



Upstream from ordinary.

Comprehensive Annual Financial Report



**For the fiscal year ended
June 30, 2015**

City of Riverside, Missouri

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

Prepared by Finance Department

Donna Oliver, Finance Director

City of Riverside, Missouri
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2015

Table of Contents

| | <u>Page Number</u> |
|--|------------------------|
| Introductory Section | |
| Table of contents | 1 |
| Letter of transmittal | 3 |
| Organizational chart | 6 |
| Principal officials | 7 |
| GFOA certificate of achievement | 8 |
| Financial Section | |
| Independent auditor’s report | 9 |
| Management’s discussion and analysis | 11 |
| Basic financial statements: | |
| Government-wide financial statements | |
| Statement of net position | 21 |
| Statement of activities | 22 |
| Fund financial statements | |
| Balance sheet – governmental funds | 23 |
| Reconciliation of the governmental fund balances to the net position of governmental activities | 24 |
| Statement of revenues, expenditures and changes in fund balance - governmental funds | 25 |
| Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities | 26 |
| Statement of revenues, expenditures and changes in fund balances - general fund – budget to actual | 27 |
| Statement of assets and liabilities – agency fund | 28 |
| Notes to basic financial statements | 30 |
| Required supplemental information: | |
| Schedules of funding progress other post employment benefits | 55 |
| Schedule of changes in net pension liability and related ratios | 56 |
| Schedule of contributions | 57 |
| Supplementary information: | |
| Nonmajor governmental funds: | |
| Combining balance sheet | 58 |
| Combining statement of revenues, expenditures and changes in fund balance | 60 |
| Combining schedule of revenues, expenditures and changes in fund balances, nonmajor special revenue funds, budget to actual | 62 |

| | |
|---|----|
| Combining schedule of revenues, expenditures and changes in fund balances, capital project funds, budget to actual | 63 |
| Schedule of revenues, expenditures and changes in fund balances, tax increment financing debt service fund, budget to actual | 65 |
| Statement of changes in assets and liabilities, agency fund | 66 |
| Statistical Section (unaudited) | |
| Statistical section contents | 67 |
| Net position | 68 |
| Changes in net position | 70 |
| Fund balances, governmental funds | 72 |
| Changes in fund balances, governmental funds | 74 |
| Tax revenues by source | 76 |
| Direct and overlapping sales tax rates | 77 |
| Gaming revenue and real estate income | 78 |
| Gaming revenue rates | 78 |
| Riverside Argosy Casino Kansas City market share | 79 |
| Ratios of outstanding debt | 80 |
| Direct and overlapping debt | 81 |
| Pledged-revenue coverage | 82 |
| Demographic and economic statistics | 83 |
| Principal employers | 84 |
| Full-time equivalent city government employees by function | 85 |
| Operating indicators by function/program | 86 |
| Capital asset statistics by function/program | 87 |



2950 NW Vivion Road
Riverside, MO 64150

January 12, 2016

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, 2015. The CAFR was prepared by the City's Finance Division in close cooperation with the external auditor, RSM US 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.

RSM US LLP, have issued an unmodified ("clean") opinion on the City of Riverside's financial statements for the year ended June 30, 2015. 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 3,046.

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 \$21.0 million in fiscal 2015, 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.

Horizons: Riverside Horizons Business Park continued its aggressive pace of development activity this past year. On the east side of the park, the majority of the phase 1 infrastructure is complete, with just cosmetic and ornamental elements remaining to be finished. Construction began on Spec V, the largest building to date in Horizons at 491,000 square feet. Spec V is scheduled to be completed and ready for tenants in early 2016.

On the west side of the park, the City has completed infrastructure to serve a number of parcels planned for industrial development. The past year saw two expansion projects of existing facilities totaling 200,000 square feet begin. An additional 275,000 square feet (two buildings) is also currently under construction. Employment has increased by more than 1,500 jobs on the west side in the last four years.

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, 2014. This was the ninth 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.

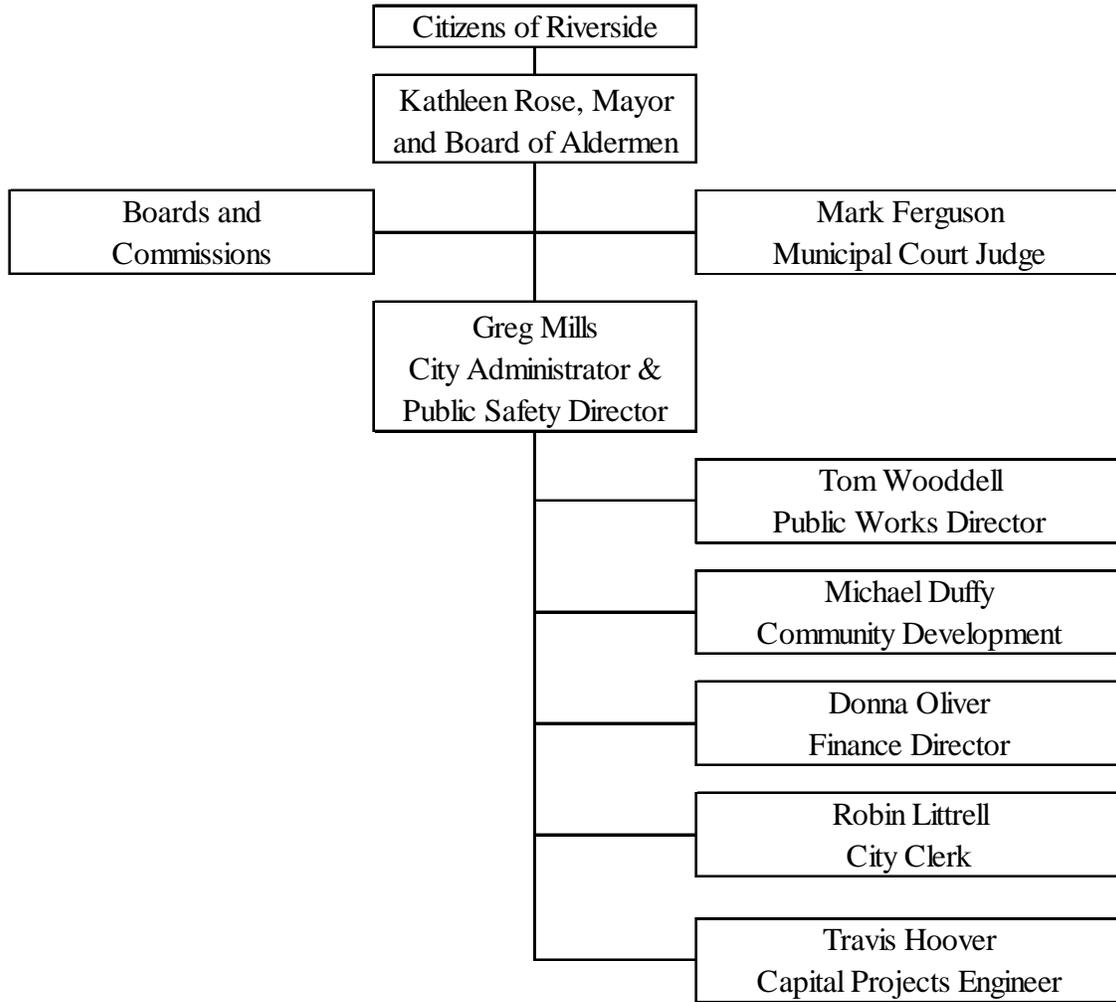
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and the assistance of other departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation 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 Oliver". The signature is written in dark ink and is positioned above the typed name and title.

Donna Oliver
Finance Director

City of Riverside, Missouri
Organizational Chart
For the Year Ended June 30, 2015



**City of Riverside, Missouri
Principal Officers
June 30, 2015**

Elected Officials

| | |
|------------------|----------------|
| Mayor | Kathleen Rose |
| Alderman, Ward 3 | Frank Biondo |
| Alderman, Ward 2 | Chet Pruett |
| Alderman, Ward 1 | Al Bowman |
| 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 Oliver |
| Municipal Court Judge | Mark Ferguson |
| Community Development Director | Michael Duffy |
| Public Works Director | Tom Wooddell |
| 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, 2014

Executive Director/CEO

Independent Auditor's Report

RSM US LLP

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, 2015, 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. 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, 2015, 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.

Emphasis of Matter

As discussed in Note 8.B., the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, which restated beginning net position and the net pension liability of the governmental activities.

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, the OPEB schedule of funding progress on page 55 and the pension information on pages 56 and 57 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.

RSM US LLP

Kansas City, Missouri
January 12, 2016

**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 (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. 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 \$94,584,901. Of this amount, (\$1,937,545) 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 increased by 3.2% or \$2,961,126. Analysis is included in the overview of the financial statements.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,389,266 an increase of \$901,392 over the previous year. Approximately \$5,585,914 of this amount is available for spending at the government's discretion.
- The unassigned fund balance for the General Fund was \$5,585,914 compared to \$9,123,122 in general fund expenditures.
- The City of Riverside total debt (excluding compensated absences) decreased by (\$3,285,826) or (9%).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City'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'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'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 30-51 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 53-61 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 \$2,961,126. Following is a condensed version of the government-wide statement of net position comparing fiscal year 2015 and 2014.

| City of Riverside | | |
|-----------------------------------|----------------------|----------------------|
| Net Position | | |
| | 2015 | 2014 |
| | (as restated) | (not restated) |
| Current and other assets | \$ 16,229,396 | \$ 17,829,401 |
| Capital assets | 120,229,106 | 120,570,975 |
| Total assets | <u>136,458,502</u> | <u>138,400,376</u> |
| Deferred outflows of resources | <u>967,329</u> | <u>395,827</u> |
| Long-term liabilities outstanding | 36,947,467 | 39,416,488 |
| Other liabilities | 2,117,925 | 3,996,676 |
| Total liabilities | <u>39,065,392</u> | <u>43,413,164</u> |
| Deferred inflows of resources | <u>3,775,538</u> | <u>2,488,542</u> |
| Net position | | |
| Net investment in capital assets | 95,152,969 | 93,573,067 |
| Restricted | 1,369,477 | 803,511 |
| Unrestricted | (1,937,545) | (1,482,081) |
| Total net position | <u>\$ 94,584,901</u> | <u>\$ 92,894,497</u> |

The total net position, as restated, of the City increased by \$2,961,126. Invested in capital assets (e.g., land, buildings, machinery and equipment), restricted as to the purpose which it

can be used, and unrestricted increased (decreased) by \$1,579,902, \$565,966 and \$(455,464), respectively.

The unrestricted component of the net position showed a \$1.9 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.

**City of Riverside
Changes in Net Position**

| | 2015 <u>(as restated)</u> | <u>2014</u> | <u>% Change</u> |
|---|------------------------------|---------------------|-----------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 778,891 | \$ 535,163 | 45.6% |
| Operating grants and contributions | 13,822 | 6,455 | 114.1% |
| Capital grants and contributions | 46,767 | 1,165,046 | (96.0)% |
| General revenues: | | | |
| Sales tax | 1,378,151 | 1,445,549 | (4.7)% |
| Other taxes | 900,804 | 881,044 | 2.2% |
| Grants and contributions not restricted for specific programs | 371,948 | 254,291 | 46.3% |
| Tax increment financing revenue | 5,123,842 | 3,883,538 | 31.9% |
| Gaming revenue | 6,303,001 | 6,399,850 | (1.5)% |
| Real estate income – gaming | 4,182,418 | 4,060,295 | 3.0% |
| Investment earnings | 89,580 | 47,676 | 87.9% |
| Gain on land lease | 1,094,726 | 1,843,665 | (40.6)% |
| Other | 111,632 | 186,313 | (40.1)% |
| Total revenues | <u>20,395,582</u> | <u>20,708,885</u> | (1.5)% |
| Expenses: | | | |
| Administrative and support | 3,536,140 | 3,361,653 | 5.2% |
| Municipal court | 178,317 | 175,443 | 1.6% |
| Public safety | 5,155,608 | 5,185,446 | 0.6% |
| Public works | 5,191,014 | 14,302,013 | (63.7)% |
| Parks and recreation | 745,998 | 773,333 | (3.5)% |
| Community dev. & engineering | 644,951 | 569,201 | 13.3% |
| Interest on long-term debt | 1,982,428 | 2,395,524 | (17.2)% |
| Total expenses | <u>17,434,456</u> | <u>26,762,613</u> | (34.9)% |
| Increase/(decrease) in net position | 2,961,126 | (6,053,728) | 148.9% |
| Net position, beginning (as restated) | <u>91,623,775</u> | <u>98,948,225</u> | |
| Net position, ending | <u>\$94,584,901</u> | <u>\$92,894,497</u> | |

Last fiscal year charges for services were higher due to a contribution from a private entity for expenses within the Horizons business park.

