

**City of Riverside, Missouri**

**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2011**

**Prepared by Finance Department**

Donna Resz, Finance Director



City of Riverside, Missouri  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2011

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2950 NW Vivion Road  
Riverside, MO 64150

October 25, 2011

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, 2011. The CAFR was prepared by the City's Finance Division in close cooperation with the external auditor, McGladrey & Pullen, 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 it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McGladrey & Pullen, LLP, have issued an unqualified ("clean") opinion on the City of Riverside's financial statements for the year ended June 30, 2011. 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 3,064.

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. The City's location offers its citizens a wide range of employment opportunities. Major employers located within the City of Riverside's boundaries include the Argosy Casino, Capital Electric, Faurecia Seat Manufacturer and Woodbridge Seat Manufacturer. The Park Hill South High School is located within the City as well.

During the past 10 years, the City has revitalized the community with infrastructure projects including thoroughfare widening and residential street, curb, and gutter improvements, as well as constructing a City Hall, Public Safety Campus, Public Works facility, Community Center, Municipal Pool, the E.H. Young Park located on the shore of the Missouri River, the Line Creek Trail and the Missouri Riverfront Trail.

During the past 10 years, the government's expenses related in the public works department have increased not only in amount, but also as a percentage of total expenses (a ten-year increase of 25%). This increase is attributable to maintenance of infrastructure put into service in the past 10 years.

During this same ten-year period, charges for services have increased in amount and as a percentage of total revenues (a ten year combined increase of 17%) due to reimbursements for an infrastructure project. Real estate income – gaming revenues have remained level but decreased as a percentage of total revenues (a ten year combined decrease of 16%) due to changes in the terms of the lease with the Argosy Casino.

## **Long-term financial planning**

In fiscal year 2010, the City of Riverside updated the Master Plan. This update was necessary to identify future opportunities for the City to develop and improve its image. The focus of the update was downtown, Horizons and sustainability. As a result, the City entered into a developer agreement with Briarcliff Realty to develop the Horizons Business Park.

## **Relevant financial policies**

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

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

## **Major initiatives**

The City of Riverside continues to see significant interest in development projects throughout the community. In support of these projects, the City is moving ahead with infrastructure improvements designed to support the ultimate build-out. These projects both help to attract new growth and better serve our current citizens and businesses. Some of these initiatives include:

**Community Partnerships:** Creating strong and sustainable partnerships to provide services to resident and businesses continues to be a priority for the City of Riverside. In fiscal year 2011, the City continued its support of existing partnerships, including providing residents access to area community centers and YMCAs by subsidizing membership fees as part of the Healthy Citizens Initiative, partnering with the YMCA to provide more than 300 children free swim lessons, and providing financial support to a variety of other non-profit organizations providing health and quality of life services within the City.

**Parks and Recreation:** In fiscal year 2011, the City of Riverside completed a multi-year renovation on Renner Brenner Park, located in the heart of the community. This park, which is on the National Registry of Historic Places, was reconfigured to provide a new and larger playground area, and new shelter houses were constructed in place of the old ones.

**Horizons:** As an outgrowth from the 2010 Master Plan, the City of Riverside entered into a development partnership with Briarcliff Reality to develop more than 260 acres of land in the Horizons area. The partnership builds on the City's previous development with the Briarcliff team, and will focus on innovative industrial, commercial and retail development in this former flood plain. The project is anticipated to draw a projected 5,900 jobs to the area over the next generation.

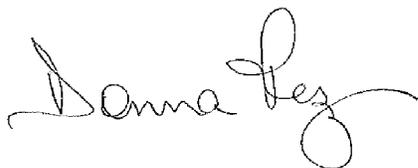
### **Awards and Acknowledgements**

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, 2010. This was the fifth year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

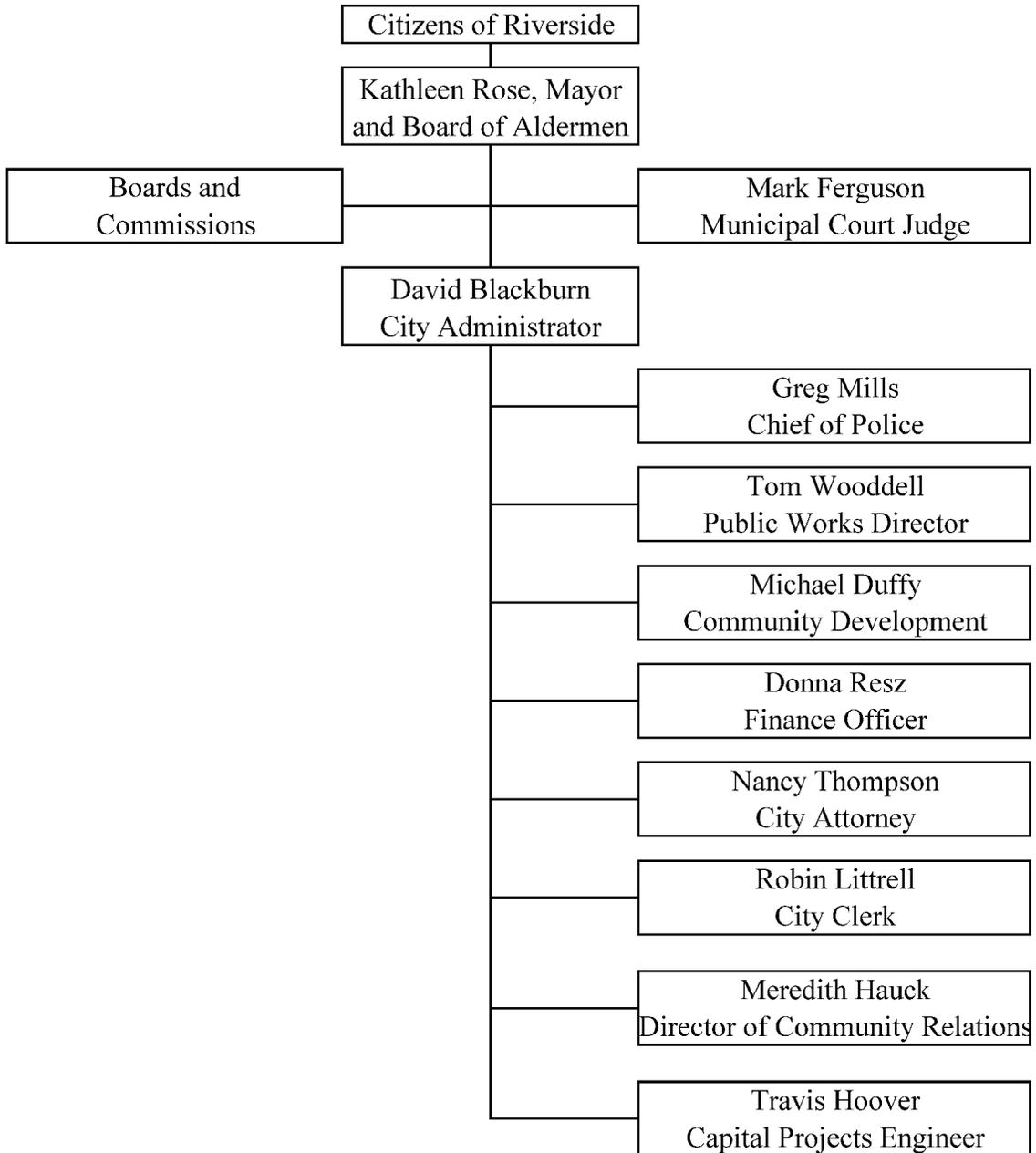
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and the assistance of other departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation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

Respectfully submitted,

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

Donna Resz  
Finance Director

**City of Riverside, Missouri  
Organizational Chart  
For the Year Ended June 30, 2011**



**City of Riverside, Missouri  
Principal Officers  
June 30, 2011**

**Elected Officials**

Mayor	Kathleen Rose
Alderman, Ward 2	Bernie Bruns
Alderman, Ward 3	Brad Cope
Alderman, Ward 1	Mike Fuller
Alderman, Ward 3	David Hurt
Alderman, Ward 1	Ron Super
Alderman, Ward 2	Aaron Thatcher

**Appointed Officials**

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

# 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, 2010

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



President

Executive Director

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## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Riverside, Missouri as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Riverside, Missouri's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City of Riverside, Missouri, as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 1 to the basic financial statements, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed its method of accounting for governmental funds' fund balance classifications.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2011 on our consideration of the City of Riverside, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 12 through 21 and schedules of funding progress on page 54 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*McGladrey & Pullen, LLP*

Kansas City, Missouri  
October 24, 2011

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

Management's Discussion and Analysis

Our discussion and analysis of the City of Riverside's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2011. Please read it in conjunction with the City's letter of transmittal and the financial statements that begin on page 22.

**FINANCIAL HIGHLIGHTS**

- The assets of the City of Riverside exceeded its liabilities at the end of the fiscal year by \$97,306,101 (net assets). Of this amount, \$9,212,216 is unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net assets of the City of Riverside increased by 8% or \$7,558,552. Analysis is included in the overview of the financial statements.
- As of the close of the current fiscal year, the City of Riverside's governmental funds reported combined ending fund balances of \$30,301,503 a decrease of (\$12,538,263) over the previous year. Approximately \$22,822,235 of this amount is available for spending at the government's discretion.
- The unassigned fund balance for the General Fund was \$22,822,235 compared to \$8,386,113 in general fund expenditures.
- The City of Riverside total debt (excluding compensated absences) decreased by (\$4,460,000) or (9%).

