601,649	7,372,933	6,038,985
Unrestricted	(7,486,325)	(440,616)	9,318,551	22,635,921
Total governmental activities net position	<u>\$ 98,948,225</u>	<u>\$ 98,608,573</u>	<u>\$ 97,306,101</u>	<u>\$ 89,851,312</u>

Net Position information is not available for Fiscal Years prior to 2006.

<b>Fiscal Year</b>			
<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 53,635,284	\$ 48,718,762	\$ 41,078,438	\$ 44,776,807
6,518,739	7,597,468	10,829,277	2,919,699
25,348,214	21,798,661	18,414,707	20,767,518
<b>\$ 85,502,237</b>	<b>\$ 78,114,891</b>	<b>\$ 70,322,422</b>	<b>\$ 68,464,024</b>

**City of Riverside, Missouri**  
**Changes in Net Position**  
**Last Eight Fiscal Years**  
**(accrual basis of accounting)**  
**(unaudited)**

	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Expenses</b>				
Governmental activities				
Administrative and support	\$ 3,291,806	\$ 3,340,602	\$ 3,167,034	\$ 2,878,084
Municipal court	168,189	163,037	151,884	144,889
Public safety administration**	645,375	555,516	474,639	462,810
Police services	2,543,564	2,331,412	2,132,814	2,119,296
Operations support	606,699	700,555	633,732	563,120
Fire services	1,418,114	1,247,599	1,256,523	1,175,275
Public works	9,024,716	9,347,065	5,585,388	7,064,953
Parks and recreation	725,478	776,223	595,934	514,852
Community development	382,271	422,397	465,551	318,829
Building and codes*	117,154	138,467	148,270	119,918
Interest on long-term debt	2,481,272	2,673,512	2,393,978	2,532,675
Total governmental activities expenses	<u>21,404,638</u>	<u>21,696,385</u>	<u>17,005,747</u>	<u>17,894,701</u>
<b>Program revenues</b>				
Governmental activities				
Charges for services:				
Administrative and support	41,535	40,154	41,426	39,500
Police services	356,142	269,042	272,520	336,073
Public works	186,168	347,037	4,004,893	1,761,757
Parks and recreation	77,587	66,564	54,281	57,851
Community development	-	168	-	4,250
Building and codes*	58,196	47,605	25,695	22,015
Operating grants and contributions:				
Police services	8,906	32,747	12,122	14,710
Public works	-	-	-	-
Capital grants and contributions	3,512,010	2,279,000	510,410	443,985
Total governmental activities program revenues	<u>4,240,544</u>	<u>3,082,317</u>	<u>4,921,347</u>	<u>2,680,141</u>
Net (expense)/revenue governmental activities	<u>(17,164,094)</u>	<u>(18,614,068)</u>	<u>(12,084,400)</u>	<u>(15,214,560)</u>
<b>General revenue and other changes in net position</b>				
Governmental activities				
Taxes				
Sales taxes	1,397,363	1,358,640	1,256,558	1,207,371
Franchise taxes	651,528	587,217	583,266	605,841
Tourism taxes	169,910	173,663	176,958	175,603
Tax increment financing	3,335,920	2,615,532	2,531,727	2,322,386
Unrestricted grants and contributions	238,557	287,393	297,315	288,481
Interest on accounts	51,762	187,308	274,702	413,453
Real estate income - gaming	4,155,181	4,424,307	4,972,759	4,876,918
Gaming revenue	7,133,275	8,528,022	9,333,622	9,550,347
Gain on purchase of bonds	-	-	120,000	20,000
Gain on land lease	1,153,512	325,557	51,263	-
Gain on sale of capital position	-	1,410,165	-	-
Miscellaneous	26,529	18,736	44,782	103,235
Total governmental activities	<u>18,313,537</u>	<u>19,916,540</u>	<u>19,642,952</u>	<u>19,563,635</u>
<b>Change in net position</b>				
Governmental activities	<u>\$ 1,149,443</u>	<u>\$ 1,302,472</u>	<u>\$ 7,558,552</u>	<u>\$ 4,349,075</u>

Net position information is not available for fiscal years prior to 2006.

\*In fiscal year 2008, the building and codes division was separated out of the community development division.

\*\*In fiscal year 2009, the public safety administration division was separated out of the police services division.