Operating grants and contributions increased due to the receipt of more grants for police services.

In fiscal year 2014, the City received \$771,000 more in CDBG and local grants for construction of infrastructure projects. These grants were not available for projects completed in fiscal year 2015.

Grants and contributions not restricted for specific programs increased by 46.3% due to a new agreement with City of Northmoor to provide dispatch services and increases in the Platte County transportation sales tax.

Tax increment financing revenues increased by \$1,240,304 or 31.9% due to the construction of new buildings and creation of new jobs within the Horizons business park.

Investment earnings increased by 87.9% due to changes to the investment policy allowing longer maturities and utilization of an investment advisor.

Gain on land lease decreased by (\$748,939) or (40.6)%. 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. Two leases expired in fiscal year 2014.

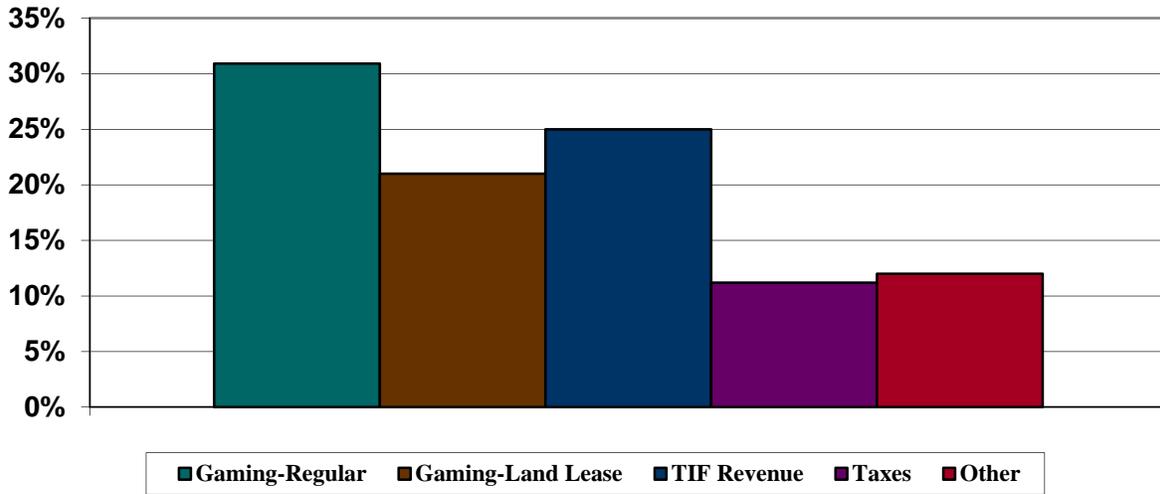
| Beginning Year | Ending Year | Current year gain |
|----------------|-------------|-------------------|
| 2011 | 2021 | \$102,527 |
| 2014 | 2015 | 711,342 |
| 2014 | 2015 | 109,847 |
| 2014 | 2015 | 110,300 |
| 2015 | 2017 | 177,167 |

During fiscal year 2014, the ownership and maintenance of a lift station was turned over to Kansas City Missouri Water Services. The resulting loss from disposal of the lift station of \$7.5 million was captured in the Public Works department.

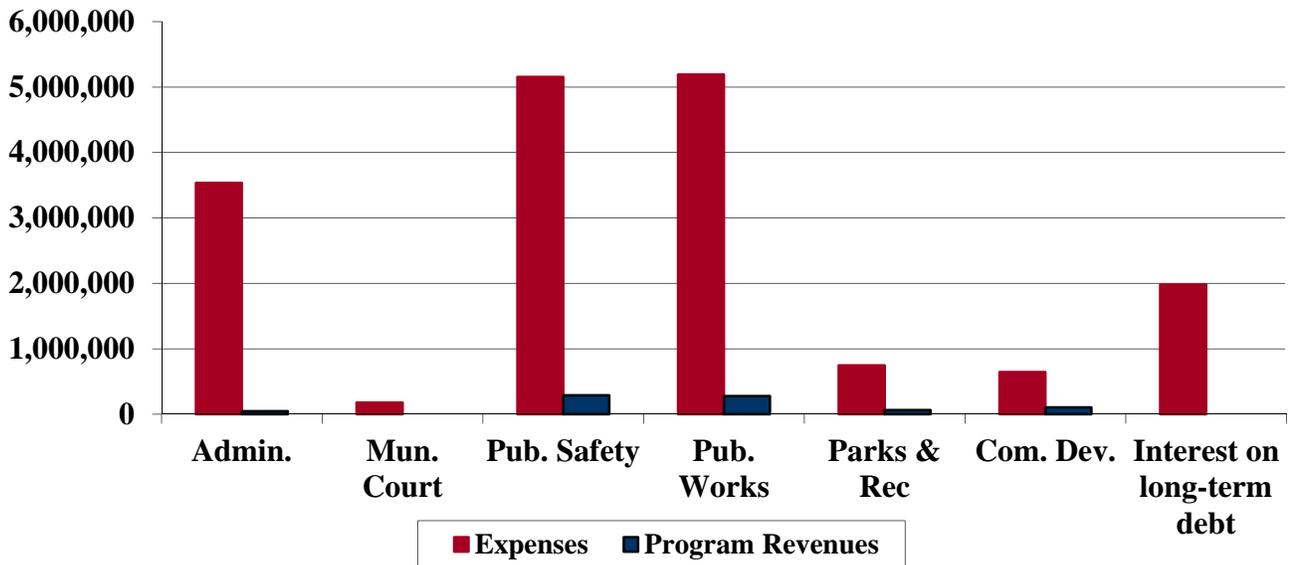
The increase in expenses in the Community Development and Engineering departments is a result of the transfer of the animal control position from the Police division to the Community Development division.

Due to the reduction of outstanding long term debt, interest on long-term debt decreased by (17.2)%.

Sources of Funds for Governmental Activities



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, unassigned 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 \$13,389,266, an increase of \$901,392 in comparison with the prior year. Approximately 42% or \$5,585,914 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 (\$6,193,653), to construct capital improvements (\$784,719), to community development (\$296,014), for law enforcement (\$135,379) and for tourism (\$403,587).

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 \$5,585,914. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 61% of total general fund expenditures.

The fund balance of the general fund increased by \$21,633.

The fund balance of the capital improvement fund increased by \$445,775 due to reduced expenditures within the Horizons business park.

The fund balance of the TIF debt service fund increased by \$248,291 due to additional TIF revenues that were received but not yet expended.

General Fund Budgetary Highlights

General Fund Revenues: Overall actual general fund revenues of \$7,149,359 were higher than budgeted revenues of \$6,938,954 by \$210,405 or 3.0%. Some elements of this difference are the following:

License and fees were (83.6%) higher than budgeted due to increased construction activity and building permits.

Fines and forfeitures were under budget by (19.4%) due to decreased municipal court fines.

Intergovernmental revenue was 19.2% higher than budget due to increased revenue from the Platte County transportation sales tax distribution.

General Fund Expenditures: The legally adopted budget for the General Fund was not amended by the Board of Aldermen during the current fiscal year.

In the general government department, the elected officials division actual expenditures were 20.5% under budget as a result of fewer than anticipated meetings. The human resources division was under budget by 18.4% due to a reduction in outside consulting services.

In the public safety department, the public safety administration division actual expenditures were under budget by 16.8% due to lower than expected fuel costs and equipment maintenance.

In the public works department, the public works division actual expenditures were under budget by 16.5% due to a full-time vacancy and fewer seasonal employees being utilized during the summer.

In the parks and recreation department, the parks division was under budget by 35.8% due to lower than anticipated costs for right of way irrigation.

In the community development department, the engineering division actual expenditures were under budget by 14.4% due to a part time vacancy and lower than anticipated outside engineering fees.

Capital Assets

The City of Riverside’s investment in capital assets as of June 30, 2015, amounts to \$120,229,106, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways and bridges.

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

| | 2015 | 2014 |
|--------------------------|---------------|---------------|
| Land | \$ 20,450,715 | \$ 20,846,633 |
| Buildings | 14,787,595 | 15,171,550 |
| Improvements | 3,646,401 | 3,741,815 |
| Machinery and Equipment | 1,503,988 | 1,728,008 |
| Infrastructure | 74,629,148 | 69,099,361 |
| Construction in Progress | 5,211,259 | 9,983,608 |
| Total | \$120,229,106 | \$120,570,975 |

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 \$32,170,000 in outstanding tax increment financing debt which is secured by tax increment financing revenues generated.

City of Riverside Outstanding Debt

| | 2015 | 2014 |
|-------------------------------|---------------------|---------------------|
| Tax Increment Financing Bonds | <u>\$32,170,000</u> | <u>\$35,360,000</u> |

The City of Riverside's total debt decreased by (\$3,190,000) or (9.0%) during the current fiscal year.

Additional information on the City of Riverside's long-term debt can be found in Note 5 on page 42 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 4.7% which is a decrease from a rate of 5.5% a year ago. This compares favorably to the state's unemployment rate of 5.8% and the national rate of 5.3%.

All of these factors were considered in preparing the City of Riverside's budget for the 2015 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.

BASIC FINANCIAL STATEMENTS

City of Riverside, Missouri
Statement of Net Position
June 30, 2015

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Assets: | |
| Current assets: | |
| Cash and investments | \$ 7,594,333 |
| Taxes receivable | 435,482 |
| Due from other governments | 29,901 |
| Interest receivable | 23,773 |
| Gaming receivable | 559,803 |
| Other receivable | 231 |
| Total current assets | <u>8,643,523</u> |
| Noncurrent assets: | |
| Restricted cash and investments | 7,585,873 |
| Capital assets not being depreciated: | |
| Land | 20,450,715 |
| Construction in progress | 5,211,259 |
| Capital assets being depreciated: | |
| Buildings | 19,026,865 |
| Land improvements | 4,078,591 |
| Equipment | 5,816,473 |
| Infrastructure | 87,509,452 |
| Accumulated depreciation | (21,864,249) |
| Total noncurrent assets | <u>127,814,979</u> |
| Total assets | <u>136,458,502</u> |
| Deferred outflows of resources: | |
| Deferred amount on refunding | 329,856 |
| Pension related amounts | 637,473 |
| Total deferred outflows of resources | <u>967,329</u> |
| Total assets and deferred outflows of resource | <u>\$ 137,425,831</u> |
| Liabilities: | |
| Current liabilities: | |
| Accounts payable | \$ 1,899,067 |
| Accrued wages | 215,878 |
| Deposits | 2,980 |
| Current portion of long-term obligations: | |
| Compensated absences | 187,376 |
| Accrued interest | 230,751 |
| TIF bonds payable, net | 3,775,000 |
| Total current liabilities | <u>6,311,052</u> |
| Noncurrent liabilities: | |
| Noncurrent portion of long-term obligations: | |
| Compensated absences | 92,290 |
| OPEB liability | 113,156 |
| Developer liability | 1,680,362 |
| TIF bonds payable, net | 29,121,406 |
| Net pension liability | 1,747,126 |
| Total noncurrent liabilities | <u>32,754,340</u> |
| Total liabilities | <u>39,065,392</u> |
| Deferred Inflows of Resources: | |
| Deferred gain from sale - leaseback | 3,668,251 |
| Pension related amounts | 107,287 |
| Total deferred inflows of resources | <u>3,775,538</u> |
| Net Position: | |
| Net investment in capital assets | 95,152,969 |
| Restricted for: | |
| Capital improvements | 544,497 |
| Community development | 286,014 |
| Tourism | 403,587 |
| Law enforcement | 135,379 |
| Unrestricted (deficit) | (1,937,545) |
| Total net position | <u>94,584,901</u> |
| Total liabilities, deferred outflows of resources and net positic | <u>\$ 137,425,831</u> |

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Statement of Activities
For the Year Ended June 30, 2015