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

## Report Components

This annual report consists of five parts as follows:

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with a broad overview of the City of Riverside's finances, in a manner similar to a private-sector business.

The statement of net assets presents all of the City of Riverside's assets and liabilities with the difference between the two reported as net assets. Net assets are an important measure of the City's overall financial health. The increases and decreases in net assets can be monitored to determine whether the City of Riverside's financial position is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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 25-29 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 30 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 31-53 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 55-63 of this report.

### Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. In the case of the City of Riverside, assets exceeded liabilities by \$97,306,101 as of June 30, 2011. Following is a condensed version of the government-wide statement of net assets comparing fiscal year 2011 and 2010.

#### City of Riverside Net Assets

	2011	2010
Current and other assets	\$ 34,422,920	\$ 46,611,648
Capital assets	113,325,267	96,774,221
Total assets	<u>147,748,187</u>	<u>143,385,869</u>
Long-term liabilities outstanding	46,078,624	50,542,548
Other liabilities	4,363,462	3,095,772
Total liabilities	<u>50,442,086</u>	<u>53,638,320</u>
Net assets:		
Investment in capital assets, net of related debt	80,614,617	61,341,538
Restricted	7,479,268	6,387,637
Unrestricted	9,212,216	22,018,374
Total net assets	<u>\$ 97,306,101</u>	<u>\$ 89,747,549</u>

The largest portion of the City of Riverside's net assets (83%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment). The City of Riverside uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Riverside's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of (9%) may be used to meet the government's ongoing obligations to its citizens and creditors.

Current and other assets decreased by (\$12,188,728) (-26%) and capital assets increased by \$16,551,046 (17%) largely due to the construction of infrastructure in Horizons Business Park, Argosy Casino Parkway North and Radio Tower which correlated to the capitalization of \$3,433,866, \$6,416,884 and \$1,913,028 in expenditures, respectively.

Investment in capital assets, net of related debt increased \$19,273,079 (31%) due to the reduction of debt related to capital assets by \$4,460,000, and construction of other infrastructure with current resources.

Unrestricted net assets decreased by (\$11,847,467) or (-54%). Key elements of this decrease are as follows:

**City of Riverside  
Changes in Net Assets**

	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$ 4,398,815	\$ 2,221,446
Operating grants and contributions	12,122	14,710
Capital grants and contributions	510,410	443,985
General revenues:		
Sales tax	1,256,558	1,207,371
Other taxes	760,224	781,444
Grants and contributions not restricted for specific programs	297,315	288,481
Tax increment financing revenue	2,531,727	2,322,386
Gaming revenue	9,333,622	9,550,347
Real estate income – gaming	4,972,759	4,876,918
Investment earnings	274,702	413,453
Gain on purchase of bonds	120,000	20,000
Gain on land lease	51,263	-
Other	44,782	103,235
Total revenues	24,564,299	22,243,776
Expenses:		
Administrative and support	3,167,034	2,878,084
Municipal court	151,884	144,889
Public safety	4,497,708	4,320,501
Public works	5,585,388	7,168,716
Parks and recreation	595,934	514,852
Community development	465,551	318,829
Building and codes	148,270	119,918
Interest on long-term debt	2,393,978	2,532,675
Total expenses	17,005,747	17,998,464
Change in net assets	7,558,552	4,245,312
Net assets, beginning of year	89,747,549	85,502,237
Net assets, end of year	\$97,306,101	\$89,747,549

The increase in charges for services of \$2,177,369 or (98%) is attributable to increase in contributions made by Penn Gaming for the construction of Argosy Casino Parkway North.

The decrease in operating grants and contributions of (\$2,588) or (-18%) is reflective of a reduction in traffic enforcement grants.

The change in capital grants and contributions is attributable to two projects. During fiscal year 2010, the Missouri Department of Transportation contributed construction engineering of \$431,000 to a thoroughfare and bridge project. In the current fiscal year, a CDBG grant reimbursement of \$500,000 was received for construction of a sanitary sewer.

Investment earnings decreased by (\$138,751) (-34%) as the result of significantly lower interest rates.

During fiscal years end 2011 and 2010, the City purchased \$2,000,000 and \$250,000, respectively, of the outstanding 2007A and 2007B series bonds on the secondary market at the discounted price of \$1,880,000 and \$230,000, which correlated to \$120,000 and \$20,000 in gains on purchase of bonds.

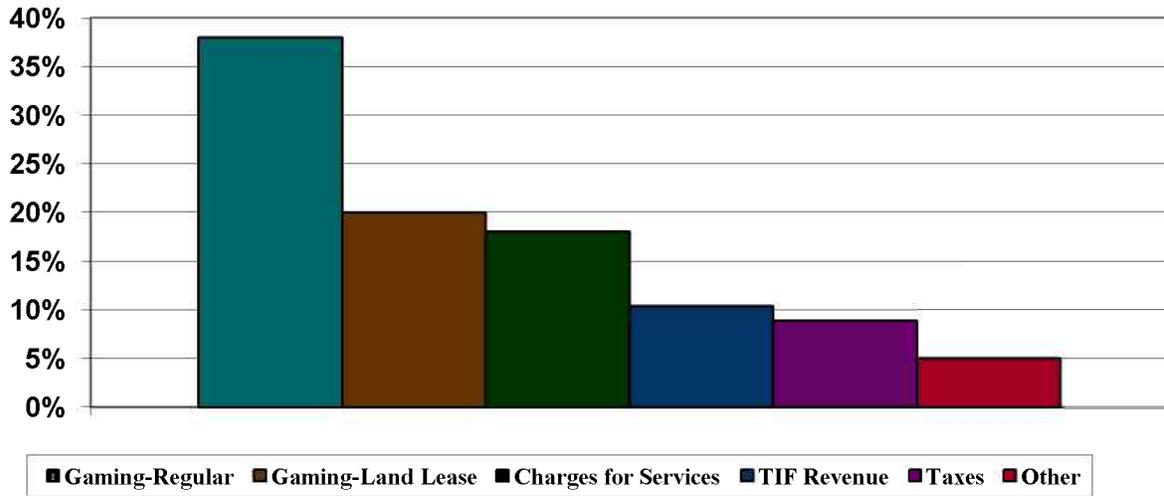
Public works expenses decreased by \$1,583,328 or (22%). In 2010, the City Annex building was disposed with a depreciated value of \$613,574. In addition in 2010, the City contributed \$641,651 toward the improvement of 9 Highway which is a MODOT asset and therefore not capitalized by the City.

Park and recreation expenses increased by \$81,747 or (16%) due to the maintenance and utilities of water features and right of way throughout the City.

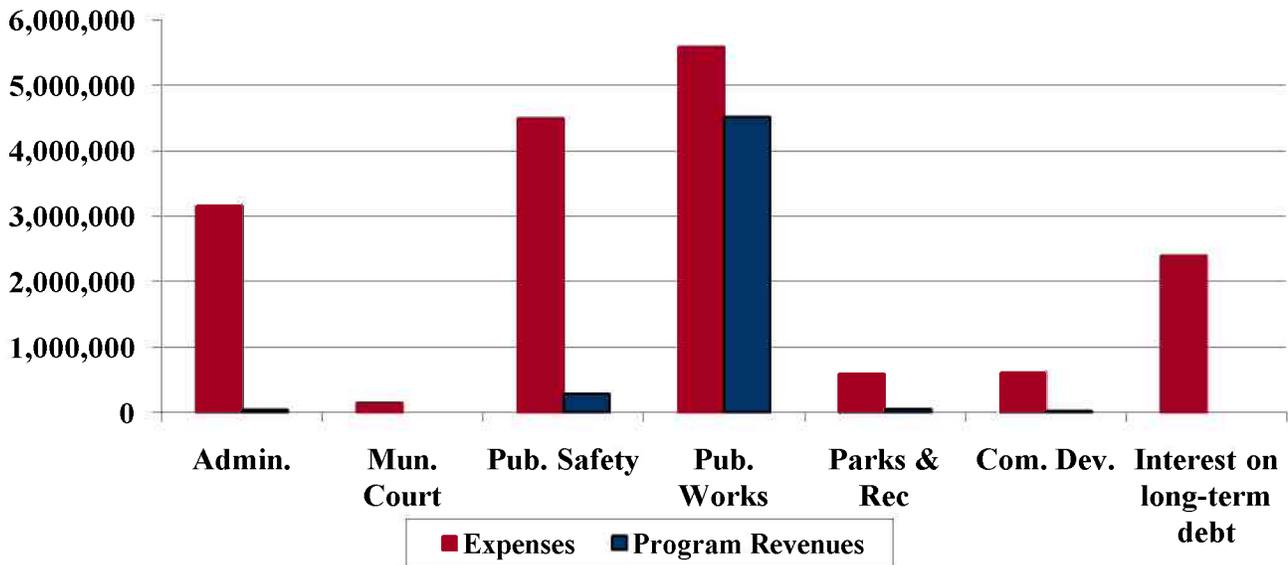
Community development expenses increased by \$146,722 or (46%). In fiscal year 2010, the Capital Project Engineer position was vacant for 6 months. In addition, on-call engineering expenses increased due to the volume of projects within the City.

Building and codes expenses increased by \$28,352 or (24%). In fiscal year 2010, the Building Official position was vacant for 7 months.