<b>Fiscal Year</b>			
<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 2,439,544	\$ 2,150,847	\$ 2,694,557	\$ 1,460,150
139,254	128,042	145,539	134,205
460,205	-	-	-
2,081,567	2,455,356	2,432,659	1,834,800
532,437	322,307	314,216	253,858
653,289	563,689	337,003	85,790
6,079,598	6,521,927	10,322,100	1,019,322
394,585	467,388	434,439	365,867
435,214	472,283	220,725	345,515
134,562	141,161	-	-
2,657,463	2,759,984	1,407,112	1,891,289
<u>16,007,718</u>	<u>15,982,984</u>	<u>18,308,350</u>	<u>7,390,796</u>
48,735	57,344	54,434	63,621
250,397	188,911	227,052	176,180
1,661,146	-	-	-
34,102	22,279	24,370	29,522
-	-	43,235	-
42,540	48,474	-	-
19,403	29,303	45,604	-
-	9,113	32,377	-
-	1,030,000	-	1,000,000
- <u>2,056,323</u>	<u>1,385,424</u>	<u>427,072</u>	<u>1,269,323</u>
- <u>(13,951,395)</u>	<u>(14,597,560)</u>	<u>(17,881,278)</u>	<u>(6,121,473)</u>
1,162,363	1,264,328	1,301,457	1,223,107
505,060	614,565	437,693	397,442
178,053	182,475	52,028	22,063
2,422,337	2,190,264	1,922,001	-
290,614	271,772	292,251	302,846
1,624,693	3,554,557	2,244,178	1,411,830
5,079,236	5,049,125	4,913,928	4,247,146
9,718,310	9,170,049	8,550,830	7,961,232
341,800	-	-	-
-	-	-	-
16,275	92,894	25,310	46,396
<u>21,338,741</u>	<u>22,390,029</u>	<u>19,739,676</u>	<u>15,612,062</u>
<u>\$ 7,387,346</u>	<u>\$ 7,792,469</u>	<u>\$ 1,858,398</u>	<u>\$ 9,490,589</u>

**City of Riverside, Missouri**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)\***  
**(unaudited)**

	Fiscal Year				
	2013	2012	2011	2010	2009
General fund					
Unassigned	\$ 7,391,475	\$ 12,642,233	\$ 22,822,235	\$ 25,730,000	\$ 28,304,417
Total general fund	<u>\$ 7,391,475</u>	<u>\$ 12,642,233</u>	<u>\$ 22,822,235</u>	<u>\$ 25,730,000</u>	<u>\$ 28,304,417</u>
All other governmental funds					
Restricted for:					
Debt service	\$ 6,466,375	\$ 5,327,671	\$ 5,712,998	\$ 5,819,205	\$ 6,318,578
Capital improvements	1,867,992	4,200,664	284,563	7,165,710	14,452,483
Equipment	-	-	-	-	-
Community development	145,884	1,618,153	985,069	3,439,590	4,057,846
Law enforcement	106,265	76,991	68,250	59,645	77,775
Tourism	392,283	378,170	322,053	296,299	315,274
Committed for, capital projects	55,241	153,515	106,335	329,317	647,410
Total all other governmental funds	<u>\$ 9,034,040</u>	<u>\$ 11,755,164</u>	<u>\$ 7,479,268</u>	<u>\$ 17,109,766</u>	<u>\$ 25,869,366</u>

\*Prior to 2005, all activity was reported in the General Fund on a cash basis of accounting.

<b>Fiscal Year</b>				
<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
\$ 34,169,319	\$ 33,106,575	\$ 39,142,518	\$ 35,999,110	\$ 21,857,931
<u>\$ 34,169,319</u>	<u>\$ 33,106,575</u>	<u>\$ 39,142,518</u>	<u>\$ 35,999,110</u>	<u>\$ 21,857,931</u>
\$ 5,783,385	\$ 5,309,363	\$ 858,184	\$ 3,722,085	\$ -
25,249,399	37,847,937	-	-	-
-	-	-	-	-
2,819,163	2,999,512	-	-	-
80,031	14,062	19,702	-	-
262,967	75,968	-	-	-
413,319	149,187	(980)	-	-
<u>\$ 34,608,264</u>	<u>\$ 46,396,029</u>	<u>\$ 876,906</u>	<u>\$ 3,722,085</u>	<u>\$ -</u>