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) Revenue |
|--|----------------------|-------------------------|---------------------------------------|-------------------------------------|--------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Primary Government | | | | | |
| Governmental Activities | | | | | |
| Administrative and support | \$ 3,536,140 | \$ 45,850 | \$ - | \$ - | \$ (3,490,290) |
| Municipal court | 178,317 | - | - | - | (178,317) |
| Public safety administration | 435,851 | - | - | - | (435,851) |
| Police services | 2,551,494 | 289,082 | 13,822 | - | (2,248,590) |
| Operations support | 585,905 | - | - | - | (585,905) |
| Fire services | 1,582,358 | - | - | - | (1,582,358) |
| Public works | 5,191,014 | 278,171 | - | 46,767 | (4,866,076) |
| Parks and recreation | 745,998 | 62,537 | - | - | (683,461) |
| Community development | 442,382 | 103,251 | - | - | (339,131) |
| Engineering | 202,569 | - | - | - | (202,569) |
| Interest on long-term debt and related to developer liability | 1,982,428 | - | - | - | (1,982,428) |
| Total governmental activities | <u>\$ 17,434,456</u> | <u>\$ 778,891</u> | <u>\$ 13,822</u> | <u>\$ 46,767</u> | <u>(16,594,976)</u> |
| General revenues | | | | | |
| Taxes | | | | | |
| Sales tax | | | | | 1,378,151 |
| Franchise tax | | | | | 716,542 |
| Tourism tax | | | | | 184,262 |
| Grants and contributions not restricted to specific programs | | | | | 371,948 |
| Investment earnings | | | | | 89,580 |
| Real estate income - gaming | | | | | 4,182,418 |
| Gaming revenue | | | | | 6,303,001 |
| Tax increment financing revenue | | | | | 5,123,842 |
| Gain from land lease | | | | | 1,094,726 |
| Miscellaneous | | | | | 111,632 |
| Total general revenues | | | | | <u>19,556,102</u> |
| Change in net position | | | | | 2,961,126 |
| Net position, beginning of year, as restated | | | | | <u>91,623,775</u> |
| Net position, end of year | | | | | <u>\$ 94,584,901</u> |

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Balance Sheet
Governmental Funds
June 30, 2015

| | General Fund | Capital Improvements | TIF Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---------------------|-------------------------|------------------------|-----------------------------------|--------------------------------|
| Assets | | | | | |
| Cash and investments | \$ 5,631,265 | \$ 891,386 | \$ 21,211 | \$ 1,050,471 | \$ 7,594,333 |
| Taxes receivable | 412,421 | - | - | 23,061 | 435,482 |
| Due from other governments | - | 20,609 | - | 9,292 | 29,901 |
| Interest receivable | 13,303 | - | 10,470 | - | 23,773 |
| Gaming receivable | - | 559,803 | - | - | 559,803 |
| Other receivable | 231 | - | - | - | 231 |
| Restricted cash and investments | - | 1,417,421 | 6,168,452 | - | 7,585,873 |
| Due from other funds | 9,292 | - | - | - | 9,292 |
| Total Assets | \$ 6,066,512 | \$ 2,889,219 | \$ 6,200,133 | \$ 1,082,824 | \$ 16,238,688 |
| Liabilities | | | | | |
| Accounts payable | \$ 261,740 | \$ 1,622,517 | \$ 6,480 | \$ 8,330 | \$ 1,899,067 |
| Accrued wages | 215,878 | - | - | - | 215,878 |
| Deposits | 2,980 | - | - | - | 2,980 |
| Advance from developer | - | 722,205 | - | - | 722,205 |
| Due to other funds | - | - | - | 9,292 | 9,292 |
| Total liabilities | 480,598 | 2,344,722 | 6,480 | 17,622 | 2,849,422 |
| Fund balance | | | | | |
| Restricted for: | | | | | |
| Debt service | - | - | 6,193,653 | - | 6,193,653 |
| Capital improvements | - | 544,497 | - | - | 544,497 |
| Community development | - | - | - | 286,014 | 286,014 |
| Law enforcement | - | - | - | 135,379 | 135,379 |
| Tourism | - | - | - | 403,587 | 403,587 |
| Committed for, capital projects | - | - | - | 240,222 | 240,222 |
| Unassigned | 5,585,914 | - | - | - | 5,585,914 |
| Total fund balance | 5,585,914 | 544,497 | 6,193,653 | 1,065,202 | 13,389,266 |
| Total liabilities and fund balance | \$ 6,066,512 | \$ 2,889,219 | \$ 6,200,133 | \$ 1,082,824 | \$ 16,238,688 |

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, 2015

| | | |
|---|----|--------------|
| Total governmental fund balances | \$ | 13,389,266 |
| Capital assets used in Government Activities are not current financial resources and, therefore, are not reported as assets in the Government Funds Balance Sheet | | 120,229,106 |
| 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 | \$ | (279,666) |
| OPEB liability | | (113,156) |
| Deferred gain from sale-leaseback | | (3,668,251) |
| Long-term portion of developer liability | | (958,157) |
| Accrued interest on long term debt | | (230,751) |
| TIF Bonds payable | | (32,170,000) |
| Net pension liability | | (1,747,126) |
| Deferred charge on refunding | | 329,856 |
| Bond premium (discount), net | | (726,406) |
| | | (39,563,657) |
| Pension related deferred outflows and inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows: | | |
| Deferred inflows of resources - pension related amounts | | (107,287) |
| Deferred outflows of resources - pension related amounts | | 637,473 |
| | | 637,473 |
| Net position of governmental activities | \$ | 94,584,901 |

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, 2015

| | General | Capital Improvements | TIF Debt Service | Nonmajor Governmental Funds | Total |
|--|---------------------|-------------------------|------------------------|-----------------------------------|----------------------|
| Revenues | | | | | |
| Taxes: | | | | | |
| Sales and use tax | \$ 1,378,151 | \$ - | \$ - | \$ - | \$ 1,378,151 |
| Franchise tax | 716,542 | - | - | - | 716,542 |
| Tourism tax | - | - | - | 184,262 | 184,262 |
| Intergovernmental revenue | 371,948 | 46,767 | - | 13,822 | 432,537 |
| Charges for services | - | 28,173 | - | - | 28,173 |
| Investment earnings | 40,275 | 189 | 49,116 | - | 89,580 |
| Real estate income - gaming | 4,182,418 | - | - | - | 4,182,418 |
| Gaming revenue | - | 6,303,001 | - | - | 6,303,001 |
| Licenses and fees | 149,101 | - | - | - | 149,101 |
| Fines and forfeitures | 275,344 | - | - | 13,738 | 289,082 |
| Recreation fees | 29,327 | - | - | 33,210 | 62,537 |
| Miscellaneous | 6,253 | - | - | 5,941 | 12,194 |
| Tax increment financing revenue | - | - | 5,018,593 | 105,249 | 5,123,842 |
| Developer contribution | - | 1,717,957 | - | - | 1,717,957 |
| Proceeds from sale-leaseback | - | - | 494,745 | - | 494,745 |
| Total revenues | <u>7,149,359</u> | <u>8,096,087</u> | <u>5,562,454</u> | <u>356,222</u> | <u>21,164,122</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Administrative and support | 1,715,976 | - | 1,553,454 | 236,193 | 3,505,623 |
| Municipal court | 177,974 | - | - | - | 177,974 |
| Public safety administration | 438,685 | - | - | 366 | 439,051 |
| Police services | 2,070,166 | - | - | 172,743 | 2,242,909 |
| Operations support | 594,077 | - | - | - | 594,077 |
| Fire services | 1,519,197 | - | - | 44,221 | 1,563,418 |
| Public works | 1,383,751 | - | - | 16,417 | 1,400,168 |
| Parks and recreation | 585,065 | - | - | - | 585,065 |
| Community development | 440,189 | - | - | - | 440,189 |
| Engineering | 198,042 | - | - | - | 198,042 |
| Capital outlay | - | 4,450,312 | - | 5,193 | 4,455,505 |
| Debt service: | | | | | |
| Principal | - | - | 3,190,000 | - | 3,190,000 |
| Interest | - | - | 1,470,709 | - | 1,470,709 |
| Total expenditures | <u>9,123,122</u> | <u>4,450,312</u> | <u>6,214,163</u> | <u>475,133</u> | <u>20,262,730</u> |
| Excess (deficiency) of revenue over expenditures | <u>(1,973,763)</u> | <u>3,645,775</u> | <u>(651,709)</u> | <u>(118,911)</u> | <u>901,392</u> |
| Other financing sources (uses) | | | | | |
| Transfers in | 2,300,000 | - | 900,000 | 304,604 | 3,504,604 |
| Transfers out | <u>(304,604)</u> | <u>(3,200,000)</u> | <u>-</u> | <u>-</u> | <u>(3,504,604)</u> |
| Total other financing sources (uses) | <u>1,995,396</u> | <u>(3,200,000)</u> | <u>900,000</u> | <u>304,604</u> | <u>-</u> |
| Net change in fund balance | 21,633 | 445,775 | 248,291 | 185,693 | 901,392 |
| Fund balance, beginning of year | <u>5,564,281</u> | <u>98,722</u> | <u>5,945,362</u> | <u>879,509</u> | <u>12,487,874</u> |
| Fund balance, end of year | <u>\$ 5,585,914</u> | <u>\$ 544,497</u> | <u>\$ 6,193,653</u> | <u>\$ 1,065,202</u> | <u>\$ 13,389,266</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, 2015

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

Net change in fund balances - total governmental funds \$ 901,392

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 | \$ 2,971,517 | |
| Loss on disposal of capital assets | (410,499) | |
| Depreciation expense | <u>(2,902,887)</u> | (341,869) |

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 are received in the governmental funds.

| | |
|---------------|-----------|
| Lease revenue | 1,094,726 |
|---------------|-----------|

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 | 9,594 | |
| Change in deferred gain from sale-lease back | (1,779,690) | |
| Principal payments | 3,190,000 | |
| Proceeds from sale-leaseback | (494,745) | |
| Change in developer liability | 316,236 | |
| Amortization of bond premium and discount | 95,826 | |
| Amortization of deferred charge on refunding | <u>(65,971)</u> | 1,271,250 |

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 | 4,795 |
| Change in OPEB accrual | (22,950) |
| Pension related amount, pension expense | <u>53,782</u> |
| Change in net position of governmental activities | <u>\$ 2,961,126</u> |

City of Riverside, Missouri
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Budget to Actual
For the Year Ended June 30, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|--------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Licenses and fees | \$ 81,200 | \$ 81,200 | \$ 149,101 | \$ 67,901 |
| Fines and forfeitures | 341,500 | 341,500 | 275,344 | (66,156) |
| Recreation fees | 23,200 | 23,200 | 29,327 | 6,127 |
| Sales taxes | 1,414,000 | 1,414,000 | 1,378,151 | (35,849) |
| Franchise taxes | 707,000 | 707,000 | 716,542 | 9,542 |
| Intergovernmental revenue | 312,054 | 312,054 | 371,948 | 59,894 |
| Investment earnings | 50,000 | 50,000 | 40,275 | (9,725) |
| Real estate income - gaming | 4,000,000 | 4,000,000 | 4,182,418 | 182,418 |
| Miscellaneous revenue | 10,000 | 10,000 | 6,253 | (3,747) |
| Total revenues | <u>6,938,954</u> | <u>6,938,954</u> | <u>7,149,359</u> | <u>210,405</u> |
| Expenditures: | | | | |
| General government: | | | | |
| Elected officials | 55,598 | 55,598 | 44,197 | 11,401 |
| Administration | 1,577,035 | 1,577,035 | 1,544,471 | 32,564 |
| Human resources | 156,000 | 156,000 | 127,308 | 28,692 |
| Municipal court | 188,076 | 188,076 | 177,974 | 10,102 |
| Total general government | <u>1,976,709</u> | <u>1,976,709</u> | <u>1,893,950</u> | <u>82,759</u> |
| Public safety | | | | |
| Public safety administration | 527,371 | 527,371 | 438,685 | 88,686 |
| Police services | 2,319,890 | 2,256,885 | 2,070,166 | 186,719 |
| Operations support | 636,690 | 636,690 | 594,077 | 42,613 |
| Fire services | 1,634,773 | 1,634,773 | 1,519,197 | 115,576 |
| Total public safety | <u>5,118,724</u> | <u>5,055,719</u> | <u>4,622,125</u> | <u>433,594</u> |
| Public works | | | | |
| Public works | 1,278,560 | 1,278,560 | 1,068,675 | 209,885 |
| Building maintenance | 331,600 | 331,600 | 315,076 | 16,524 |
| Total public works | <u>1,610,160</u> | <u>1,610,160</u> | <u>1,383,751</u> | <u>226,409</u> |
| Parks & recreation | | | | |
| Parks | 322,600 | 322,600 | 207,135 | 115,465 |
| Community center | 382,235 | 382,235 | 377,930 | 4,305 |
| Total parks & recreation | <u>704,835</u> | <u>704,835</u> | <u>585,065</u> | <u>119,770</u> |
| Community development | | | | |
| Community development | 415,015 | 473,820 | 440,189 | 33,631 |
| Engineering | 231,344 | 231,344 | 198,042 | 33,302 |
| Total community development | <u>646,359</u> | <u>705,164</u> | <u>638,231</u> | <u>66,933</u> |
| Total expenditures: | <u>10,056,787</u> | <u>10,052,587</u> | <u>9,123,122</u> | <u>929,465</u> |
| Revenues (under) expenditures | <u>(3,117,833)</u> | <u>(3,113,633)</u> | <u>(1,973,763)</u> | <u>1,139,870</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 3,500,000 | 3,500,000 | 2,300,000 | 1,200,000 |
| Transfers out | (510,600) | (510,600) | (304,604) | 205,996 |
| Total other financing sources (uses) | <u>2,989,400</u> | <u>2,989,400</u> | <u>1,995,396</u> | <u>1,405,996</u> |
| Net change in fund balance | <u>\$ (128,433)</u> | <u>\$ (124,233)</u> | <u>21,633</u> | <u>\$ 2,545,866</u> |
| Fund balance, beginning of year | | | 5,564,281 | |
| Fund balance, end of year | | | <u>\$ 5,585,914</u> | |

See Accompanying Notes to the Basic Financial Statements

City of Riverside, Missouri
Statement of Assets and Liabilities
Agency Fund
June 30, 2015

| | <u>Municipal Court Bond Account</u> |
|----------------------|---|
| Assets | |
| Cash and investments | \$ <u>20,629</u> |
| Liabilities | |
| Due to others | \$ <u>20,629</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, 2015

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, 2015 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 activities) 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.