### 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, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Riverside's governmental funds reported combined ending fund balances of \$30,301,503, a decrease of (\$12,538,263) in comparison with the prior year. Approximately 75% or \$22,822,235 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 (\$5,712,998), to construct capital improvements (\$1,269,632), to purchase equipment (\$106,335), for law enforcement (\$68,250) and for tourism (\$322,053).

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 \$22,822,235. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 272% of total general fund expenditures.

The fund balance of the City of Riverside's general fund decreased by (\$2,907,765) or (-9%) during the current fiscal year largely due to budgeted transfers of \$2,344,652 to other funds for future economic development and maintain debt service reserves.

The fund balance of the capital improvement fund decreased by (\$6,881,147) largely due to the construction of infrastructure in Horizons Business Park, Argosy Casino Parkway North and Radio Tower.

The fund balance of the community development fund decreased by (\$2,454,521) due to expenditures for economic development.

### **General Fund Budgetary Highlights**

General Fund Revenues: Overall actual general fund revenues (\$7,823,000) were lower than budgeted revenues (\$7,902,560) by \$79,560. Some elements of this difference are the following:

- Investment earnings were less than the original budget by (66%) due to lower interest rates.

General Fund Expenditures: The legally adopted budget for the General Fund was not amended by the Board of Aldermen during the current fiscal year. However, there were changes in appropriation levels among the departments.

In the general government department, the elected officials division actual expenditures were 20% under budget as a result of fewer than anticipated meetings.

In the public works department, the building maintenance division was over budget by 6% due to higher than anticipated maintenance expenditures on the public safety building.

In the parks and recreation department, the parks division was over budget by 11% due to increased expenditures for utilities and maintenance of the water features and irrigation throughout the city. The community center division was over budget by 4% due to increased usage of the Healthy Citizens Initiative.

In the community development department, the community development division was over budget by 10% due to utilizing contractual engineering services more than anticipated. The building and codes division was under budget by 13% due to reduced expenditures for contractual building inspections and code enforcement mowing.

**Capital Assets**

The City of Riverside’s investment in capital assets as of June 30, 2011, amounts to \$113,325,227, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the City of Riverside’s investment in capital assets for the current fiscal year was 17% over the previous fiscal year.

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

	2011	2010
Land	\$ 16,239,139	\$ 13,398,078
Buildings	14,653,836	14,360,000
Improvements	2,701,416	2,149,336
Machinery and Equipment	1,904,380	1,351,347
Infrastructure	61,319,614	51,042,360
Construction in Progress	16,506,882	14,473,100
Total	\$113,325,267	\$ 96,774,221

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 \$45,125,000 in outstanding tax increment financing debt which is secured solely by tax increment financing revenues generated.

**City of Riverside  
Outstanding Debt**

	2011	2010
Tax Increment Financing Bonds	\$45,125,000	\$49,585,000

The City of Riverside's total debt decreased by (\$4,460,000) or (9%) during the current fiscal year.

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

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

- The City of Riverside updated the compensation plan by 2.0 percent for the pay for performance plan.
- The unemployment rate for Platte County, which includes the City of Riverside, is currently 7.7% which is an increase from a rate of 7.5% a year ago. This compares favorably to the state's unemployment rate of 8.7% and the national rate of 9.1%.

All of these factors were considered in preparing the City of Riverside's budget for the 2012 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 Assets**  
**June 30, 2011**

	Governmental Activities
Assets:	
Current assets:	
Cash and investments	\$ 25,016,837
Restricted cash and investments	6,108,381
Taxes receivable	423,780
Interest receivable	191,642
Gaming receivable	849,193
Other receivable	994,578
Total current assets	33,584,411
Noncurrent assets:	
Deferred charges, net	838,509
Capital assets not being depreciated:	
Land	16,239,139
Construction in progress	16,506,882
Capital assets being depreciated:	
Buildings	17,399,113
Land improvements	2,836,054
Equipment	4,182,087
Infrastructure	67,782,912
Accumulated depreciation	(11,620,920)
Total noncurrent assets	114,163,776
Total assets	\$ 147,748,187
Liabilities:	
Current liabilities:	
Accounts payable	\$ 2,279,014
Accrued wages	100,874
Deposits	10,040
Current portion of long-term obligations:	
Compensated absences	167,894
Accrued interest	369,517
Unearned lease revenue	102,527
TIF bonds payable	2,327,325
Total current liabilities	5,357,191
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Compensated absences	82,694
OPEB liability	32,907
Unearned lease revenue	1,501,490
TIF bonds payable	43,467,804
Total noncurrent liabilities	45,084,895
Total liabilities	50,442,086
Net Assets:	
Invested in capital assets, net of related debt	80,614,617
Restricted for:	
Tax increment financing debt service	5,712,998
Capital improvements and equipment	390,898
Community development	985,069
Tourism	322,053
Law enforcement	68,250
Unrestricted	9,212,216
Total net assets	97,306,101
Total liabilities and net assets	\$ 147,748,187

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Statement of Activities**  
**For the Year Ended June 30, 2011**

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	\$ 3,167,034	\$ 41,426	\$ -	\$ -	\$ (3,125,608)
Municipal court	151,884	-	-	-	(151,884)
Public safety administration	474,639	-	-	-	(474,639)
Police services	2,132,814	272,520	12,122	-	(1,848,172)
Operations support	633,732	-	-	-	(633,732)
Fire services	1,256,523	-	-	-	(1,256,523)
Public works	5,585,388	4,004,893	-	510,410	(1,070,085)
Parks and recreation	595,934	54,281	-	-	(541,653)
Community development	465,551	-	-	-	(465,551)
Building and codes	148,270	25,695	-	-	(122,575)
Interest on long-term debt	2,393,978	-	-	-	(2,393,978)
Total governmental activities	<u>\$ 17,005,747</u>	<u>\$ 4,398,815</u>	<u>\$ 12,122</u>	<u>\$ 510,410</u>	<u>(12,084,400)</u>
General revenues					
Taxes					
Sales tax					1,256,558
Franchise tax					583,266
Tourism tax					176,958
Grants and contributions not restricted to specific programs					297,315
Investment earnings					274,702
Real estate income - gaming					4,972,759
Gaming revenue					9,333,622
Tax increment financing revenue					2,531,727
Gain from land lease					51,263
Gain on purchase of bonds					120,000
Miscellaneous					44,782
Total general revenues					<u>19,642,952</u>
Change in net assets					7,558,552
Net assets, beginning of year					<u>89,747,549</u>
Net assets, end of year					<u>\$ 97,306,101</u>

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2011**

	General Fund	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and investments	\$ 22,799,611	\$ 677,432	\$ 1,042,384	\$ 2,038	\$ 495,372	\$ 25,016,837
Taxes receivable	400,695	-	-	-	23,085	423,780
Interest receivable	171,787	-	-	19,855	-	191,642
Gaming receivable	-	849,193	-	-	-	849,193
Other receivable	-	100,000	892,980	-	1,598	994,578
Restricted cash and investments	-	417,276	-	5,691,105	-	6,108,381
Due from other funds	1,598	-	-	-	-	1,598
<b>Total Assets</b>	<b>\$ 23,373,691</b>	<b>\$ 2,043,901</b>	<b>\$ 1,935,364</b>	<b>\$ 5,712,998</b>	<b>\$ 520,055</b>	<b>\$ 33,586,009</b>
<b>Liabilities</b>						
Accounts payable	\$ 440,542	\$ 1,759,338	\$ 57,315	\$ -	\$ 21,819	\$ 2,279,014
Accrued wages	100,874	-	-	-	-	100,874
Deferred revenue	-	-	892,980	-	-	892,980
Deposits	10,040	-	-	-	-	10,040
Due to other funds	-	-	-	-	1,598	1,598
<b>Total liabilities</b>	<b>551,456</b>	<b>1,759,338</b>	<b>950,295</b>	<b>-</b>	<b>23,417</b>	<b>3,284,506</b>
<b>Fund balance</b>						
<b>Restricted for:</b>						
Debt service	-	-	-	5,712,998	-	5,712,998
Capital improvements	-	284,563	-	-	-	284,563
Equipment	-	-	-	-	106,335	106,335
Community development	-	-	985,069	-	-	985,069
Law enforcement	-	-	-	-	68,250	68,250
Tourism	-	-	-	-	322,053	322,053
Unassigned	22,822,235	-	-	-	-	22,822,235
<b>Total fund balance</b>	<b>22,822,235</b>	<b>284,563</b>	<b>985,069</b>	<b>5,712,998</b>	<b>496,638</b>	<b>30,301,503</b>
<b>Total liabilities and fund balance</b>	<b>\$ 23,373,691</b>	<b>\$ 2,043,901</b>	<b>\$ 1,935,364</b>	<b>\$ 5,712,998</b>	<b>\$ 520,055</b>	<b>\$ 33,586,009</b>

See Accompanying Notes to the Basic Financial Statements.