**City of Riverside, Missouri**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)\***  
**(unaudited)**

	Fiscal Year				
	2013	2012	2011	2010	2009
<b>Revenues</b>					
Taxes	\$ 2,218,801	\$ 2,119,520	\$ 2,152,052	\$ 1,853,545	\$ 1,845,476
Intergovernmental revenue	3,496,318	1,399,140	809,437	316,176	310,017
Charges for services	186,168	347,037	4,060,752	1,705,898	1,661,146
Investment earnings	51,762	187,308	274,702	413,453	1,624,693
Real estate income - gaming	4,155,181	4,424,307	4,972,759	4,876,918	5,079,236
Gaming revenue	7,133,275	8,528,022	9,333,622	9,550,347	9,718,310
Licenses and fees	99,731	87,927	67,121	65,765	91,275
Fines and forfeitures	356,142	269,042	272,520	336,073	250,397
Recreation fees	77,587	66,546	54,281	57,851	34,102
Miscellaneous	26,429	18,736	44,782	103,235	16,275
TIF revenue**	3,432,013	2,519,439	2,531,727	2,322,386	2,422,337
Developer contribution	2,540,649	1,757,460	-	-	-
Total revenues	<u>23,774,056</u>	<u>21,724,484</u>	<u>24,573,755</u>	<u>21,601,647</u>	<u>23,053,264</u>
<b>Expenditures</b>					
Administrative and support	3,166,187	3,203,812	3,101,376	2,845,019	2,329,588
Municipal court	166,973	161,947	151,678	143,329	138,671
Public safety administration****	617,544	590,283	500,781	468,776	447,162
Police services	2,241,434	2,060,787	2,083,386	2,059,677	1,957,651
Operations support	594,086	674,363	607,814	574,827	504,515
Fire services	1,331,481	1,182,911	1,173,397	1,140,734	590,159
Public works	1,548,537	1,202,728	1,225,402	1,271,986	1,045,468
Parks and recreation	598,104	661,711	592,584	506,783	406,136
Community development	374,349	417,553	456,607	336,651	433,659
Building and codes***	113,884	135,983	140,565	111,981	142,333
Capital outlay	16,861,669	14,402,799	21,080,414	18,557,731	23,436,065
TIF Expenditures, net of revenues**	-	-	-	-	-
Principal**	3,395,000	5,060,000	4,340,000	2,275,000	3,548,200
Interest**	2,012,606	2,161,639	2,420,314	2,539,407	2,677,457
Bond issuance costs**	-	79,419	-	-	-
Total expenditures	<u>33,021,854</u>	<u>31,995,935</u>	<u>37,874,318</u>	<u>32,831,901</u>	<u>37,657,064</u>
Excess of revenues over (under) expenditures	<u>(9,247,798)</u>	<u>(10,271,451)</u>	<u>(13,300,563)</u>	<u>(11,230,254)</u>	<u>(14,603,800)</u>
<b>Other financing sources (uses)</b>					
Transfers in	5,908,490	11,042,374	5,844,652	4,736,748	7,269,467
Transfers out	(5,908,490)	(11,042,374)	(5,844,652)	(4,736,748)	(7,269,467)
Proceeds from sale-leaseback	405,087	1,681,691	762,300	-	-
Issuance of TIF bonds	-	2,385,000	-	-	-
Sale of capital assets	870,829	282,826	-	-	-
Premium on bonds issuance	-	17,810	-	-	-
Discount on bonds issuance	-	-	-	-	-
Total other financing sources (uses)	<u>1,275,916</u>	<u>4,367,327</u>	<u>762,300</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (7,971,882)</u>	<u>\$ (5,904,124)</u>	<u>\$ (12,538,263)</u>	<u>\$ (11,230,254)</u>	<u>\$ (14,603,800)</u>
Debt service as a percentage of noncapital expenditures	25%	31%	35%	27%	34%

\*Prior to 2005, all activity was reported in the General Fund on a cash basis of accounting.

\*\*Prior to 2007, TIF revenues and expenditures were net and reported as TIF expenditures, net of revenues.

\*\*\*In fiscal year 2008, the building and codes division was separated out of the community development division.

\*\*\*\*In fiscal year 2009, the public safety administration division was separated out of the police services division.