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.

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 or specific projects. The nonmajor capital projects funds account for the activities of the Capital Equipment Fund and Community Development 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 City 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 Securites 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 has two items that qualify for reporting in this category. They are the deferred charge on refunding and deferred pension related amounts reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The pension related deferred outflow consists of the unamortized portion of the net difference between projected and actual experience on plan assumptions and plan investments.

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 has two items that qualify for reporting in this category. They are the deferred gain from sale-leaseback transactions and deferred pension related amounts 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. The pension related deferred inflow consists of the unamortized portion of the difference between projected and actual experience on plan assumptions.

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 effective 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. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. *Pensions*

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. *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 Improvements Fund. The escrow account is used to fund City projects that will be sold to the developer upon completion. The advance from developer liability represents the unspent 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.

11. *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, in addition to the contributed escrow accounts already reported in the Capital Improvements Fund.

12. *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.

13. *Net Position*

Net position represents the difference between assets and deferred outflows 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 \$544,497 for capital improvements,

\$135,379 for law enforcement, \$286,014 for community development which represents downtown neighborhood improvements and \$403,587 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.

14. *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.

15. *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 – Nonmajor 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 17, 2014, the Board of Aldermen formally approved the original adopted budget for fiscal year 2015.

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. The budget was not amended during the fiscal year.

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, 2015, 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 | \$3,463,667 | 4.51 |
| Missouri Securities Investment, Program Money Market Fund | 1,093,984 | n/a |
| Ameritrade Money Market Fund | 223 | n/a |
| Ameritrade Certificate of Deposits | 3,825,917 | 1.19 |
| Federated Money Market Fund | 4,411,791 | n/a |
| Total Fair Value | <u>\$12,795,582</u> | |

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 5 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:

- Obligations of the United States government, the State of Missouri, this city, or;
- 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;
- In revenue bonds of the City, or;
- 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> |
|---------------------------------------|--------------|
| Bankers Acceptances | 10% |
| Collateralized Certificate of Deposit | 100% |
| U.S. Treasuries | 100% |
| U.S. Agencies | 80% |
| Collateralized Repurchase Agreements | 50% |

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

| <u>Investment Type</u> | <u>Standard & Poor’s Credit Rating</u> | <u>Percent of Total Investments</u> |
|---|--|---|
| Federal Home Loan Bank | AA+ | 1.0% |
| Federal National Mortgage Association | AA+ | 20.0% |
| Federal Farm Credit Bank | AA+ | 6.1% |
| Federated Treasury Obligation Fund Money Market | AAA | N/A |
| Certificates of Deposit | N/A | 29.9% |
| Missouri Securities Investment Program Money Market | AAA | N/A |

Investments in the Missouri Securities Investment Program and the Federated Treasury Obligation Fund are not subject to concentration of credit risk.

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, 2015, 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, 2015, the City's bank balance of deposits with financial institutions of \$2,410,876 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, 2015:

| | 2014 Balance | Additions | Deletions | 2015 Balance |
|--|-----------------|-------------|---------------|-----------------|
| Capital assets not being depreciated: | | | | |
| Land | \$20,846,633 | \$ - | \$(395,918) | \$20,450,715 |
| Construction in progress | 9,983,608 | 2,507,627 | (7,279,976) | 5,211,259 |
| Total capital assets not being depreciated | 30,830,241 | 2,507,627 | (7,675,894) | 25,661,974 |
| Capital assets being depreciated: | | | | |
| Buildings | 19,026,865 | - | - | 19,026,865 |
| Improvements | 4,087,652 | - | (9,061) | 4,078,591 |
| Machinery and equipment | 5,576,294 | 463,890 | (223,711) | 5,816,473 |
| Infrastructure | 80,229,476 | 7,279,976 | - | 87,509,452 |
| Total capital assets being depreciated | 108,920,287 | 7,743,866 | (232,772) | 116,431,381 |
| Less accumulated depreciation for: | | | | |
| Buildings | (3,855,314) | (383,956) | - | (4,239,270) |
| Improvements | (345,837) | (86,353) | - | (432,190) |
| Machinery and equipment | (3,848,287) | (682,389) | 218,191 | (4,312,485) |
| Infrastructure | (11,130,115) | (1,750,189) | - | (12,880,304) |
| Total accumulated depreciation | (19,179,553) | (2,902,887) | 218,191 | (21,864,249) |
| Total capital assets, being depreciated, net | 89,740,734 | 4,840,979 | (14,581) | 94,567,132 |
| Governmental activities capital assets, net | \$120,570,975 | \$7,348,606 | \$(7,690,475) | \$120,229,106 |

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

| | |
|----------------------------|--------------------|
| Administration | \$140,259 |
| Police Services | 412,853 |
| Operations Support | 6,288 |
| Fire Service | 74,667 |
| Public Works | 2,113,968 |
| Parks and Recreation | 151,646 |
| Engineering | 3,206 |
| Total Depreciation Expense | <u>\$2,902,887</u> |

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:

| <u>Capital Improvements Fund</u> | <u>Contract Amount</u> | <u>Completed</u> | <u>To Be Completed</u> |
|----------------------------------|------------------------|---------------------|------------------------|
| Horizons Phase I Construction | \$11,694,113 | \$10,281,184 | \$1,412,929 |
| Economic Development | 28,000 | 23,517 | 4,483 |
| 41 st & Helena | 921,373 | 730,426 | 190,947 |
| Total | <u>\$12,643,486</u> | <u>\$11,035,127</u> | <u>\$1,608,359</u> |

Note 4 – Interfund Balances and Transfers

Interfund balances at June 30, 2015 consisted of:

| | <u>Due From</u> | <u>Due To</u> |
|-----------------------------|-----------------|----------------|
| General fund | \$9,292 | \$ - |
| Nonmajor governmental funds | - | 9,292 |
| Total | <u>\$9,292</u> | <u>\$9,292</u> |

Transfers for the year ended June 30, 2015 consisted of:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------------------|---------------------|----------------------|
| General fund | \$ 2,300,000 | \$ 304,604 |
| Capital improvements fund | - | 3,200,000 |
| TIF debt service fund | 900,000 | - |
| Nonmajor governmental funds | 304,604 | - |
| Total | <u>\$3,504,604</u> | <u>\$3,504,604</u> |

Transfers are used to move unrestricted revenues in the general fund and gaming revenues in the Capital Improvements Fund to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including for debt service subsidies or matching funds for various grant programs and to fund capital expenditures.

Note 5 – Long-Term Debt

Long-term liability balances and activity for the year ended June 30, 2015 were as follows:

| | Balance June 30, 2014 (as restated) | Additions | Retirements | Balance June 30, 2015 | Amounts Due Within One Year |
|--|--|--------------------|--------------------|-----------------------------|-----------------------------------|
| Tax Increment Financing Bonds | \$35,360,000 | \$ - | \$3,190,000 | \$32,170,000 | \$3,775,000 |
| Premium (discount) on bonds, net | 822,232 | - | 95,826 | 726,406 | - |
| Net pension liability | 1,270,722 | 1,385,191 | 908,787 | 1,747,126 | - |
| OPEB Liability | 90,206 | 22,950 | - | 113,156 | - |
| Compensated absences | 284,461 | 279,666 | 284,461 | 279,666 | 187,376 |
| Total | <u>\$37,827,621</u> | <u>\$1,687,807</u> | <u>\$4,479,074</u> | <u>\$35,036,354</u> | <u>\$3,962,376</u> |

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

Long-term debt payable as of June 30, 2015 is comprised of the following individual issues:

| | Fiscal Year Issued | Maturity Date | Outstanding Interest Rates | Balance June 30, 2015 |
|--|-----------------------|-----------------|-------------------------------|--------------------------|
| Series 2007A Tax Increment Financing Debt \$30,265,000 | 2007 | 5/1/08 – 5/1/27 | 4.5% to 5.0% | \$18,140,000 |
| Series 2007B Tax Increment Financing Debt \$10,000,000 | 2007 | 5/1/14 – 5/1/27 | 4.5% | 6,480,000 |
| Series 2011 Tax Increment Financing Debt \$2,385,000 | 2011 | 5/1/12-5/1/20 | 2.0% to 4.0% | 1,045,000 |
| Series 2014 Tax Increment Financing Debt \$7,640,000 | 2014 | 5/1/15 – 5/1/20 | 5.0% to 5.25% | 6,505,000 |
| Total | | | | <u>\$32,170,000</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> |
|--------------------|---------------------|---------------------|
| 2016 | \$ 3,775,000 | \$ 1,373,481 |
| 2017 | 3,635,000 | 1,244,681 |
| 2018 | 3,780,000 | 1,111,156 |
| 2019 | 3,925,000 | 970,319 |
| 2020 | 3,735,000 | 809,168 |
| 2021-2025 | 12,380,000 | 2,025,762 |
| 2026 | 940,000 | 47,000 |
| Total | <u>\$32,170,000</u> | <u>\$ 7,581,567</u> |

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

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 \$31,518,698 payable through 2026. For the current year, principal and interest paid and total incremental tax revenues were \$3,144,138 and \$2,551,163, 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 \$1,157,869 payable through 2020.

During 2014, the Riverside Industrial Development Authority, a blended component unit of the City, issued \$7,640,000 of Tax Increment Financing Revenue Bonds for an advance refunding of the City's Series 2004 Tax Increment Financing Revenue Bonds. Total principal and interest remaining on the bonds is \$7,075,000 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. The 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, 2015, there was one issue of Missouri recovery zone facility revenue bonds outstanding with an aggregate original issue amount of \$20,000,000, and a principal balance outstanding of \$13,750,000.

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.

| Adjusted Gross Receipts | % Payable to City |
|--------------------------------|--------------------------|
| \$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 2020, with five 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, 2015 is \$4,182,418.

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, 2015, 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 | \$23,909 |
| Interest on net OPEB obligation | 4,059 |
| Adjustment to annual required contribution | (5,018) |
| Annual OPEB cost (expense) | 22,950 |
| Contributions and payments made | - |
| Increase in net OPEB obligation | 22,950 |
| Net OPEB obligation – July 1, 2014 | 90,206 |
| Net OPEB obligation – June 30, 2015 | \$113,156 |

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, 2013 | 18,123 | 0.0% | \$68,290 |
| June 30, 2014 | 21,916 | 0.0% | 90,206 |
| June 30, 2015 | 22,950 | 0.0% | 113,156 |

Funded status and funding progress: As of July 1, 2013, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$114,404 and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$114,404. The covered payroll (annual payroll of active employees covered by the plan) was \$3,691,348 and the ratio of the UAAL to the covered payroll was 3.1 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, 2013 actuarial valuation, projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), 2.5 percent long-term general inflation rate, a dental care cost trend rate of 3.75 percent and a medical claims and prescription cost trend rate of 7.0 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, 2013, 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, 2015.

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

As a result of the adoption of GASB Statement No. 68, the beginning net position of the City was restated. The effect on fiscal year 2014 is as follows:

| | |
|--|----------------------|
| Net position June 30, 2014, as previously reported | \$ 92,894,497 |
| Restatement due to LAGERS net pension liability, as of June 30, 2014 | (1,270,722) |
| Net position June 30, 2014, as restated | <u>\$ 91,623,775</u> |

Plan Description:

The City’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is

qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits provided:

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

| | City of Riverside Valuation |
|----------------------|-----------------------------|
| Benefit Multiplier: | 2.0% |
| Final Average Salary | 5 Years |
| Member Contributions | 0% |

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% each year.