**City of Riverside, Missouri**  
**Reconciliation of the Governmental Fund Balances**  
**To the Net Assets of Governmental Activities**  
**June 30, 2011**

Total governmental fund balances		\$ 30,301,503
Capital assets used in Government Activities are not current financial resources and, therefore, are not reported as assets in the Government Funds Balance Sheet		113,325,267
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	\$ (250,588)	
OPEB liability	(32,907)	
Unearned lease revenue	(1,604,017)	
Accrued interest on long term debt	(369,517)	
TIF Bonds payable	(45,125,000)	
Deferred charges, net	838,509	
Bond premium, net	(670,129)	(47,213,649)
Certain revenues are not available to pay for current period expenditures and therefore are deferred in the governmental funds		892,980
Net assets of governmental activities		\$ 97,306,101

**City of Riverside, Missouri**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2011**

	General	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total
<b>Revenues</b>						
Taxes:						
Sales tax	\$ 1,256,558	\$ -	\$ -	\$ -	\$ -	\$ 1,256,558
Franchise tax	718,536	-	-	-	-	718,536
Tourism tax	-	-	-	-	176,958	176,958
Intergovernmental revenue	297,315	500,000	-	-	12,122	809,437
Charge for services	-	4,060,752	-	-	-	4,060,752
Investment earnings	206,796	24,809	400	42,321	376	274,702
Real estate income - gaming	4,972,759	-	-	-	-	4,972,759
Gaming revenue	-	9,333,622	-	-	-	9,333,622
Licenses and fees	67,121	-	-	-	-	67,121
Fines and forfeitures	259,321	-	-	-	13,199	272,520
Recreation fees	37,857	-	-	-	16,424	54,281
Miscellaneous	6,737	-	-	-	38,045	44,782
Tax increment financing revenue	-	-	62,098	2,469,629	-	2,531,727
Total revenues	<u>7,823,000</u>	<u>13,919,183</u>	<u>62,498</u>	<u>2,511,950</u>	<u>257,124</u>	<u>24,573,755</u>
<b>Expenditures</b>						
Current:						
Administrative and support	1,694,616	-	-	1,187,530	219,230	3,101,376
Municipal court	151,678	-	-	-	-	151,678
Public safety administration	466,055	-	-	-	34,726	500,781
Police services	1,921,669	-	-	-	161,717	2,083,386
Operations support	607,814	-	-	-	-	607,814
Fire services	1,173,397	-	-	-	-	1,173,397
Public works	1,182,315	-	-	-	43,087	1,225,402
Parks and recreation	592,584	-	-	-	-	592,584
Community development	455,420	-	-	-	1,187	456,607
Building and codes	140,565	-	-	-	-	140,565
Capital outlay	-	17,300,330	3,780,084	-	-	21,080,414
Debt service:						
Principal	-	-	-	4,340,000	-	4,340,000
Interest	-	-	-	2,420,314	-	2,420,314
Total expenditures	<u>8,386,113</u>	<u>17,300,330</u>	<u>3,780,084</u>	<u>7,947,844</u>	<u>459,947</u>	<u>37,874,318</u>
Excess of revenue (under) expenditures	<u>(563,113)</u>	<u>(3,381,147)</u>	<u>(3,717,586)</u>	<u>(5,435,894)</u>	<u>(202,823)</u>	<u>(13,300,563)</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	-	500,765	5,329,687	14,200	5,844,652
Transfers out	(2,344,652)	(3,500,000)	-	-	-	(5,844,652)
Issuance of lease	-	-	762,300	-	-	762,300
Total other financing sources (uses)	<u>(2,344,652)</u>	<u>(3,500,000)</u>	<u>1,263,065</u>	<u>5,329,687</u>	<u>14,200</u>	<u>762,300</u>
Net change in fund balance	(2,907,765)	(6,881,147)	(2,454,521)	(106,207)	(188,623)	(12,538,263)
Fund balance, beginning of year	25,730,000	7,165,710	3,439,590	5,819,205	685,261	42,839,766
Fund balance, end of year	<u>\$ 22,822,235</u>	<u>\$ 284,563</u>	<u>\$ 985,069</u>	<u>\$ 5,712,998</u>	<u>\$ 496,638</u>	<u>\$ 30,301,503</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, 2011**

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

Net change in fund balances - total governmental funds \$ (12,538,263)

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	\$ 18,825,785	
Contributed capital	10,410	
Loss on disposal of capital assets	(51,983)	
Depreciation expense	<u>(2,233,166)</u>	16,551,046

Revenues in the statement of activities that do not provide current financial resources are reported deferred revenue in the governmental funds.

Franchise tax	(135,270)	
Charges for services	(55,859)	
Lease revenue	<u>51,263</u>	(139,866)

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

Long-term debt interest expense	36,970	
Principal payments	4,340,000	
Issuance of lease	(762,300)	
Amortization of bond premium	(52,959)	
Amortization of bond premium	42,325	
Gain from purchase of bonds	<u>120,000</u>	3,724,036

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		(20,984)
Change in OPEB accrual		(17,417)

Change in net assets of governmental activities \$ 7,558,552

**City of Riverside, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**Budget to Actual**  
**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and fees	\$ 84,100	\$ 84,100	\$ 67,121	\$ (16,979)
Fines & forfeitures	369,200	369,200	259,321	(109,879)
Recreation fees	21,000	21,000	37,857	16,857
Sales taxes	1,209,000	1,209,000	1,256,558	47,558
Franchise taxes	540,000	540,000	718,536	178,536
Intergovernmental revenue	294,260	294,260	297,315	3,055
Investment earnings	610,000	610,000	206,796	(403,204)
Real estate income - gaming	4,770,000	4,770,000	4,972,759	202,759
Miscellaneous revenue	5,000	5,000	6,737	1,737
Total revenues	<u>7,902,560</u>	<u>7,902,560</u>	<u>7,823,000</u>	<u>(79,560)</u>
Expenditures:				
General government:				
Elected officials	59,000	59,000	47,022	11,978
Administration	1,694,140	1,694,140	1,647,594	46,546
Municipal court	154,663	154,663	151,678	2,985
Total general government	<u>1,907,803</u>	<u>1,907,803</u>	<u>1,846,294</u>	<u>61,509</u>
Public safety				
Public safety administration	479,487	479,487	466,055	13,432
Police services	2,073,382	2,073,382	1,921,669	151,713
Operations support	661,577	661,577	607,814	53,763
Fire services	1,267,302	1,267,302	1,173,397	93,905
Total public safety	<u>4,481,748</u>	<u>4,481,748</u>	<u>4,168,935</u>	<u>312,813</u>
Public works				
Public works	940,144	940,144	894,771	45,373
Building maintenance	270,500	270,500	287,544	(17,044)
Total public works	<u>1,210,644</u>	<u>1,210,644</u>	<u>1,182,315</u>	<u>28,329</u>
Parks & recreation				
Parks	217,000	217,000	240,527	(23,527)
Community center	339,369	339,369	352,057	(12,688)
Total parks & recreation	<u>556,369</u>	<u>556,369</u>	<u>592,584</u>	<u>(36,215)</u>
Community development				
Community development	413,905	413,905	455,420	(41,515)
Building and codes	162,398	162,398	140,565	21,833
Total community development	<u>576,303</u>	<u>576,303</u>	<u>595,985</u>	<u>(19,682)</u>
Total expenditures	<u>8,732,867</u>	<u>8,732,867</u>	<u>8,386,113</u>	<u>346,754</u>
Revenues (under) expenditures	<u>(830,307)</u>	<u>(830,307)</u>	<u>(563,113)</u>	<u>267,194</u>
Other financing sources (uses),				
Transfers in	-	-	-	-
Transfers out	(2,300,000)	(2,300,000)	(2,344,652)	(44,652)
Total other financing sources (uses)	<u>(2,300,000)</u>	<u>(2,300,000)</u>	<u>(2,344,652)</u>	<u>(44,652)</u>
Net change in fund balance	<u>\$ (3,130,307)</u>	<u>\$ (3,130,307)</u>	<u>(2,907,765)</u>	<u>\$ 222,542</u>
Fund balance, beginning of year			25,730,000	
Fund balance, end of year			<u>\$ 22,822,235</u>	

See Accompanying Notes to the Basic Financial Statements

**City of Riverside, Missouri**  
**Statement of Assets and Liabilities**  
**Agency Fund**  
**June 30, 2011**

	<u>Municipal Court Bond Account</u>
Assets	
Cash and investments	\$ 19,320
	<u>                    </u>
Liabilities	
Due to others	\$ 19,320
	<u>                    </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, 2011**

**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, 2011 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 assets and the statement of changes in net assets) 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, reserves, fund balance/net assets, revenues and expenditures or expenses, as appropriate. The City has the following fund types:

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

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

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

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

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

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

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

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Sales taxes, franchise taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are generally recognized as revenue when cash is received by the government because they are generally not measurable until actually received.

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

## Summary of Significant Accounting Policies

### *1. Cash and Investments*

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

Investments 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 that is not SEC-registered. MOSIP is regulated by laws of the state of Missouri. The fair value of the position in the external investment pool is the same as the value of the pool shares.

### *2. Restricted Assets*

Certain funds have been set aside 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.

### *3. Other Receivable*

Other receivable represents the amount to be reimbursed to the City by third parties related to capital projects. The balance of the receivable represents construction costs that have been incurred during the fiscal year that will be reimbursed in the following fiscal year.

### *4. Capital Assets*

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Assets. 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 Assets. 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	40-50 years
Improvements Other than Buildings	10-25 years
Machinery, Furniture and Equipment	5-20 years
Infrastructure	50 years

### 5. *Deferred Revenue*

In the governmental funds, deferred revenue represents amounts due, which are measurable, but not available. See Note 8E for information pertaining to the unearned lease revenue reported on the City's statement of net assets.

### 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 or expenses 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using a method which approximates the interest method.

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

### 9. *Fund Equity*

In fiscal year 2011, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definition*. This Statement 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 or resolution 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 authority to assign fund balance has been delegated 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.

#### *10. Net Assets*

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, 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 assets are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net assets restricted through enabling legislation consist of \$5,712,998 for debt service, \$390,898 for capital improvements and equipment, \$68,250 for law enforcement, \$985,069 for community development and \$322,053 for tourism.