	<b>Fiscal Year</b>				
	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
\$	2,061,368	\$ 1,791,178	\$ 1,642,612	\$ 1,429,694	\$ 1,364,533
	310,188	370,232	1,302,846	483,414	716,049
	-	-	-	-	-
	3,554,557	2,244,178	1,411,830	733,502	354,341
	5,049,125	4,913,928	4,247,146	4,589,088	4,347,457
	9,170,049	8,550,830	7,961,232	7,843,345	6,473,005
	105,818	97,669	63,621	69,851	72,840
	188,911	227,052	176,180	178,481	198,961
	22,279	24,370	29,522	19,134	30,822
	92,894	25,310	46,396	58,131	110,613
	2,190,264	1,922,001	-	-	-
	-	-	-	-	-
	<u>22,745,453</u>	<u>20,166,748</u>	<u>16,881,385</u>	<u>15,404,640</u>	<u>13,668,621</u>
	2,106,530	2,595,393	1,329,815	1,033,579	799,553
	127,247	145,525	138,230	125,896	124,253
	-	-	-	-	-
	2,370,824	2,156,671	1,514,316	1,444,932	1,273,387
	369,433	296,153	248,106	243,025	213,809
	501,427	387,864	60,295	49,391	44,227
	796,276	832,589	455,024	374,206	247,952
	382,808	307,784	225,278	294,961	214,584
	473,846	218,351	213,386	133,801	93,154
	136,993	-	-	-	-
	18,862,799	16,678,172	7,538,823	7,232,001	13,415,223
	-	-	1,891,289	3,029,447	10,454,370
	1,880,000	940,000	-	-	-
	2,762,291	937,915	-	-	-
	-	996,670	-	-	-
	<u>30,770,474</u>	<u>26,493,087</u>	<u>13,614,562</u>	<u>13,961,239</u>	<u>26,880,512</u>
	<u>(8,025,021)</u>	<u>(6,326,339)</u>	<u>3,266,823</u>	<u>1,443,401</u>	<u>(13,211,891)</u>
	2,043,799	10,083,923	31,201,324	-	13,415,223
	(2,043,799)	(10,083,923)	(31,201,324)	-	(13,415,223)
	-	-	-	-	-
	-	40,265,000	-	-	-
	-	-	-	-	-
	-	846,479	-	-	-
	-	(62,500)	-	-	-
	-	41,048,979	-	-	-
	<u>\$ (8,025,021)</u>	<u>\$ 34,722,640</u>	<u>\$ 3,266,823</u>	<u>\$ 1,443,401</u>	<u>\$(13,211,891)</u>
	28%	11%	n/a	n/a	n/a

**City of Riverside, Missouri**  
**Tax Revenues by Source**  
**2004-2013**  
**(Modified Accrual Basis of Accounting)\***  
**(unaudited)**

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Tourism Tax</u>
2004	1,321,091	393,988	-
2005	1,030,980	398,714	-
2006	1,223,107	397,422	22,063
2007	1,301,457	437,693	52,028
2008	1,264,328	614,565	182,475
2009	1,162,363	505,060	178,053
2010	1,207,371	470,571	175,603
2011	1,256,558	583,266	176,958
2012	1,358,640	587,217	173,663
2013	1,397,363	651,528	169,910

The City levied the Tourism Tax beginning in FY 2006.

\*Prior to 2005, all activity was reported in the General Fund on a cash basis of accounting.

**City of Riverside, Missouri**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**  
**(unaudited)**

<u>Year</u>	<u>City</u>	<u>County*</u>	<u>State*</u>	<u>Total</u>
2004	1.000	1.375	4.225	6.600
2005	1.000	1.375	4.225	6.600
2006	1.000	1.375	4.225	6.600
2007	1.000	1.375	4.225	6.600
2008	1.000	1.375	4.225	6.600
2009	1.000	1.375	4.225	6.600
2010	1.000	1.375	4.225	6.600
2011	1.000	1.375	4.225	6.600
2012	1.000	1.375	4.225	6.600
2013	1.000	1.375	4.225	6.600

\* Source: Missouri Department of Revenue

**City of Riverside, Missouri**  
**Gaming Revenue and Real Estate Income**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)\***  
**(unaudited)**

<u>Fiscal Year</u>	<u>Gaming Revenue</u>	<u>Real Estate Income</u>	<u>Total</u>
2004	6,473,005	4,347,457	10,820,462
2005	7,843,345	4,589,088	12,432,433
2006	7,961,232	4,247,146	12,208,378
2007	8,550,830	4,913,928	13,464,758
2008	9,170,049	5,049,125	14,219,174
2009	9,718,310	5,079,236	14,797,546
2010	9,550,347	4,876,918	14,427,265
2011	9,333,622	4,972,759	14,306,381
2012	8,528,022	4,424,307	12,952,329
2013	7,133,275	4,155,181	11,288,456

\*Prior to 2005, all activity was reported in the General Fund on a cash basis of accounting.