Employees covered by benefit terms:

At June 30, 2015, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefits | 27 |
| Inactive employees entitled to but not yet receiving benefits | 24 |
| Active employees | 71 |
| Total | <u>122</u> |

Contributions:

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employees of the City do not contribute to the pension plan. The City’s employer contribution rates are 14.8% (General), 21.4% (Police), and 14.9% (Fire) of annual covered payroll.

Net Pension Liability:

The City’s net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015 and rolled forward to the measurement date.

Actuarial assumptions:

The total pension liability in the February 28, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 3.5% wage inflation; 3.0% price inflation |
| Salary Increase | 3.5% to 6.8% including wage inflation |
| Investment rate of return | 7.25%, net of investment and administration expenses |

Mortality rates were based on 105% of the 1994 Group Annuity Mortality Table set back 0 years for both men and women.

The actuarial assumptions used in the February 28, 2015 valuation were based upon experience observed during the most recent 5-year period study for the period March 1, 2005 through February 28, 2010.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|--------------------|--------------------------|---|
| Equity | 48.50% | 5.00% |
| Fixed Income | 25.00% | 2.50% |
| Real Assets | 20.00% | 4.00% |
| Strategic Assets | 6.50% | 5.00% |

Discount rate:

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

| | Increase (Decrease) | | |
|--|----------------------------|--------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a) – (b) |
| Balances at 6/30/2014 | \$ 9,789,334 | \$8,518,612 | \$1,270,722 |
| Changes for the year: | | | |
| Service Cost | 465,251 | - | 465,251 |
| Interest | 715,173 | - | 715,173 |
| Difference between expected & actual experience | 195,168 | - | 195,168 |
| Contributions – employer | - | 713,467 | (713,467) |
| Net investment income | - | 167,165 | (167,165) |
| Benefit payments, including refunds | (312,317) | (312,317) | - |
| Administrative expense | - | (9,599) | 9,599 |
| Other changes | - | 28,155 | (28,155) |
| Net changes | 1,063,275 | 586,871 | 476,404 |
| Balances at 6/30/15 | <u>\$10,852,609</u> | <u>\$9,105,483</u> | <u>\$1,747,126</u> |

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the Net Pension Liability of the City, calculated using the discount rate of 7.25%, as well as what the City's Net Pension Liability would be using a discount rate that is 1 percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

| 1% Decrease 6.25% | Current Single Discount Rate Assumption 7.25% | 1% Increase 8.25% |
|----------------------|---|----------------------|
| <u>\$3,599,618</u> | <u>\$1,747,126</u> | <u>\$234,985</u> |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended 6/30/2015, the City recognized pension expense of \$659,685. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|-------------------------------------|-----------------------------------|----------------------------------|
| Differences in experience | \$265,167 | (\$107,287) |
| Excess (deficit) investment returns | 372,306 | - |
| Total | <u>\$637,473</u> | <u>(\$107,287)</u> |

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| | |
|-------------|------------------|
| Year ended: | |
| 6/30/2016 | \$130,364 |
| 6/30/2017 | 130,364 |
| 6/30/2018 | 130,364 |
| 6/30/2019 | 130,365 |
| 6/30/2020 | 37,289 |
| Thereafter | <u>(28,560)</u> |
| Total | <u>\$530,186</u> |

Payable to the Pension Plan:

The City reported a payable of \$53,068 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

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, 2015 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 2015, the City entered into one sales-type lease agreements with a private businesses (the lessees) which expires in fiscal year 2017. In connection with the agreement, the City has purchased land for an approximate cost of \$533,434. The lessee will pay the City \$2,659,438 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 2017). The lessees paid the City \$494,745 during fiscal year 2015, which has been recorded as revenue 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 \$2,169,684.

In accordance with GASB Statement No. 62, this transaction results in a gain on a sales-type lease of (\$2,126,004), (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, 2015 is \$185,095. The balance of the deferred gain on sale-leaseback as of June 30, 2015 is \$2,474,343.

During fiscal year 2014, the City entered into two sales-type lease agreements with private businesses (the lessees) which expired in 2015. In connection with the agreement, the City had purchased land for an approximate cost of \$332,447 and \$52,556, respectively. The Lessees paid the City \$1,755,130, and \$272,250, respectively, in order to lease the land and the land transferred to the lessees in June 2015. 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, 2015 is \$701,147 and \$105,957. 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, 2015 is \$102,527. The balance of the deferred gain on sales- leaseback as of June 30, 2015 is \$1,193,908.

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. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for the City with its year ending June 30, 2016. This Statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This Statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments, which generally are measured at fair value, are defined as a security or other asset that governments hold primarily for the purpose of income or profit and the present service capacity of which are based solely on their ability to generate cash or to be sold to generate cash. The related disclosures have been expanded to categorize fair values according to their relative reliability and to describe positions held in many alternative investments.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the City beginning with its fiscal year ending June 30, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, issued July 2015, will be effective for the City beginning with its fiscal year ending June 30, 2016. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55. The first category of authoritative GAAP consists of GASB Statements. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, Tax Abatement Disclosures, issued August 2015, will be effective for the City beginning with its fiscal year ending June 30, 2017. This statement requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The disclosures about the government's own tax abatement agreements includes the purpose of the tax abatement program, the tax being abated, the amount of tax being abated, the provisions of recapturing abated taxes, the types of commitments made by tax abatement recipients, and other commitments made by government in tax abatement agreements. The disclosures about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues includes the name of the government entering into the abatement agreement, the tax being abated, and the amount of the reporting government's tax being abated.

City of Riverside, Missouri
Required Supplementary Information
Other Post Employment Benefit Plan

Schedule of Funding Progress

| Fiscal Year Ended | Actuarial Valuation Date | (a) Actuarial Value of Assets | (b) Actuarial 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 |
|-------------------|--------------------------|----------------------------------|--|--|-----------------------|-------------------------------|--|
| 2013 | 07/01/2011 | - | 64,212 | 64,212 | - % | 3,350,660 | 1.9% |
| 2014 | 07/01/2013 | - | 114,404 | 114,404 | - % | 3,691,345 | 3.1% |
| 2015 | 07/01/2013 | - | 114,404 | 114,404 | - % | 3,691,345 | 3.1% |

The information presented in the required supplementary schedule was determined as part of the actuarial valuation date as of July 1, 2013. 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) 4.5 percent investment rate of return and (b) a dental care cost trend rate of 3.75 percent and 7.0 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.

City of Riverside, Missouri

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

| <i>Fiscal year ending June 30,</i> | <u>2015</u> |
|---|----------------------|
| Total Pension Liability | |
| Service Cost | \$ 465,251 |
| Interest on the Total Pension Liability | 715,173 |
| Benefit Changes | - |
| Difference between expected and actual experience | 195,168 |
| Assumption Changes | - |
| Benefit Payments | (312,317) |
| Refunds | - |
| Net Change in Total Pension Liability | <u>1,063,275</u> |
| Total Pension Liability beginning | <u>9,789,334</u> |
| Total Pension Liability ending | <u>\$ 10,852,609</u> |
| | |
| Plan Fiduciary Net Position | |
| Contributions-employer | \$ 713,467 |
| Contributions-employee | - |
| Pension Plan Net Investment income | 167,165 |
| Benefit Payments | (312,317) |
| Refunds | - |
| Pension Plan Administrative expense | (9,599) |
| Other | 28,155 |
| Net Change in Plan Fiduciary Net Position | <u>586,871</u> |
| Plan Fiduciary Net Position beginning | <u>8,518,612</u> |
| Plan Fiduciary Net Position ending | <u>\$ 9,105,483</u> |
| | |
| Employer Net Pension Liability | <u>\$ 1,747,126</u> |
| | |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 83.90% |
| | |
| Covered Employee Payroll | \$ 3,814,750 |
| Employer's Net Pension Liability as a percentage of covered employee payroll | 45.80% |

Notes to schedule:

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Riverside, Missouri

Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Actuarially determined contribution | \$716,728 | \$703,478 | \$649,559 | \$626,517 | \$605,177 | \$530,374 | \$343,732 | \$293,864 | \$214,358 | \$170,952 |
| Contributions in relation to the | | | | | | | | | | |
| actuarially determined contribution | 713,467 | 676,248 | 642,214 | 626,517 | 605,177 | 530,374 | 323,013 | 287,250 | 214,358 | 170,952 |
| Contribution deficiency (excess) | \$3,261 | \$27,230 | \$7,345 | \$0 | \$0 | \$0 | \$20,719 | \$6,614 | \$0 | \$0 |
| Covered-employee payroll | \$3,925,143 | \$3,866,469 | \$3,692,007 | \$3,724,212 | \$3,585,177 | \$3,360,791 | \$2,704,597 | \$2,347,916 | \$1,999,696 | \$1,599,389 |
| Contributions as a percentage of covered- | 18.18% | 17.49% | 17.39% | 16.82% | 16.88% | 15.78% | 11.94% | 12.23% | 10.72% | 10.69% |
| employee payroll | | | | | | | | | | |

Note: For a complete description of the actuarial assumptions used in the annual valuations, please refer to Footnote 8.B. or please contact the LAGERS office in Jefferson City.

**City of Riverside, Missouri
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

| | Special Revenue | | |
|-------------------------------------|------------------------|----------------|---------------------------|
| | DUI Fund | Tourism Tax | Federal & State Grants |
| Assets | | | |
| Cash and investments | \$ 32,877 | \$ 380,526 | \$ - |
| Taxes receivable | - | 23,061 | - |
| Due from other governments | - | - | 9,292 |
| Total assets | \$ 32,877 | \$ 403,587 | \$ 9,292 |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ - |
| Due to other funds | - | - | 9,292 |
| Total liabilities | - | - | 9,292 |
| Fund balances | | | |
| Restricted for: | | | |
| Law enforcement | 32,877 | - | - |
| Tourism | - | 403,587 | - |
| Community development | - | - | - |
| Committed for, capital projects | - | - | - |
| Total fund balance | 32,877 | 403,587 | - |
| Total liabilities and fund balances | \$ 32,877 | \$ 403,587 | \$ 9,292 |

| <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> | <u>Community Development</u> | |
| \$ 18,542 | \$ 31,460 | \$ 60,098 | \$ 240,954 | \$ 286,014 | \$ 1,050,471 |
| - | - | - | - | - | 23,061 |
| - | - | - | - | - | 9,292 |
| <u>18,542</u> | <u>31,460</u> | <u>60,098</u> | <u>240,954</u> | <u>286,014</u> | <u>1,082,824</u> |
| \$ 86 | \$ 6,476 | \$ 1,036 | \$ 732 | \$ - | \$ 8,330 |
| - | - | - | - | - | 9,292 |
| <u>86</u> | <u>6,476</u> | <u>1,036</u> | <u>732</u> | <u>-</u> | <u>17,622</u> |
| 18,456 | 24,984 | 59,062 | - | - | 135,379 |
| - | - | - | - | - | 403,587 |
| - | - | - | - | 286,014 | 286,014 |
| - | - | - | 240,222 | - | 240,222 |
| <u>18,456</u> | <u>24,984</u> | <u>59,062</u> | <u>240,222</u> | <u>286,014</u> | <u>1,065,202</u> |
| <u>\$ 18,542</u> | <u>\$ 31,460</u> | <u>\$ 60,098</u> | <u>\$ 240,954</u> | <u>\$ 286,014</u> | <u>\$ 1,082,824</u> |