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

#### *11. 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.

## *12. Budgetary Information*

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

General Fund

Tourism Tax Fund – Nonmajor Special Revenue Fund

Capital Improvements Fund – Major Capital Projects Fund

Community Development Fund – Major Capital Projects Fund

Capital Equipment Fund – Nonmajor Capital Projects Fund

Tax Increment Financing Debt Service Fund

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

All appropriations are legally controlled at the fund level for the individual funds. On June 22, 2010, the Board of Aldermen formally approved the original adopted budget.

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

- The City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed operating expenditures, capital expenditures and the means for financing them.
- Public hearings are conducted to obtain comments from all interested parties.
- The budget for the coming year is formally adopted on or before the last day of the current fiscal year.
- The City Administrator is authorized to make changes within departments, between departments and between functions within each fund. Changes or transfers at the fund level require approval by the Board of Aldermen.
- Under Missouri law, expenditures may not legally exceed budgeted appropriations at the fund level. If expenditures for a fund exceed the budget, either the budget must be amended or the Board of Aldermen must pass a resolution authorizing the expenditures in excess of the budget. There was one budget amendment made during the fiscal year, which increased budgeted expenditures by \$4,805,000.

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, 2011, 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	\$13,244,730	1.42
Missouri Securities Investment, Program Money Market Fund	4,525,547	n/a
Missouri Securities Investment, Program Certificate of Deposits	8,305,000	1.70
Federated Money Market Fund	4,105,023	.10
Total Fair Value	<u>\$30,180,300</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 2 years or less from the date of purchase. Investments for bond proceeds and debt service reserve accounts may be extended to match the anticipated cash flow needs.

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

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

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

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

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

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

<u>Investment Type</u>	<u>Standard &amp; Poor's Credit Rating</u>	<u>Percent of Total Investments</u>
Federal Home Loan Bank	AAA	30.0%
Federal Home Loan Mortgage Corporation	AAA	10.6%
Federal Farm Credit Bank	AAA	3.3%
Federated Treasury Obligation Fund	AAA	13.6%
Missouri Securities Investment Program	AAA	N/A

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

#### *Custodial Credit Risk*

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

At June 30, 2011, 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, 2011, the City's bank balance of deposits with financial institutions of \$970,674 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, 2011:

	2010 Balance	Additions	Deletions	2011 Balance
Capital assets not being depreciated:				
Land	\$13,398,078	\$2,841,061	\$ -	\$16,239,139
Construction in progress	14,473,100	6,834,439	(4,800,657)	16,506,882
Total capital assets not being depreciated	<u>27,871,178</u>	<u>9,675,500</u>	<u>(4,800,657)</u>	<u>32,746,021</u>
Capital assets being depreciated:				
Buildings	16,760,757	638,356	-	17,399,113
Improvements	2,230,874	605,180	-	2,836,054
Machinery and equipment	3,321,016	1,084,904	(223,833)	4,182,087
Infrastructure	56,150,000	11,632,912	-	67,782,912
Total capital assets being depreciated	<u>78,462,647</u>	<u>13,961,352</u>	<u>(223,833)</u>	<u>92,200,166</u>
Less accumulated depreciation for:				
Buildings	(2,400,757)	(344,520)	-	(2,745,277)
Improvements	(81,538)	(53,100)	-	(134,638)
Machinery and equipment	(1,969,669)	(479,888)	171,850	(2,277,707)
Infrastructure	(5,107,640)	(1,355,658)	-	(6,463,298)
Total accumulated depreciation	<u>(9,559,604)</u>	<u>(2,233,166)</u>	<u>171,850</u>	<u>(11,620,920)</u>
Total capital assets, being depreciated, net	<u>68,903,043</u>	<u>11,728,186</u>	<u>(51,983)</u>	<u>80,579,246</u>
Governmental activities capital assets, net	<u>\$96,774,221</u>	<u>\$21,403,686</u>	<u>\$(4,852,640)</u>	<u>\$113,325,267</u>

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

Administration	\$ 53,983
Police Services	121,072
Operations Support	24,459
Fire Service	63,906
Public Works	1,957,621
Parks and Recreation	6,257
Community Development	3,847
Building and Codes	<u>2,021</u>
Total Depreciation Expense	<u>\$2,233,166</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>
Riverside Horizons	\$4,473,320	\$4,438,067	\$35,253
Argosy Parkway North	7,664,025	7,346,843	317,182
City Radio Project	3,395,767	2,228,780	1,166,987
Horizons Lift Station	6,072,021	6,060,021	12,000
Parking Lot	166,912	140,630	26,282
Sanitary Sewer/41 <sup>st</sup> Street 48 <sup>th</sup> Street	2,799,172	1,290,234	1,508,938
	429,172	173,663	255,509
Northwood Road Phase 2	3,194,940	526,202	2,668,738
Total	<u>\$28,195,329</u>	<u>\$22,204,440</u>	<u>\$5,990,889</u>

<u>Community Development Fund</u>	<u>Contract Amount</u>	<u>Completed</u>	<u>To Be Completed</u>
Briarcliff Development	\$6,286,370	\$3,552,000	\$2,734,370
Skyline Redevelopment	2,492,500	1,965,970	526,530
Total	<u>\$8,778,870</u>	<u>\$5,517,970</u>	<u>\$3,260,900</u>

## Note 4 – Interfund Balances and Transfers

Interfund balances at June 30, 2011 consisted of:

	<u>Due From</u>	<u>Due To</u>
General fund	\$1,598	\$ -
Nonmajor governmental funds	-	1,598
Total	<u>\$1,598</u>	<u>\$1,598</u>

Transfers for the year ended June 30, 2011 consisted of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$2,344,652
Capital improvement fund	-	3,500,000
Community development fund	500,765	-
TIF debt service fund	5,329,687	-
Nonmajor governmental funds	14,200	-
Total	<u>\$5,844,652</u>	<u>\$5,844,652</u>

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

## Note 5 – Long-Term Debt

Long-term liability balances and activity for the year ended June 30, 2011 were as follows:

	Balance June 30, 2010	Additions	Retirements	Balance June 30, 2011	Amounts Due Within One Year
Tax Increment Financing Bonds	\$49,585,000	\$ -	\$4,460,000	\$45,125,000	\$2,285,000
Premium on bonds	712,454	-	42,325	670,129	42,325
OPEB Liability	15,490	17,417	-	32,907	-
Compensated absences	229,604	250,588	229,604	250,588	167,894
<b>Total</b>	<u>\$50,542,548</u>	<u>\$ 268,005</u>	<u>\$4,731,929</u>	<u>\$46,078,624</u>	<u>\$2,495,219</u>

Compensated absences are usually liquidated by the General Fund.

Long-term debt payable as of June 30, 2011 is comprised of the following individual issues:

	Fiscal Year Issued	Maturity Date	Outstanding Interest Rates	Balance June 30, 2011
Series 1998 Tax Increment Financing Debt \$1,000,000	1998	5/1/99 – 5/1/13	7%	\$ 285,000
Series 1999 Tax Increment Financing Debt \$1,400,000	2000	5/1/01 – 5/1/14	7%	730,000
Series 2002 Tax Increment Financing Debt \$1,300,000	2003	5/1/15 – 5/1/21	6%	1,300,000
Series 2004 Tax Increment Financing Debt \$16,300,000	2005	5/1/05 – 5/1/20	2.5% to 4.875%	10,720,000
Series 2007A Tax Increment Financing Debt \$30,265,000	2007	5/1/08 – 5/1/27	4.5% to 5.0%	22,810,000
Series 2007B Tax Increment Financing Debt \$10,000,000	2007	5/1/14 – 5/1/27	4.5%	9,280,000
<b>Total</b>				<u>\$45,125,000</u>

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

Fiscal Year	Principal	Interest
2012	\$ 2,285,000	\$ 2,331,051
2013	2,410,000	2,215,751
2014	3,240,000	2,093,725
2015	3,151,000	1,933,351
2016	3,318,000	1,783,741
2017-2021	17,526,000	6,261,069
2022-2026	12,980,000	2,439,502
2027	215,000	58,626
Total	\$45,125,000	\$19,116,816

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

During 1998, 1999, 2002 and 2004, the Tax Increment Financing Commission, a blended component unit of the City, issued \$1,000,000, \$1,400,000, \$1,300,000 and \$16,300,000, respectively, of Tax Increment Financing Revenue Bonds to finance construction of the Riverside Quindaro Bend Levee. These bonds are payable solely from property tax increment received with respect to the financial projects. Incremental property taxes were projected to produce \$30,432,019 or 100% of the debt service requirements over the life of the bonds. These bonds are not direct obligations of the City. Total principal and interest remaining on the bonds is \$16,712,605 payable through 2021. For the current year, principal and interest paid and total incremental property tax revenues were \$1,950,863 and \$2,469,629, respectively.

During 2007, the Riverside Industrial Development Authority, a blended component unit of the City, issued \$40,265,000 of Tax Increment Financing Revenue Bonds to finance construction of infrastructure within the Horizons Business Park. These bonds are payable solely from property tax increment received with respect to the financial projects and are collateralized by land owned by the City. Incremental property taxes were projected to produce \$64,706,572 or 100% of the debt service requirements over the life of the bonds. These bonds are not direct obligations of the City. Total principal and interest remaining on the bonds is \$47,529,208 payable through 2027. For the current year, principal and interest paid and total incremental property tax revenues were \$4,828,062 and \$0, respectively.