\*In FY 2012, a fifth casino was opened in the Kansas City metropolitan area.

**City of Riverside, Missouri**  
**Gaming Revenue Rates**  
**Last Ten Fiscal Years**  
**(unaudited)**

<u>Fiscal Year</u>	<u>Admission Fee</u>	<u>% of Adjusted Gross Revenue</u>
2004	\$1 per patron	2.0%
2005	\$1 per patron	2.0%
2006	\$1 per patron	2.0%
2007	\$1 per patron	2.0%
2008	\$1 per patron	2.0%
2009	\$1 per patron	2.1%
2010	\$1 per patron	2.1%
2011	\$1 per patron	2.1%
2012	\$1 per patron	2.1%
2013	\$1 per patron	2.1%

Source: Missouri Gaming Commission

**City of Riverside, Missouri**  
**Riverside Argosy Casino Kansas City Market Share**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b><u>Fiscal Year</u></b>	<b><u>Percentage of Adjusted Gross Receipts</u></b>
2004	19.10%
2005	21.98%
2006	21.46%
2007	23.83%
2008	26.04%
2009	27.48%
2010	27.31%
2011	27.16%
2012	24.14%
2013	20.36%

Source: Missouri Gaming Commission & Kansas Gaming Commission

**City of Riverside, Missouri**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Fiscal Year</b>	<b>TIF Bonds</b>	<b>Percentage of Personal Income*</b>	<b>Per Capita*</b>
2004	3,500,000	3.18%	1,170
2005	19,215,000	16.91%	6,384
2006	18,325,000	15.37%	6,084
2007	57,650,000	45.56%	19,070
2008	55,770,000	40.66%	18,309
2009	51,880,000	39.33%	16,817
2010	49,585,000	39.03%	16,808
2011	45,125,000	67.16%	14,627
2012	42,450,000	30.98%	14,098
2013	39,055,000	27.89%	12,971

\* See the Schedule of Demographic and Economic Statistics on page 79 for personal income and population data.

**City of Riverside, Missouri**  
**Direct and Overlapping Debt**  
**As of December 31, 2013**  
**(unaudited)**

	<b>Outstanding Debt</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Overlapping Debt</b>	<b>Assessed Valuation</b>	
Direct Debt:					
City of Riverside, payable from Taxes:	-	100.0%	-	83,251,909	
Overlapping Debt:					
Platte County, Missouri	59,495,312	3.8%	2,243,037	2,208,210,454	3.8%
Park Hill School District	97,578,945	5.8%	5,639,697	1,440,437,815	5.8%
Total overlapping debt	<u>157,074,257</u>		<u>7,882,735</u>		
Total direct and overlapping debt	<u><u>157,074,257</u></u>		<u><u>7,882,735</u></u>		

**City of Riverside, Missouri**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Fiscal Year</b>	<b>TIF Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
		<b>Principal</b>	<b>Interest</b>	
2004	528,237	75,000	236,373	1.70
2005	1,064,007	585,000	614,891	0.89
2006	1,153,120	890,000	971,153	0.62
2007	1,922,001	940,000	1,407,112	0.82
2008	2,190,264	1,880,000	2,759,983	0.47
2009	2,422,337	3,548,200	2,677,457	0.39
2010	2,278,764	2,275,000	2,539,407	0.47
2011	2,469,629	4,340,000	2,420,314	0.37
2012	2,406,697	5,060,000	2,161,639	0.33
2013	3,334,312	3,395,000	2,012,606	0.62

**City of Riverside, Missouri**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Fiscal Year</b>	<b>Population (a)</b>	<b>Per Capita Personal Income (b)</b>	<b>Total Personal Income (b)</b>	<b>Median Family Income (a)</b>	<b>Unemployment Rate (c)</b>
2004	2,991	36,783	110,017,953	62,530	4.3%
2005	3,010	37,749	113,624,490	63,294	4.5%
2006	3,012	39,590	119,245,080	65,089	4.4%
2007	3,023	41,857	126,533,711	64,907	3.9%
2008	3,046	45,027	137,152,242	64,347	4.1%
2009	3,085	42,753	131,893,005	63,390	5.1%
2010	2,950	43,066	127,044,700	67,791	7.8%
2011	2,978	44,561	132,702,658	69,183	7.2%
2012	3,011	45,512	137,037,768	70,660	5.8%
2013	3,011	46,507	140,032,071	72,204	6.0%