City of Riverside, Missouri
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

| | Special Revenue | | |
|---|------------------------|----------------|---------------------------|
| | DUI Fund | Tourism Tax | Federal & State Grants |
| Revenue: | | | |
| Taxes, tourism tax | \$ - | \$ 184,262 | \$ - |
| Intergovernmental revenue | - | - | 13,822 |
| Fines and forfeitures | 4,781 | - | - |
| Recreation fees | - | - | - |
| Miscellaneous revenue | - | - | - |
| Tax increment financing revenue | - | - | - |
| Total revenue | 4,781 | 184,262 | 13,822 |
| Expenditures: | | | |
| Current: | | | |
| Administrative and support | - | 172,899 | - |
| Public safety administration | - | - | - |
| Police services | 904 | - | 16,982 |
| Fire services | - | - | - |
| Public works | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | 904 | 172,899 | 16,982 |
| Excess of revenue over/(under) expenditures | 3,877 | 11,363 | (3,160) |
| Other financing sources/(uses) | | | |
| Transfers in | - | - | 3,160 |
| Total other financing sources | - | - | 3,160 |
| Net change in fund balance | 3,877 | 11,363 | - |
| Fund balance, beginning of year | 29,000 | 392,224 | - |
| Fund balance, end of year | \$ 32,877 | \$ 403,587 | \$ - |

| Special Revenue | | | Capital Project | | Total Nonmajor Governmental Funds |
|-----------------------------|----------------------------|--|------------------------------|----------------------------------|--|
| <u>Officer Training</u> | <u>Inmate Security</u> | <u>Fire-Police Athletic League</u> | <u>Capital Equipment</u> | <u>Community Development</u> | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 184,262 |
| - | - | - | - | - | 13,822 |
| 5,783 | 3,174 | - | - | - | 13,738 |
| - | - | 33,210 | - | - | 33,210 |
| - | - | 5,941 | - | - | 5,941 |
| - | - | - | - | 105,249 | 105,249 |
| <u>5,783</u> | <u>3,174</u> | <u>39,151</u> | <u>-</u> | <u>105,249</u> | <u>356,222</u> |
| - | - | - | 63,294 | - | 236,193 |
| - | - | - | 366 | - | 366 |
| 2,974 | 6,076 | 35,607 | 110,200 | - | 172,743 |
| - | - | - | 44,221 | - | 44,221 |
| - | - | - | 16,417 | - | 16,417 |
| - | - | - | - | 5,193 | 5,193 |
| <u>2,974</u> | <u>6,076</u> | <u>35,607</u> | <u>234,498</u> | <u>5,193</u> | <u>475,133</u> |
| <u>2,809</u> | <u>(2,902)</u> | <u>3,544</u> | <u>(234,498)</u> | <u>100,056</u> | <u>(118,911)</u> |
| - | - | - | 300,000 | 1,444 | 304,604 |
| - | - | - | 300,000 | 1,444 | 304,604 |
| 2,809 | (2,902) | 3,544 | 65,502 | 101,500 | 185,693 |
| <u>15,647</u> | <u>27,886</u> | <u>55,518</u> | <u>174,720</u> | <u>184,514</u> | <u>879,509</u> |
| <u>\$ 18,456</u> | <u>\$ 24,984</u> | <u>\$ 59,062</u> | <u>\$ 240,222</u> | <u>\$ 286,014</u> | <u>\$ 1,065,202</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, 2015

| | Tourism Tax Fund | |
|---------------------------------|------------------|------------|
| | Budget | Actual |
| Revenues: | | |
| Taxes, tourism tax | \$ 175,000 | \$ 184,262 |
| Total revenues | 175,000 | 184,262 |
| Expenditures: | | |
| Current: | | |
| Administrative and support | 175,000 | 172,899 |
| | - | 11,363 |
| Revenues over expenditures | | |
| Net change in fund balance | \$ - | 11,363 |
| Fund balance, beginning of year | | 392,224 |
| Fund balance, end of year | | \$ 403,587 |

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, 2015

| | Capital Improvements Fund | | Community Development Fund | |
|--------------------------------------|---------------------------|--------------------|----------------------------|-------------------|
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Gaming revenue | \$ 6,032,500 | \$ 6,303,001 | \$ - | \$ - |
| Charges for services | - | 28,173 | - | - |
| Investment earnings | 700 | 189 | 400 | - |
| Intergovernmental revenue | 1,750,000 | 46,767 | - | - |
| Tax increment financing revenue | - | - | 101,500 | 105,249 |
| Developer contributions | 775,000 | 1,717,957 | - | - |
| Total revenues | <u>8,558,200</u> | <u>8,096,087</u> | <u>101,900</u> | <u>105,249</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Administrative and support | - | - | - | - |
| Public safety administration | - | - | - | - |
| Police services | - | - | - | - |
| Fire services | - | - | - | - |
| Public works | - | - | - | - |
| Capital outlay | 9,190,000 | 4,450,312 | 650,000 | 5,193 |
| Total expenditures | <u>9,190,000</u> | <u>4,450,312</u> | <u>650,000</u> | <u>5,193</u> |
| Revenues (under) expenditures | <u>(631,800)</u> | <u>3,645,775</u> | <u>(548,100)</u> | <u>100,056</u> |
| Other financing sources: | | | | |
| Transfers in | - | - | - | 1,444 |
| Transfers out | (4,550,000) | (3,200,000) | - | - |
| Bond proceeds | - | - | 1,100,000 | - |
| Total other financing sources (uses) | <u>(4,550,000)</u> | <u>(3,200,000)</u> | <u>1,100,000</u> | <u>1,444</u> |
| Net change in fund balance | <u>\$ (5,181,800)</u> | 445,775 | <u>\$ 551,900</u> | 101,500 |
| Fund balance, beginning of year | | 98,722 | | 184,514 |
| Fund balance, end of year | | <u>\$ 544,497</u> | | <u>\$ 286,014</u> |

| Capital Equipment Fund | |
|------------------------|-------------------|
| <u>Budget</u> | <u>Actual</u> |
| \$ - | \$ - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> |
| 70,000 | 63,294 |
| - | 366 |
| 112,000 | 110,200 |
| 30,000 | 44,221 |
| 71,000 | 16,417 |
| - | - |
| <u>283,000</u> | <u>234,498</u> |
| <u>(283,000)</u> | <u>(234,498)</u> |
| 400,000 | 300,000 |
| - | - |
| - | - |
| <u>400,000</u> | <u>300,000</u> |
| <u>\$ 117,000</u> | 65,502 |
| | 174,720 |
| | <u>\$ 240,222</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, 2015

| | <u>Budget</u> | <u>Actual</u> |
|--------------------------------------|---------------------|---------------------|
| Revenues: | | |
| Investment earnings | \$ 50,000 | \$ 49,116 |
| Tax increment financing revenue | 4,227,000 | 5,018,593 |
| Proceeds from sale - leaseback | - | 494,745 |
| Total revenues | <u>4,277,000</u> | <u>5,562,454</u> |
| Expenditures: | | |
| Current: | | |
| Administrative and support | 1,565,500 | 1,553,454 |
| Debt service: | | |
| Principal | 13,035,000 | 3,190,000 |
| Interest | 1,540,000 | 1,470,709 |
| Total expenditures | <u>16,140,500</u> | <u>6,214,163</u> |
| Revenues (under) expenditures | <u>(11,863,500)</u> | <u>(651,709)</u> |
| Other financing sources (uses), | | |
| Transfers in | 2,500,000 | 900,000 |
| Sale of capital assets | 420,000 | - |
| Refunding bonds | 9,000,000 | - |
| Total other financing sources (uses) | <u>11,920,000</u> | <u>900,000</u> |
| Changes in fund balance | <u>\$ 56,500</u> | 248,291 |
| Fund balance, beginning of year | | 5,945,362 |
| Fund balance, end of year | | <u>\$ 6,193,653</u> |

City of Riverside, Missouri
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2015

| | <u>Balance</u> <u>June 30, 2014</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2015</u> |
|-------------------------------------|--|------------------|-------------------|--|
| Municipal Court Bond Account | | | | |
| Assets: | | | | |
| Cash and investments | \$ <u>30,966</u> | \$ <u>92,398</u> | \$ <u>102,735</u> | \$ <u>20,629</u> |
| Liabilities: | | | | |
| Due to others | \$ <u>30,966</u> | \$ <u>92,398</u> | \$ <u>102,735</u> | \$ <u>20,629</u> |

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.

| Contents | Page |
|---|-------------|
| 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. | 68 – 75 |
| Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the gaming revenue. | 76 – 79 |
| 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. | 80 – 81 |
| 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. | 82 – 83 |
| 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. | 84 – 87 |

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 Ten Fiscal Years
(Accrual Basis of Accounting)
(unaudited)

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2014 | 2013 | 2012 |
| Governmental Activities | | | | |
| Net investment in capital assets | \$ 95,152,969 | \$ 93,573,067 | \$ 97,455,751 | \$ 87,447,540 |
| Restricted | 1,369,477 | 803,511 | 8,978,799 | 11,601,649 |
| Unrestricted | (1,937,545) | (1,482,081) | (7,486,325) | (440,616) |
| Total governmental activities net position | \$ 94,584,901 | \$ 92,894,497 | \$ 98,948,225 | \$ 98,608,573 |

Note: The City adopted GASB Statement No. 68 in fiscal year 2015. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2015.

Note 2: Beginning with year 2014, the City reclassified the presentation of certain amounts previously presented as restricted. This schedule has not been adjusted for years prior to 2014.

| Fiscal Year | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| \$ 80,614,617 | \$ 61,176,406 | \$ 53,635,284 | \$ 48,718,762 | \$ 41,078,438 | \$ 44,776,807 |
| 7,372,933 | 6,038,985 | 6,518,739 | 7,597,468 | 10,829,277 | 2,919,699 |
| 9,318,551 | 22,635,921 | 25,348,214 | 21,798,661 | 18,414,707 | 20,767,518 |
| \$ 97,306,101 | \$ 89,851,312 | \$ 85,502,237 | \$ 78,114,891 | \$ 70,322,422 | \$ 68,464,024 |

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

| | Fiscal Year | | | |
|--|---------------------|-----------------------|---------------------|---------------------|
| | 2015 | 2014 | 2013 | 2012 |
| Expenses | | | | |
| Governmental activities | | | | |
| Administrative and support | \$ 3,536,140 | \$ 3,361,653 | \$ 3,291,806 | \$ 3,340,602 |
| Municipal court | 178,317 | 175,443 | 168,189 | 163,037 |
| Public safety administration* | 435,851 | 512,170 | 645,375 | 555,516 |
| Police services | 2,551,494 | 2,560,182 | 2,543,564 | 2,331,412 |
| Operations support | 585,905 | 549,291 | 606,699 | 700,555 |
| Fire services | 1,582,358 | 1,563,803 | 1,418,114 | 1,247,599 |
| Public works | 5,191,014 | 14,302,013 | 9,024,716 | 9,347,065 |
| Parks and recreation | 745,998 | 773,333 | 725,478 | 776,223 |
| Community development | 442,382 | 368,024 | 499,425 | 560,864 |
| Engineering** | 202,569 | 201,177 | - | - |
| Interest on long-term debt | 1,982,428 | 2,395,524 | 2,481,272 | 2,673,512 |
| Total governmental activities expenses | <u>17,434,456</u> | <u>26,762,613</u> | <u>21,404,638</u> | <u>21,696,385</u> |
| Program revenues | | | | |
| Governmental activities | | | | |
| Charges for services: | | | | |
| Administrative and support | 45,850 | 42,498 | 41,535 | 40,154 |
| Police services | 289,082 | 366,880 | 356,142 | 269,042 |
| Public works | 278,171 | - | 186,168 | 347,037 |
| Parks and recreation | 62,537 | 68,084 | 77,587 | 66,564 |
| Community development | 103,251 | 57,701 | 58,196 | 47,773 |
| Operating grants and contributions: | | | | |
| Police services | 13,822 | 6,455 | 8,906 | 32,747 |
| Public works | - | - | - | - |
| Capital grants and contributions | 46,767 | 1,165,046 | 3,512,010 | 2,279,000 |
| Total governmental activities program revenues | <u>839,480</u> | <u>1,706,664</u> | <u>4,240,544</u> | <u>3,082,317</u> |
| Net (expense)/revenue governmental activities | <u>#####</u> | <u>(25,055,949)</u> | <u>(17,164,094)</u> | <u>(18,614,068)</u> |
| General revenue and other changes in net position | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Sales taxes | 1,378,151 | 1,445,549 | 1,397,363 | 1,358,640 |
| Franchise taxes | 716,542 | 714,460 | 651,528 | 587,217 |
| Tourism taxes | 184,262 | 166,584 | 169,910 | 173,663 |
| Tax increment financing | 5,123,842 | 3,883,538 | 3,335,920 | 2,615,532 |
| Unrestricted grants and contributions | 371,948 | 254,291 | 238,557 | 287,393 |
| Interest on accounts | 89,580 | 47,676 | 51,762 | 187,308 |
| Real estate income - gaming | 4,182,418 | 4,060,295 | 4,155,181 | 4,424,307 |
| Gaming revenue | 6,303,001 | 6,399,850 | 7,133,275 | 8,528,022 |
| Gain on purchase of bonds | - | - | - | - |
| Gain on land lease | 1,094,726 | 1,843,665 | 1,153,512 | 325,557 |
| Gain on sale of capital position | - | - | - | 1,410,165 |
| Miscellaneous | 111,632 | 186,313 | 26,529 | 18,736 |
| Total governmental activities | <u>19,556,102</u> | <u>19,002,221</u> | <u>18,313,537</u> | <u>19,916,540</u> |
| Change in net position | | | | |
| Governmental activities | <u>\$ 2,961,126</u> | <u>\$ (6,053,728)</u> | <u>\$ 1,149,443</u> | <u>\$ 1,302,472</u> |