#### Conduit Debt Obligations

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

As of June 30, 2011, there was one issue of Missouri recovery zone facility revenue bonds outstanding with an aggregate original issue amount totaling \$20,000,000 and an aggregate principal balance outstanding of \$20,000,000.

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

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

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

The agreement expires in fiscal year 2015, with six remaining five-year options to extend the terms of the lease.

**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, 2011, 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	\$15,490
Interest on net OPEB obligation	891
Adjustment to annual required contribution	1,036
Annual OPEB cost (expense)	<u>17,417</u>
Contributions and payments made	<u>0</u>
Increase in net OPEB obligation	17,417
Net OPEB obligation – July 1, 2010	<u>15,490</u>
Net OPEB obligation – June 30, 2011	<u><u>\$32,907</u></u>

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

Fiscal Year Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2010	\$18,288	15.2%	\$15,490
June 30, 2011	17,417	17.7%	32,907

Funded status and funding progress: As of July 1, 2009, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$72,352 and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$72,352. The covered payroll (annual payroll of active employees covered by the plan) was \$3,093,339 and the ratio of the UAAL to the covered payroll was 2.3 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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents only the initial year trend information since this is the transition year.

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, 2009 actuarial valuation, projected unit credit actuarial cost method was used. The actuarial assumptions included a 5.75 percent investment rate of return (net of administrative expenses), a dental care cost trend rate of 5 percent and a medical claims and prescription cost trend rate of 10 percent initially, grading down to 5.5 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, 2009, 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, 2011.

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

The City manages these various risks of loss as follows:

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

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

**B. Retirement Plan – LAGERS**

Plan Description:

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

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

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

Funding Status:

The City of Riverside’s full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rate is 15.3% (general), 18.5% (police) and 17.5% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provision of the political subdivision is established by state statute.

For fiscal 2011, the political subdivision's annual pension cost of \$607,327 was equal to the required and actual contributions. The annual required contribution (ARC) was determined as part of the February 28, 2009 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2011 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy table set back 0 years for men and 0 years for women, and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 28, 2009, was 20 years for the general division, 18 years for the police division and 29 years for the fire division.

As of February 28, 2011, the most recent actuarial valuation date, the plan was 48 percent funded. The actuarial accrued liability for benefits was \$4,958,733, and the actuarial value of assets was \$2,360,131, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,598,602. The covered payroll (annual payroll of active employees covered by the plan) was \$3,635,044 and the ratio of the UAAL to the covered payroll was 72 percent.

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

#### Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/09	\$344,092	100%	\$0
06/30/10	\$530,374	100%	\$0
06/30/11	\$607,327	100%	\$0

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

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

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

In 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, 2011, 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 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 has 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, which has been recorded as another financing source on the statement of revenues, expenditures and changes in fund balance in the Community Development Fund. The remaining balance of \$892,980 is to be paid to the City during fiscal year 2012; this amount has been reported as accounts receivable and deferred revenue in the Balance Sheet of the Community Development Fund because these proceeds were not available to be used as a current financial resource.

In accordance with GASB Statement No. 62, this transaction results 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 is being recorded as unearned lease revenue on the City's government-wide statement of net assets 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, 2011 is \$51,263. The balance of the unearned lease revenue as of June 30, 2011 is \$1,604,017.

## Note 9 – Governmental Accounting Standards Board Statements

The City implemented the following Governmental Accounting Standard Board (GASB) Statements during the year:

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement is intended to improve the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. This Statement required the City to reclassify fund balance recorded in its governmental funds into the new fund balance categories.

GASB Statement No. 59, *Financial Instruments Omnibus*. This Statement is intended to update and improve existing standards regarding financial reporting of certain financial instruments and external investment pools. Specifically, this Statement provides financial reporting guidance by emphasizing the applicability of SEC requirements to certain external investment pools, addressing the applicability of GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, and applying the reporting provisions for interest-earning investment contracts of GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This Statement had no effect on the City in the current year.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports. This Statement had no effect on the City in the current year.

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. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This Statement, issued January 2010, will be effective for the City beginning with its year ending June 30, 2012. This Statement addresses issues related to measurement of OPEB obligations by certain employers participating in agent multiple-employer OPEB plans. GASB 57 amends GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, issued November 2010, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, issued November 2010, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, issued July 2011, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53), issued July 2011, will be effective for the City beginning with its year ending June 30, 2012. This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. Those conditions are: (a) the collectibility of swap payments is considered to be probable, (b) the replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in the Statement, and (c) the counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event. When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied.

#### **Note 10 – Subsequent Event**

In July 2011, the Riverside Industrial Development Authority, a blended component unit of the City, issued Tax Increment Refunding Revenue Bonds, Series 2011A in the amount of \$2,385,000. The bonds were issued to refund various currently outstanding bonds.

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

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
02/28/2009	\$ 1,355,172	\$ 2,670,127	\$ 1,314,955	50.8%	\$ 2,726,110	48.2%
02/28/2010	1,806,021	4,147,076	2,341,055	43.5%	3,313,486	70.7%
02/28/2011	2,360,131	4,958,733	2,598,602	47.6%	3,635,044	71.5%

Note: The above assets and actuarial liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

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

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) 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
2010	07/01/2009	\$ -	\$ 110,144	\$ 110,144	- %	\$ 2,314,888	4.8%
2011	07/01/2009	-	72,352	72,352	- %	3,093,339	2.3%

Note: Fiscal year 2010 is the transition year for GASB Statement No. 45

The information presented in the required supplementary schedule was determined as part of the actuarial valuation date as of July 1, 2009. 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) 6 percent investment rate of return and (b) a dental care cost trend rate of 5 percent and 9 percent for medical claims and prescriptions; reduced by decrements to an ultimate rate of 6 percent in 7 years.
- d. The amortization method is level percentage of pay over 30 years based on an open group.

**City of Riverside, Missouri  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2011**

	<b>Special Revenue</b>		
	DUI Fund	Tourism Tax	Federal & State Grants
<b>Assets</b>			
Cash and investments	\$ 20,405	\$ 313,063	\$ -
Taxes receivable	-	23,085	-
Other receivable	-	-	1,598
Total assets	\$ 20,405	\$ 336,148	\$ 1,598
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 14,095	\$ -
Due to other funds	-	-	1,598
Total liabilities	-	14,095	1,598
<b>Fund balances</b>			
Restricted for:			
Equipment	-	-	-
Law enforcement	20,405	-	-
Tourism	-	322,053	-
Total fund balance	20,405	322,053	-
Total liabilities and fund balances	\$ 20,405	\$ 336,148	\$ 1,598

<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>	
\$ 9,652	\$ 14,578	\$ 24,080	\$ 113,594	\$ 495,372
-	-	-	-	23,085
-	-	-	-	1,598
<u>9,652</u>	<u>\$ 14,578</u>	<u>\$ 24,080</u>	<u>\$ 113,594</u>	<u>\$ 520,055</u>
-	\$ -	\$ 465	\$ 7,259	\$ 21,819
-	-	-	-	1,598
-	-	465	7,259	23,417
-	-	-	106,335	106,335
9,652	14,578	23,615	-	68,250
-	-	-	-	322,053
<u>9,652</u>	<u>14,578</u>	<u>23,615</u>	<u>106,335</u>	<u>496,638</u>
<u>9,652</u>	<u>\$ 14,578</u>	<u>\$ 24,080</u>	<u>\$ 113,594</u>	<u>\$ 520,055</u>

**City of Riverside, Missouri**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2011**

	<b>Special Revenue</b>		
	DUI Fund	Tourism Tax	Federal & State Grants
Revenue:			
Taxes, tourism tax	\$	\$ 176,958	\$ -
Intergovernmental revenue	-	-	12,122
Investment earnings	19	313	-
Fines and forfeitures	3,600	-	-
Recreation fees	-	16,424	-
Miscellaneous revenue	-	4,005	-
Total revenue	3,619	197,700	12,122
Expenditures:			
Current:			
Administrative and support	-	171,946	-
Public safety administration	-	-	-
Police services	-	-	26,322
Public works	-	-	-
Community Development	-	-	-
Total expenditures	-	171,946	26,322
Excess of revenue over/(under) expenditures	3,619	25,754	(14,200)
Other financing sources, transfers in	-	-	14,200
Net change in fund balance	3,619	25,754	-
Fund balance, beginning of year	16,786	296,299	-
Fund balance, end of year	\$ 20,405	\$ 322,053	\$ -

<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>	
\$ -	\$ -	\$ -	\$ -	\$ 176,958
-	-	-	-	12,122
14	13	17	-	376
5,979	3,620	-	-	13,199
-	-	-	-	16,424
-	-	34,040	-	38,045
<u>5,993</u>	<u>3,633</u>	<u>34,057</u>	<u>-</u>	<u>257,124</u>
-	-	-	47,284	219,230
-	-	29,777	4,949	34,726
8,920	-	-	126,475	161,717
-	-	-	43,087	43,087
-	-	-	1,187	1,187
<u>8,920</u>	<u>-</u>	<u>29,777</u>	<u>222,982</u>	<u>459,947</u>
<u>(2,927)</u>	<u>3,633</u>	<u>4,280</u>	<u>(222,982)</u>	<u>(202,823)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,200</u>
(2,927)	3,633	4,280	(222,982)	(188,623)
12,579	10,945	19,335	329,317	685,261
<u>\$ 9,652</u>	<u>\$ 14,578</u>	<u>\$ 23,615</u>	<u>\$ 106,335</u>	<u>\$ 496,638</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, 2011**