Sources:

- (a) Mid-America Regional Council Research Services - ([www.metrodataline.org](http://www.metrodataline.org))
- (b) American Communities Survey
- (c) U.S. Department of Labor for Platte County, Missouri

**City of Riverside, Missouri  
Principal Employers  
Current Year and Nine Years Ago  
(unaudited)**

Employer	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Argosy Casino	825	1	17.1%	929	1	27.9%
Hoover Universal	615	2	12.8%	-	-	0.0%
Apria Medical	278	3	5.8%	-	-	0.0%
Capital Electric	200	4	4.2%	-	-	0.0%
Park Hill School District	160	5	3.3%	160	3	4.8%
Knappco/Civacon	135	6	2.8%	-	-	0.0%
Riverside Nursing & Rehab.	123	7	2.6%	-	-	0.0%
Corner Café	119	8	2.5%	95	5	2.8%
Premium Waters	101	9	2.1%	-	-	0.0%
Red X	100	10	2.1%	93	7	2.8%
Faurecia/ Riverside Seat Company	-	-	0.0%	200	2	6.0%
Woodbridge	-	-	0.0%	150	4	4.5%
Intercontinental Engineering	-	-	0.0%	94	6	2.8%
Zep Manufacturing	-	-	0.0%	45	8	1.3%
Carter Energy Corporation	-	-	0.0%	40	9	1.2%
Kitterman	-	-	0.0%	35	10	1.0%
<b>Total</b>	<b>2,656</b>		<b>55.2%</b>	<b>1,841</b>		<b>55.2%</b>

Source: City of Riverside city clerk business license database.

**City of Riverside, Missouri**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**  
**(unaudited)**

Function	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government	9	8	8	7	7	7	7	6	5	5
Municipal court	1	1	1	1	1	1	1	1	1	1
Public safety										
Public safety administration	3	3	3	3	3	-	-	-	-	-
Police										
Officers	25	25	24	24	24	25	23	21	21	20
Civilians	-	-	-	-	-	1	1	1	1	1
Operations support	10	10	10	10	8	6	6	6	5	5
Fire	14	14	14	14	11	3	1	1	1	-
Public works										
Street maintenance	9	8	8	8	8	8	9	7	6	5
Building codes	2	2	2	2	2	2	2	1	1	1
Parks & recreation	2	2	2	2	2	2	2	2	2	2
Community development	5	3	3	3	2	2	2	2	1	1
<b>Total</b>	<b>80</b>	<b>76</b>	<b>75</b>	<b>74</b>	<b>68</b>	<b>57</b>	<b>54</b>	<b>48</b>	<b>44</b>	<b>41</b>

Source: City of Riverside operating budget documents

**City of Riverside, Missouri**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**(unaudited)**

Function/Program	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police Services*:										
Traffic & ordinance citations	3,225	2,825	2,180	3,491	2,667	3,798	2,939	2,208	2,234	2,239
Municipal & state arrests	1,328	1,151	1,023	1,293	1,018	901	1,067	2,208	1,120	1,175
Fire Services*										
Structure fires	13	5	7	9	8	5	9	-	-	-
Calls for service	1,049	1,105	1,075	943	788	487	293	-	-	-
Inspections conducted	535	418	416	397	479	354	5	-	-	-
Building Codes**:										
Commercial building permits	45	32	19	17	25	20	9	33	15	20
Residential building permits	65	24	15	19	23	20	49	50	29	30

\*Source: City of Riverside public safety department

\*\* Source: City of Riverside building codes division

Note: Data is not available for the fire services division prior to 2007.

**City of Riverside, Missouri**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**(unaudited)**

Function/Program	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police stations*	1	1	1	1	1	1	1	1	1	1
Fire stations*	1	1	1	1	1	1	1	1	1	1
Parks & recreation**										
Acreage	73	73	73	73	73	73	73	73	73	73
Parks	3	3	3	3	3	3	3	3	3	3
Softball/baseball diamonds	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	-	-
Community center	1	1	1	1	1	1	1	1	1	1
Pools	1	1	1	1	1	1	1	1	1	1
Lane miles maintained by City***	65	63	59	59	59	58	55	55	55	55

\*Source: City of Riverside public safety department

\*\* Source: City of Riverside parks and recreation division

\*\*\*Source: City of Riverside public works department

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