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

**In fiscal year 2014, the engineering division was separated out of the community services division.

Note: The City adopted GASB Statement No. 68 in fiscal year 2015. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2015.

| | | Fiscal Year | | | | | | | | | |
|----|---------------------|-------------|---------------------|------|---------------------|------|---------------------|----|---------------------|----|--------------------|
| | | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | | | | |
| \$ | 3,167,034 | \$ | 2,878,084 | \$ | 2,439,544 | \$ | 2,150,847 | \$ | 2,694,557 | \$ | 1,460,150 |
| | 151,884 | | 144,889 | | 139,254 | | 128,042 | | 145,539 | | 134,205 |
| | 474,639 | | 462,810 | | 460,205 | | - | | - | | - |
| | 2,132,814 | | 2,119,296 | | 2,081,567 | | 2,455,356 | | 2,432,659 | | 1,834,800 |
| | 633,732 | | 563,120 | | 532,437 | | 322,307 | | 314,216 | | 253,858 |
| | 1,256,523 | | 1,175,275 | | 653,289 | | 563,689 | | 337,003 | | 85,790 |
| | 5,585,388 | | 7,064,953 | | 6,079,598 | | 6,521,927 | | 10,322,100 | | 1,019,322 |
| | 595,934 | | 514,852 | | 394,585 | | 467,388 | | 434,439 | | 365,867 |
| | 613,821 | | 438,747 | | 569,776 | | 613,444 | | 220,725 | | 345,515 |
| | - | | - | | - | | - | | - | | - |
| | 2,393,978 | | 2,532,675 | | 2,657,463 | | 2,759,984 | | 1,407,112 | | 1,891,289 |
| | <u>17,005,747</u> | | <u>17,894,701</u> | | <u>16,007,718</u> | | <u>15,982,984</u> | | <u>18,308,350</u> | | <u>7,390,796</u> |
| | 41,426 | | 39,500 | | 48,735 | | 57,344 | | 54,434 | | 63,621 |
| | 272,520 | | 336,073 | | 250,397 | | 188,911 | | 227,052 | | 176,180 |
| | 4,004,893 | | 1,761,757 | | 1,661,146 | | - | | - | | - |
| | 54,281 | | 57,851 | | 34,102 | | 22,279 | | 24,370 | | 29,522 |
| | 25,695 | | 26,265 | | 42,540 | | 48,474 | | 43,235 | | - |
| | 12,122 | | 14,710 | | 19,403 | | 29,303 | | 45,604 | | - |
| | - | | - | | - | | 9,113 | | 32,377 | | - |
| | 510,410 | | 443,985 | | - | | 1,030,000 | | - | | 1,000,000 |
| | <u>4,921,347</u> | | <u>2,680,141</u> | | <u>2,056,323</u> | | <u>1,385,424</u> | | <u>427,072</u> | | <u>1,269,323</u> |
| | <u>(12,084,400)</u> | | <u>(15,214,560)</u> | | <u>(13,951,395)</u> | | <u>(14,597,560)</u> | | <u>(17,881,278)</u> | | <u>(6,121,473)</u> |
| | 1,256,558 | | 1,207,371 | | 1,162,363 | | 1,264,328 | | 1,301,457 | | 1,223,107 |
| | 583,266 | | 605,841 | | 505,060 | | 614,565 | | 437,693 | | 397,442 |
| | 176,958 | | 175,603 | | 178,053 | | 182,475 | | 52,028 | | 22,063 |
| | 2,531,727 | | 2,322,386 | | 2,422,337 | | 2,190,264 | | 1,922,001 | | - |
| | 297,315 | | 288,481 | | 290,614 | | 271,772 | | 292,251 | | 302,846 |
| | 274,702 | | 413,453 | | 1,624,693 | | 3,554,557 | | 2,244,178 | | 1,411,830 |
| | 4,972,759 | | 4,876,918 | | 5,079,236 | | 5,049,125 | | 4,913,928 | | 4,247,146 |
| | 9,333,622 | | 9,550,347 | | 9,718,310 | | 9,170,049 | | 8,550,830 | | 7,961,232 |
| | 120,000 | | 20,000 | | 341,800 | | - | | - | | - |
| | 51,263 | | - | | - | | - | | - | | - |
| | 44,782 | | 103,235 | | 16,275 | | 92,894 | | 25,310 | | 46,396 |
| | <u>19,642,952</u> | | <u>19,563,635</u> | | <u>21,338,741</u> | | <u>22,390,029</u> | | <u>19,739,676</u> | | <u>15,612,062</u> |
| \$ | <u>7,558,552</u> | \$ | <u>4,349,075</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 | | | | |
|------------------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| General fund | | | | | |
| Unassigned | \$ 5,585,914 | \$ 5,564,281 | \$ 7,391,475 | \$ 12,642,233 | \$ 22,822,235 |
| Total general fund | <u>\$ 5,585,914</u> | <u>\$ 5,564,281</u> | <u>\$ 7,391,475</u> | <u>\$ 12,642,233</u> | <u>\$ 22,822,235</u> |
| All other governmental funds | | | | | |
| Restricted for: | | | | | |
| Debt service | \$ 6,193,653 | \$ 5,945,362 | \$ 6,466,375 | \$ 5,327,671 | \$ 5,712,998 |
| Capital improvements | 544,497 | 98,722 | 1,867,992 | 4,200,664 | 284,563 |
| Community development | 286,014 | 184,514 | 145,884 | 1,618,153 | 985,069 |
| Law enforcement | 135,379 | 128,051 | 106,265 | 76,991 | 68,250 |
| Tourism | 403,587 | 392,224 | 392,283 | 378,170 | 322,053 |
| Committed for, capital projects | 240,222 | 174,720 | 55,241 | 153,515 | 106,335 |
| Total all other governmental funds | <u>\$ 7,803,352</u> | <u>\$ 6,923,593</u> | <u>\$ 9,034,040</u> | <u>\$ 11,755,164</u> | <u>\$ 7,479,268</u> |

| Fiscal Year | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2010 | 2009 | 2008 | 2007 | 2006 |
| \$ 25,730,000 | \$ 28,304,417 | \$ 34,169,319 | \$ 33,106,575 | \$ 39,142,518 |
| <u>\$ 25,730,000</u> | <u>\$ 28,304,417</u> | <u>\$ 34,169,319</u> | <u>\$ 33,106,575</u> | <u>\$ 39,142,518</u> |
| \$ 5,819,205 | \$ 6,318,578 | \$ 5,783,385 | \$ 5,309,363 | \$ 858,184 |
| 7,165,710 | 14,452,483 | 25,249,399 | 37,847,937 | - |
| 3,439,590 | 4,057,846 | 2,819,163 | 2,999,512 | - |
| 59,645 | 77,775 | 80,031 | 14,062 | 19,702 |
| 296,299 | 315,274 | 262,967 | 75,968 | - |
| 329,317 | 647,410 | 413,319 | 149,187 | (980) |
| <u>\$ 17,109,766</u> | <u>\$ 25,869,366</u> | <u>\$ 34,608,264</u> | <u>\$ 46,396,029</u> | <u>\$ 876,906</u> |

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

| | Fiscal Year | | | | |
|---|-------------------|-----------------------|-----------------------|-----------------------|------------------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Revenues | | | | | |
| Taxes | \$ 2,278,955 | \$ 2,326,593 | \$ 2,218,801 | \$ 2,119,520 | \$ 2,152,052 |
| Intergovernmental revenue | 432,537 | 1,080,549 | 3,496,318 | 1,399,140 | 809,437 |
| Charges for services | 28,173 | 345,243 | 186,168 | 347,037 | 4,060,752 |
| Investment earnings | 89,580 | 47,676 | 51,762 | 187,308 | 274,702 |
| Real estate income - gaming | 4,182,418 | 4,060,295 | 4,155,181 | 4,424,307 | 4,972,759 |
| Gaming revenue | 6,303,001 | 6,399,850 | 7,133,275 | 8,528,022 | 9,333,622 |
| Licenses and fees | 149,101 | 100,199 | 99,731 | 87,927 | 67,121 |
| Fines and forfeitures | 289,082 | 366,880 | 356,142 | 269,042 | 272,520 |
| Recreation fees | 62,537 | 68,084 | 77,587 | 66,546 | 54,281 |
| Miscellaneous | 12,194 | 138,950 | 26,429 | 18,736 | 44,782 |
| TIF revenue** | 5,123,842 | 3,883,538 | 3,432,013 | 2,519,439 | 2,531,727 |
| Developer contribution | 1,717,957 | 1,396,227 | 2,540,649 | 1,757,460 | - |
| Proceeds from sale-leaseback | 494,745 | 367,115 | 405,087 | 1,681,691 | 762,300 |
| Total revenues | 21,164,122 | 20,581,199 | 24,179,143 | 23,406,175 | 25,336,055 |
| Expenditures | | | | | |
| Administrative and support | 3,505,623 | 3,296,734 | 3,166,187 | 3,203,812 | 3,101,376 |
| Municipal court | 177,974 | 172,938 | 166,973 | 161,947 | 151,678 |
| Public safety administration*** | 439,051 | 512,201 | 617,544 | 590,283 | 500,781 |
| Police services | 2,242,909 | 2,282,508 | 2,241,434 | 2,060,787 | 2,083,386 |
| Operations support | 594,077 | 545,778 | 594,086 | 674,363 | 607,814 |
| Fire services | 1,563,418 | 1,497,050 | 1,331,481 | 1,182,911 | 1,173,397 |
| Public works | 1,400,168 | 1,469,270 | 1,548,537 | 1,202,728 | 1,225,402 |
| Parks and recreation | 585,065 | 617,043 | 598,104 | 661,711 | 592,584 |
| Community development | 440,189 | 366,814 | 488,233 | 553,536 | 467,172 |
| Engineering** | 198,042 | 194,649 | - | - | - |
| Capital outlay | 4,455,505 | 7,808,465 | 16,861,669 | 14,402,799 | 21,080,414 |
| TIF Expenditures, net of revenues* | - | - | - | - | - |
| Principal* | 3,190,000 | 3,665,000 | 3,395,000 | 5,060,000 | 4,340,000 |
| Interest* | 1,470,709 | 1,870,256 | 2,012,606 | 2,161,639 | 2,420,314 |
| Bond issuance costs* | - | 106,758 | - | 79,419 | - |
| Total expenditures | 20,262,730 | 24,405,464 | 33,021,854 | 31,995,935 | 37,874,318 |
| Excess of revenues over (under) expenditures | 901,392 | (3,824,265) | (8,842,711) | (8,589,760) | (13,300,563) |
| Other financing sources (uses) | | | | | |
| Transfers in | 3,504,604 | 4,504,978 | 5,908,490 | 11,042,374 | 5,844,652 |
| Transfers out | (3,504,604) | (4,504,978) | (5,908,490) | (11,042,374) | (5,844,652) |
| Issuance of TIF bonds | - | 7,640,000 | - | 2,385,000 | - |
| Payment to refunded bond escrow agent | - | (8,065,827) | - | - | - |
| Sale of capital assets | - | - | 870,829 | 282,826 | - |
| Premium on bonds issuance | - | 312,451 | - | 17,810 | - |
| Discount on bonds issuance | - | - | - | - | - |
| Total other financing sources (uses) | - | (113,376) | 870,829 | 2,685,636 | 762,300 |
| Net change in fund balances | \$ 901,392 | \$ (3,937,641) | \$ (7,971,882) | \$ (5,904,124) | \$ (12,538,263) |
| Debt service as a percentage of noncapital expenditures | 27% | 30% | 25% | 31% | 35% |