	Tourism Tax Fund	
	Budget	Actual
Revenues:		
Taxes, tourism tax	\$ 175,000	\$ 176,958
Investment earnings	5,000	313
Recreation fees	-	16,424
Miscellaneous revenue	-	4,005
Total revenues	180,000	197,700
Expenditures:		
Current:		
Administrative and support	458,047	171,946
Revenues over (under) expenditures	(278,047)	25,754
Changes in fund balance	\$ (278,047)	25,754
Fund balance, beginning of year		296,299
Fund balance, end of year		\$ 322,053

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**City of Riverside, Missouri**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Project Funds**  
**Budget to Actual**  
**For the Year Ended June 30, 2011**

	Capital Improvements Fund		Community Development Fund	
	Budget	Actual	Budget	Actual
<b>Revenues:</b>				
Gaming revenue	\$ 9,454,000	\$ 9,333,622	\$ -	\$ -
Charges for services	4,300,000	4,060,752	50,000	-
Investment earnings	10,000	24,809	100,000	400
Intergovernmental revenue	-	500,000	-	-
Tax increment financing revenue	-	-	124,500	62,098
Total revenues	<u>13,764,000</u>	<u>13,919,183</u>	<u>274,500</u>	<u>62,498</u>
<b>Expenditures:</b>				
Current:				
Administrative and support	-	-	-	-
Public safety administration	-	-	-	-
Police services	-	-	-	-
Public works	-	-	-	-
Building and codes	-	-	-	-
Capital outlay	24,958,000	17,300,330	6,431,900	3,780,084
Total expenditures	<u>24,958,000</u>	<u>17,300,330</u>	<u>6,431,900</u>	<u>3,780,084</u>
Revenues (under) expenditures	<u>(11,194,000)</u>	<u>(3,381,147)</u>	<u>(6,157,400)</u>	<u>(3,717,586)</u>
<b>Other financing sources:</b>				
Transfers in	-	-	2,000,000	500,765
Transfers out	(3,250,000)	(3,500,000)	-	-
Issuance of lease	-	-	-	762,300
Total other financing sources (uses)	<u>(3,250,000)</u>	<u>(3,500,000)</u>	<u>2,000,000</u>	<u>1,263,065</u>
Net change in fund balance	<u>\$ (14,444,000)</u>	<u>(6,881,147)</u>	<u>\$ (4,157,400)</u>	<u>(2,454,521)</u>
Fund balance, beginning of year		<u>7,165,710</u>		<u>3,439,590</u>
Fund balance, end of year		<u>\$ 284,563</u>		<u>\$ 985,069</u>

Capital Equipment Fund	
Budget	Actual
\$ -	\$ -
-	-
-	-
-	-
-	-
-	-
-	-
-	-
55,500	47,284
-	4,949
123,000	126,475
61,500	43,087
-	1,187
-	-
<u>240,000</u>	<u>222,982</u>
<u>(240,000)</u>	<u>(222,982)</u>
300,000	-
-	-
-	-
<u>300,000</u>	<u>-</u>
<u>\$ 60,000</u>	<u>(222,982)</u>
	329,317
	<u>\$ 106,335</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, 2011**

	Budget	Actual
Revenues:		
Investment earnings	\$ 40,000	\$ 42,321
Tax increment financing revenue	2,458,340	2,469,629
Total revenues	2,498,340	2,511,950
Expenditures:		
Current:		
Administrative and support	1,155,000	1,187,530
Debt service:		
Principal	4,404,000	4,340,000
Interest	2,421,000	2,420,314
Total expenditures	7,980,000	7,947,844
Revenues (under) expenditures	(5,481,660)	(5,435,894)
Other financing sources,		
Transfers in	-	5,329,687
Changes in fund balance	\$ (5,481,660)	(106,207)
Fund balance, beginning of year		5,819,205
Fund balance, end of year		\$ 5,712,998

**City of Riverside, Missouri**  
**Statement of Changes in Assets and Liabilities - Agency Funds**  
**For the Year Ended June 30, 2011**

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>Municipal Court Bond Account</b>				
Assets:				
Cash and investments	\$ <u>19,042</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19,042</u>
Liabilities:				
Due to others	\$ <u>19,042</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19,042</u>

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## Statistical Section

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

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	65-71
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the gaming revenue.	72-75
Debt Capacity These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	76-77
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	78-79
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	80-82

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 Assets**  
**Last Six Fiscal Years**  
**(Accrual Basis of Accounting)**  
**(unaudited)**

	Fiscal Year		Fiscal Year		Fiscal Year	
	2011	2010	2009	2008	2007	2006
Governmental Activities						
Invested in capital assets, net of related debt	\$ 80,614,617	\$ 61,176,406	\$ 53,635,284	\$ 48,718,762	\$ 41,078,438	\$ 44,776,807
Restricted	7,479,268	6,368,302	7,166,149	8,010,787	10,978,464	2,918,719
Unrestricted	9,212,216	22,306,604	24,700,804	21,385,342	18,265,520	20,768,498
Total governmental activities net assets	\$ 97,306,101	\$ 89,851,312	\$ 85,502,237	\$ 78,114,891	\$ 70,322,422	\$ 68,464,024

Net Assets information in not available for Fiscal Years prior to 2006.

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

	Fiscal Year		
	2011	2010	2009
<b>Expenses</b>			
Governmental activities			
Administrative and support	\$ 3,167,034	\$ 2,878,084	\$ 2,439,544
Municipal court	151,884	144,889	139,254
Public safety administration**	474,639	462,810	460,205
Police services	2,132,814	2,119,296	2,081,567
Operations support	633,732	563,120	532,437
Fire services	1,256,523	1,175,275	653,289
Public works	5,585,388	7,064,953	6,079,598
Parks and recreation	595,934	514,852	394,585
Community development	465,551	318,829	435,214
Building and codes*	148,270	119,918	134,562
Interest on long-term debt	2,393,978	2,532,675	2,657,463
Total governmental activities expenses	17,005,747	17,894,701	16,007,718
<b>Program revenues</b>			
Governmental activities			
Charges for services:			
Administrative and support	41,426	39,500	48,735
Police services	272,520	336,073	250,397
Public works	4,004,893	1,761,757	1,661,146
Parks and recreation	54,281	57,851	34,102
Community development	-	4,250	-
Building and codes*	25,695	22,015	42,540
Operating grants and contributions:			
Police services	12,122	14,710	19,403
Public works	-	-	-
Capital grants and contributions			
	510,410	443,985	-
Total governmental activities program revenues	4,921,347	2,680,141	2,056,323
Net (expense)/revenue governmental activities	(12,084,400)	(15,214,560)	(13,951,395)
<b>General revenue and other changes in net assets</b>			
Governmental activities			
Taxes			
Sales taxes	1,256,558	1,207,371	1,162,363
Franchise taxes	583,266	605,841	505,060
Tourism taxes	176,958	175,603	178,053
Tax increment financing	2,531,727	2,322,386	2,422,337
Unrestricted grants and contributions	297,315	288,481	290,614
Interest on accounts	274,702	413,453	1,624,693
Real estate income - gaming	4,972,759	4,876,918	5,079,236
Gaming revenue	9,333,622	9,550,347	9,718,310
Gain on purchase of bonds	120,000	20,000	341,800
Gain on land lease	51,263	-	-
Miscellaneous	44,782	103,235	16,275
Total governmental activities	19,642,952	19,563,635	21,338,741
<b>Change in net assets</b>			
Governmental activities	\$ 7,558,552	\$ 4,349,075	\$ 7,387,346

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

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

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

	<b>Fiscal Year</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$	2,150,847	\$ 2,694,557	\$ 1,460,150
	128,042	145,539	134,205
	-	-	-
	2,455,356	2,432,659	1,834,800
	322,307	314,216	253,858
	563,689	337,003	85,790
	6,521,927	10,322,100	1,019,322
	467,388	434,439	365,867
	472,283	220,725	345,515
	141,161	-	-
	2,759,984	1,407,112	1,891,289
	<u>15,982,984</u>	<u>18,308,350</u>	<u>7,390,796</u>
	57,344	54,434	63,621
	188,911	227,052	176,180
	-	-	-
	22,279	24,370	29,522
	-	43,235	-
	48,474	-	-
	29,303	45,604	-
	9,113	32,377	-
	1,030,000	-	1,000,000
	<u>1,385,424</u>	<u>427,072</u>	<u>1,269,323</u>
	(14,597,560)	(17,881,278)	(6,121,473)
	1,264,328	1,301,457	1,223,107
	614,565	437,693	397,442
	182,475	52,028	22,063
	2,190,264	1,922,001	-
	271,772	292,251	302,846
	3,554,557	2,244,178	1,411,830
	5,049,125	4,913,928	4,247,146
	9,170,049	8,550,830	7,961,232
	-	-	-
	-	-	-
	92,894	25,310	46,396
	<u>22,390,029</u>	<u>19,739,676</u>	<u>15,612,062</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)**

	<b>Fiscal Year</b>			
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
General fund				
Unassigned	\$ 22,822,235	\$ 25,730,000	\$ 28,304,417	\$ 34,169,319
Total general fund	<u>\$ 22,822,235</u>	<u>\$ 25,730,000</u>	<u>\$ 28,304,417</u>	<u>\$ 34,169,319</u>
All other governmental funds				
Restricted for:				
Debt service	\$ 5,712,998	\$ 5,819,205	\$ 6,318,578	\$ 5,783,385
Capital improvements	284,563	7,165,710	14,452,483	25,249,399
Equipment	106,335	329,317	647,410	413,319
Community development	985,069	3,439,590	4,057,846	2,819,163
Law enforcement	68,250	59,645	77,775	80,031
Tourism	322,053	296,299	315,274	262,967
Total all other governmental funds	<u>\$ 7,479,268</u>	<u>\$ 17,109,766</u>	<u>\$ 25,869,366</u>	<u>\$ 34,608,264</u>