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

**In fiscal year 2014, the engineering 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.

| | Fiscal Year | | | | |
|-----------------------|-----------------------|----------------------|----------------------|---------------------|------|
| | 2010 | 2009 | 2008 | 2007 | 2006 |
| \$ 1,853,545 | \$ 1,845,476 | \$ 2,061,368 | \$ 1,791,178 | \$ 1,642,612 | |
| 316,176 | 310,017 | 310,188 | 370,232 | 1,302,846 | |
| 1,705,898 | 1,661,146 | - | - | - | |
| 413,453 | 1,624,693 | 3,554,557 | 2,244,178 | 1,411,830 | |
| 4,876,918 | 5,079,236 | 5,049,125 | 4,913,928 | 4,247,146 | |
| 9,550,347 | 9,718,310 | 9,170,049 | 8,550,830 | 7,961,232 | |
| 65,765 | 91,275 | 105,818 | 97,669 | 63,621 | |
| 336,073 | 250,397 | 188,911 | 227,052 | 176,180 | |
| 57,851 | 34,102 | 22,279 | 24,370 | 29,522 | |
| 103,235 | 16,275 | 92,894 | 25,310 | 46,396 | |
| 2,322,386 | 2,422,337 | 2,190,264 | 1,922,001 | - | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| <u>21,601,647</u> | <u>23,053,264</u> | <u>22,745,453</u> | <u>20,166,748</u> | <u>16,881,385</u> | |
| 2,845,019 | 2,329,588 | 2,106,530 | 2,595,393 | 1,329,815 | |
| 143,329 | 138,671 | 127,247 | 145,525 | 138,230 | |
| 468,776 | 447,162 | - | - | - | |
| 2,059,677 | 1,957,651 | 2,370,824 | 2,156,671 | 1,514,316 | |
| 574,827 | 504,515 | 369,433 | 296,153 | 248,106 | |
| 1,140,734 | 590,159 | 501,427 | 387,864 | 60,295 | |
| 1,271,986 | 1,045,468 | 796,276 | 832,589 | 455,024 | |
| 506,783 | 406,136 | 382,808 | 307,784 | 225,278 | |
| 448,632 | 575,992 | 610,839 | 218,351 | 213,386 | |
| - | - | - | - | - | |
| 18,557,731 | 23,436,065 | 18,862,799 | 16,678,172 | 7,538,823 | |
| - | - | - | - | 1,891,289 | |
| 2,275,000 | 3,548,200 | 1,880,000 | 940,000 | - | |
| 2,539,407 | 2,677,457 | 2,762,291 | 937,915 | - | |
| - | - | - | 996,670 | - | |
| <u>32,831,901</u> | <u>37,657,064</u> | <u>30,770,474</u> | <u>26,493,087</u> | <u>13,614,562</u> | |
| (11,230,254) | (14,603,800) | (8,025,021) | (6,326,339) | 3,266,823 | |
| 4,736,748 | 7,269,467 | 2,043,799 | 10,083,923 | 31,201,324 | |
| (4,736,748) | (7,269,467) | (2,043,799) | (10,083,923) | (31,201,324) | |
| - | - | - | 40,265,000 | - | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| - | - | - | 846,479 | - | |
| - | - | - | (62,500) | - | |
| - | - | - | 41,048,979 | - | |
| <u>\$(11,230,254)</u> | <u>\$(14,603,800)</u> | <u>\$(8,025,021)</u> | <u>\$ 34,722,640</u> | <u>\$ 3,266,823</u> | |
| 27% | 34% | 28% | 11% | n/a | |

City of Riverside, Missouri
Tax Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(unaudited)

| <u>Fiscal Year</u> | <u>Sales Tax</u> | <u>Franchise Tax</u> | <u>Tourism Tax</u> |
|--------------------|------------------|----------------------|--------------------|
| 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 |
| 2014 | 1,445,549 | 714,460 | 166,584 |
| 2015 | 1,378,151 | 716,542 | 184,262 |

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> |
|-------------|-------------|----------------|---------------|--------------|
| 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 |
| 2014 | 1.000 | 1.375 | 4.225 | 6.600 |
| 2015 | 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> |
|--------------------|-----------------------|-------------------------------|--------------|
| 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 |
| 2014 | 6,399,850 | 4,060,295 | 10,460,145 |
| 2015 | 6,303,001 | 4,182,418 | 10,485,419 |

*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> |
|--------------------|----------------------|--|
| 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% |
| 2014 | \$1 per patron | 2.1% |
| 2015 | \$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)

| <u>Fiscal Year</u> | <u>Percentage of Adjusted Gross Receipts</u> |
|---------------------------|---|
| 2006 | 21.46% |
| 2007 | 23.83% |
| 2008 | 26.04% |
| 2009 | 27.48% |
| 2010 | 27.31% |
| 2011 | 27.16% |
| 2012 | 24.14% |
| 2013 | 20.36% |
| 2014 | 19.70% |
| 2015 | 19.30% |

Source: Missouri Gaming Commission & Kansas Gaming Commission
*In FY 2012, a fifth casino was opened in the Kansas City metropolitan area.

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

| Fiscal Year | TIF Bonds | Percentage of Personal Income* | Per Capita* |
|------------------------|----------------------|---|------------------------|
| 2006 | 18,325,000 | 15.20% | 6,084 |
| 2007 | 57,650,000 | 45.14% | 19,070 |
| 2008 | 55,770,000 | 40.83% | 18,309 |
| 2009 | 51,880,000 | 38.71% | 16,817 |
| 2010 | 49,585,000 | 38.72% | 16,808 |
| 2011 | 45,125,000 | 33.46% | 15,148 |
| 2012 | 42,450,000 | 29.89% | 14,089 |
| 2013 | 39,055,000 | 27.01% | 12,834 |
| 2014 | 35,360,000 | 23.52% | 11,425 |
| 2015 | 32,896,406 | 21.39% | 10,629 |

* See the Schedule of Demographic and Economic Statistics on page 83 for personal income and population data.

City of Riverside, Missouri
Direct and Overlapping Debt
As of June 30, 2015
(unaudited)

| | Outstanding Debt | Estimated Percentage Applicable (1) | Estimated Share of Overlapping Debt | Assessed Valuation |
|-----------------------------------|-----------------------------|--|--|---------------------------|
| Direct Debt: | | | | |
| City of Riverside | 32,170,000 | 100.0% | 32,896,406 | 91,881,566 |
| Overlapping Debt: | | | | |
| Platte County, Missouri | 50,056,699 | 4.0% | 1,978,289 | 2,324,881,448 |
| Park Hill School District | <u>84,064,118</u> | 6.1% | <u>5,110,274</u> | 1,511,453,822 |
| Total overlapping debt | <u>134,120,817</u> | | <u>7,088,563</u> | |
| Total direct and overlapping debt | <u><u>166,290,817</u></u> | | <u><u>39,984,969</u></u> | |

(1) Determined by ratio of assessed value in overlapping unit compared to the taxable assessed value within the corporate limits of the City of Riverside.

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

| <u>Fiscal Year</u> | <u>TIF Revenues</u> | <u>Debt Service</u> | | <u>Coverage</u> |
|------------------------|-------------------------|---------------------|-----------------|-----------------|
| | | <u>Principal</u> | <u>Interest</u> | |
| 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 | 2,675,000 | 2,161,639 | 0.50 |
| 2013 | 3,334,312 | 3,395,000 | 2,012,606 | 0.62 |
| 2014 ** | 3,773,369 | 3,665,000 | 1,870,256 | 0.68 |
| 2015 | 5,018,593 | 3,190,000 | 1,470,709 | 1.08 |

*In 2012, the City issued \$2,385,000 of bonds to refund the 1998, 1999 and 2002 Tax Increment Financing Revenue Bonds, which has been excluded from above principal payments.

**In 2014, the City issued \$7,640,000 of bonds to refund the 2004 Tax Increment Financing Revenue Bonds, which has been excluded from above principal payments.

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

| Fiscal Year | Population (a) | Per Capita Personal Income (b) | Total Personal Income (b) | Median Family Income (b) | Unemployment Rate (c) |
|--------------------|---------------------------|---|--|---|--------------------------------------|
| 2006 | 3,012 | 40,028 | 120,564,336 | 65,089 | 4.4% |
| 2007 | 3,023 | 42,251 | 127,724,773 | 64,907 | 3.9% |
| 2008 | 3,046 | 44,846 | 136,600,916 | 64,347 | 4.1% |
| 2009 | 3,085 | 43,441 | 134,015,485 | 64,497 | 5.1% |
| 2010 | 2,950 | 43,410 | 128,059,500 | 67,791 | 7.8% |
| 2011 | 2,979 | 45,274 | 134,871,246 | 61,863 | 7.2% |
| 2012 | 3,013 | 47,141 | 142,035,833 | 65,449 | 5.8% |
| 2013 | 3,043 | 47,516 | 144,591,188 | 64,195 | 6.0% |
| 2014 | 3,095 | 48,579 | 150,352,900 | 64,268 | 5.5% |
| 2015 | 3,095 | 49,685 | 153,774,752 | 65,731 | 4.7% |

Sources:

- (a) Mid-America Regional Council Research Services - (www.metrodataline.org)
- (b) U.S. Bureau of Economic Analysis
- (c) U.S. Department of Labor for Platte County, Missouri

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

| Employer | 2015 | | | 2006 | | |
|----------------------------------|--------------|------|-------------------------------------|--------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Argosy Casino | 743 | 1 | 13.4% | 934 | 1 | 24.8% |
| Hoover Universal | 570 | 2 | 10.3% | - | - | 0.0% |
| Yanfeng USA | 400 | 3 | 7.2% | - | - | 0.0% |
| Apria Medical | 266 | 4 | 4.8% | 100 | 8 | 2.8% |
| ABC Employment Holdings | 218 | 5 | 3.9% | - | - | 0.0% |
| Park Hill School District | 160 | 6 | 2.9% | 160 | 5 | 4.2% |
| Woodbridge | 158 | 7 | 2.9% | 164 | 4 | 4.4% |
| Capital Electric | 141 | 8 | 2.5% | - | - | 0.0% |
| Premium Waters | 126 | 9 | 2.3% | - | - | 0.0% |
| Knappco/Civacon | 125 | 10 | 2.3% | 142 | 6 | 3.8% |
| Faurecia/ Riverside Seat Company | - | - | 0.0% | 235 | 2 | 6.2% |
| Alpine Nursing/Rehab Center | - | - | 0.0% | 167 | 3 | 4.4% |
| Corner Café | - | - | 0.0% | 120 | 7 | 3.2% |
| Red X | - | - | 0.0% | 105 | 9 | 2.7% |
| Intercontinental Engineering | - | - | 0.0% | 79 | 10 | 2.1% |
| Total | 2,907 | | 52.5% | 2,206 | | 58.6% |

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 | | | | | | | | | |
|------------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| General government | 8 | 7 | 7 | 8 | 8 | 7 | 7 | 7 | 7 | 6 |
| Municipal court | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public safety | | | | | | | | | | |
| Public safety administration | 2 | 3 | 3 | 3 | 3 | 3 | 3 | - | - | - |
| Police | | | | | | | | | | |
| Officers | 24 | 25 | 25 | 25 | 24 | 24 | 24 | 25 | 23 | 21 |
| Civilians | - | - | - | - | - | - | - | 1 | 1 | 1 |
| Operations support | 11 | 11 | 10 | 10 | 10 | 10 | 8 | 6 | 6 | 6 |
| Fire | 14 | 14 | 14 | 14 | 14 | 14 | 11 | 3 | 1 | 1 |
| Public works | 9 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 9 | 7 |
| Engineering | 2 | 2 | - | - | - | - | - | - | - | - |
| Parks & recreation | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Community development | 5 | 4 | 7 | 5 | 5 | 5 | 4 | 4 | 4 | 2 |
| Total | 78 | 78 | 78 | 76 | 75 | 74 | 68 | 57 | 54 | 47 |

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 | | | | | | | | | |
|-------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| Police Services*: | | | | | | | | | | |
| Traffic & ordinance citations | 2,062 | 2,965 | 3,225 | 2,825 | 2,180 | 3,491 | 2,667 | 3,798 | 2,939 | 2,208 |
| Municipal & state arrests | 1,335 | 1,298 | 1,328 | 1,151 | 1,023 | 1,293 | 1,018 | 901 | 1,067 | 2,208 |
| Fire Services* | | | | | | | | | | |
| Structure fires | 8 | 10 | 13 | 5 | 7 | 9 | 8 | 5 | 9 | - |
| Calls for service | 1,084 | 1,048 | 1,049 | 1,105 | 1,075 | 943 | 788 | 487 | 293 | - |
| Inspections conducted | 590 | 568 | 535 | 418 | 416 | 397 | 479 | 354 | 5 | - |
| Building Codes**: | | | | | | | | | | |
| Commercial building permits | 7 | 34 | 45 | 32 | 19 | 17 | 25 | 20 | 9 | 33 |
| Residential building permits | 22 | 40 | 65 | 24 | 15 | 19 | 23 | 20 | 49 | 50 |

*Source: City of Riverside public safety department

** Source: City of Riverside community development department

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 | | | | | | | | | |
|----------------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
| 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 | 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*** | 69 | 68 | 65 | 63 | 59 | 59 | 59 | 58 | 55 | 55 |

*Source: City of Riverside public safety department

** Source: City of Riverside parks and recreation division

***Source: City of Riverside public works department