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

<b>Fiscal Year</b>					
<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 33,106,575	\$ 39,142,518	\$ 35,999,110	\$ 21,857,931	\$ 35,069,822	\$ 34,401,614
<u>\$ 33,106,575</u>	<u>\$ 39,142,518</u>	<u>\$ 35,999,110</u>	<u>\$ 21,857,931</u>	<u>\$ 35,069,822</u>	<u>\$ 34,401,614</u>
\$ 5,309,363	\$ 858,184	\$ 3,722,085	\$ -	\$ -	\$ -
37,847,937	-	-	-	-	-
149,187	(980)	-	-	-	-
2,999,512	-	-	-	-	-
14,062	19,702	-	-	-	-
75,968	-	-	-	-	-
<u>\$ 46,396,029</u>	<u>\$ 876,906</u>	<u>\$ 3,722,085</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Fiscal Year			
	2011	2010	2009	2008
Revenues				
Taxes	\$ 2,152,052	\$ 1,853,545	\$ 1,845,476	\$ 2,061,368
Intergovernmental revenue	809,437	316,176	310,017	310,188
Charges for services	4,060,752	1,705,898	1,661,146	-
Investment earnings	274,702	413,453	1,624,693	3,554,557
Real estate income - gaming	4,972,759	4,876,918	5,079,236	5,049,125
Gaming revenue	9,333,622	9,550,347	9,718,310	9,170,049
Licenses and fees	67,121	65,765	91,275	105,818
Fines and forfeitures	272,520	336,073	250,397	188,911
Recreation fees	54,281	57,851	34,102	22,279
Miscellaneous	44,782	103,235	16,275	92,894
TIF revenue**	2,531,727	2,322,386	2,422,337	2,190,264
Total revenues	<u>24,573,755</u>	<u>21,601,647</u>	<u>23,053,264</u>	<u>22,745,453</u>
Expenditures				
Administrative and support	3,101,376	2,845,019	2,329,588	2,106,530
Municipal court	151,678	143,329	138,671	127,247
Public safety administration****	500,781	468,776	447,162	-
Police services	2,083,386	2,059,677	1,957,651	2,370,824
Operations support	607,814	574,827	504,515	369,433
Fire services	1,173,397	1,140,734	590,159	501,427
Public works	1,225,402	1,271,986	1,045,468	796,276
Parks and recreation	592,584	506,783	406,136	382,808
Community development	456,607	336,651	433,659	473,846
Building and codes***	140,565	111,981	142,333	136,993
Other departments	-	-	-	-
Capital outlay	21,080,414	18,557,731	23,436,065	18,862,799
TIF Expenditures, net of revenues**	-	-	-	-
Principal**	4,340,000	2,275,000	3,548,200	1,880,000
Interest**	2,420,314	2,539,407	2,677,457	2,762,291
Bond issuance costs**	-	-	-	-
Total expenditures	<u>37,874,318</u>	<u>32,831,901</u>	<u>37,657,064</u>	<u>30,770,474</u>
Excess of revenues over (under) expenditures	(13,300,563)	(11,230,254)	(14,603,800)	(8,025,021)
Other financing sources (uses)				
Transfers in	5,844,652	4,736,748	7,269,467	2,043,799
Transfers out	(5,844,652)	(4,736,748)	(7,269,467)	(2,043,799)
Issuance of lease	762,300	-	-	-
Issuance of TIF bonds	-	-	-	-
Premium on bonds issuance	-	-	-	-
Discount on bonds issuance	-	-	-	-
Total other financing sources (uses)	<u>762,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (12,538,263)</u>	<u>\$ (11,230,254)</u>	<u>\$ (14,603,800)</u>	<u>\$ (8,025,021)</u>
Debt service as a percentage of noncapital expenditures	35%	27%	34%	28%

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

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

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

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

Fiscal Year					
2007	2006	2005	2004	2003	2002
\$ 1,791,178	\$ 1,642,612	\$ 1,429,694	\$ 1,364,533	\$ 1,491,915	\$ 1,480,907
370,232	1,302,846	483,414	716,049	180,145	45,165
-	-	-	-	-	-
2,244,178	1,411,830	733,502	354,341	582,117	1,068,799
4,913,928	4,247,146	4,589,088	4,347,457	3,370,638	4,970,832
8,550,830	7,961,232	7,843,345	6,473,005	5,351,069	5,862,184
97,669	63,621	69,851	72,840	54,656	60,140
227,052	176,180	178,481	198,961	141,079	184,215
24,370	29,522	19,134	30,822	20,999	25,992
25,310	46,396	58,131	110,613	47,320	93,113
1,922,001	-	-	-	-	-
20,166,748	16,881,385	15,404,640	13,668,621	11,239,938	13,791,347
2,595,393	1,329,815	1,033,579	799,553	781,583	1,640,220
145,525	138,230	125,896	124,253	127,524	122,866
-	-	-	-	-	-
2,156,671	1,514,316	1,444,932	1,273,387	1,108,621	1,081,037
296,153	248,106	243,025	213,809	234,596	220,494
387,864	60,295	49,391	44,227	17,679	31,464
832,589	455,024	374,206	247,952	219,880	316,877
307,784	225,278	294,961	214,584	230,329	266,638
218,351	213,386	133,801	93,154	58,823	116,910
-	-	-	-	-	-
-	-	-	-	-	115,738
16,678,172	7,538,823	7,232,001	13,415,223	7,825,157	1,270,689
-	1,891,289	3,029,447	10,454,370	-	-
940,000	-	-	-	-	-
937,915	-	-	-	-	-
996,670	-	-	-	-	-
26,493,087	13,614,562	13,961,239	26,880,512	10,604,192	5,182,933
(6,326,339)	3,266,823	1,443,401	(13,211,891)	635,746	8,608,414
10,083,923	31,201,324	-	13,415,223	7,825,157	1,270,689
(10,083,923)	(31,201,324)	-	(13,415,223)	(7,825,157)	(1,270,689)
-	-	-	-	-	-
40,265,000	-	-	-	-	-
846,479	-	-	-	-	-
(62,500)	-	-	-	-	-
41,048,979	-	-	-	-	-
<u>\$ 34,722,640</u>	<u>\$ 3,266,823</u>	<u>\$ 1,443,401</u>	<u>\$ (13,211,891)</u>	<u>\$ 635,746</u>	<u>\$ 8,608,414</u>
11%	n/a	n/a	n/a	n/a	n/a

**City of Riverside, Missouri**  
**Tax Revenues by Source**  
**2001-2011**  
**(Modified Accrual Basis of Accounting)\***  
**(unaudited)**

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Tourism Tax</u>
2002	\$1,006,356	\$ 351,786	\$ -
2003	1,102,296	389,619	-
2004	1,321,091	393,988	-
2005	1,030,980	398,714	-
2006	1,223,107	397,422	22,063
2007	1,301,457	437,693	52,028
2008	1,264,328	614,565	182,475
2009	1,162,363	505,060	178,053
2010	1,207,371	470,571	175,603
2011	1,256,558	583,266	176,958

The City levied the Tourism Tax beginning in FY 2006.

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

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

<u>Year</u>	<u>City</u>	<u>County*</u>	<u>State**</u>	<u>Total</u>
2002	1.000	1.125	4.225	6.350
2003	1.000	1.000	4.225	6.225
2004	1.000	1.375	4.225	6.600
2005	1.000	1.375	4.225	6.600
2006	1.000	1.375	4.225	6.600
2007	1.000	1.375	4.225	6.600
2008	1.000	1.375	4.225	6.600
2009	1.000	1.375	4.225	6.600
2010	1.000	1.375	4.225	6.600
2011	1.000	1.375	4.225	6.600

\* Source: Platte County, Missouri

\*\* Source: State of Missouri

**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>
2002	\$ 5,862,184	\$ 4,970,832	\$ 10,833,016
2003	5,351,069	3,370,638	8,721,707
2004	6,473,005	4,347,457	10,820,462
2005	7,843,345	4,589,088	12,432,433
2006	7,961,232	4,247,146	12,208,378
2007	8,550,830	4,913,928	13,464,758
2008	9,170,049	5,049,125	14,219,174
2009	9,718,310	5,079,236	14,797,546
2010	9,550,347	4,876,918	14,427,265
2011	9,333,622	4,972,759	14,306,381

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

**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>
2002	\$1 per patron	2.0%
2003	\$1 per patron	2.0%
2004	\$1 per patron	2.0%
2005	\$1 per patron	2.0%
2006	\$1 per patron	2.0%
2007	\$1 per patron	2.0%
2008	\$1 per patron	2.0%
2009	\$1 per patron	2.1%
2010	\$1 per patron	2.1%
2011	\$1 per patron	2.1%

Source: Missouri Gaming Commission

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

<b>Fiscal Year</b>	<b>Percentage of Admissions</b>	<b>Percentage of Adjusted Gross Receipts</b>
2002	16.33%	16.78%
2003	14.75%	15.61%
2004	17.61%	19.10%
2005	19.82%	21.98%
2006	19.38%	21.46%
2007	21.91%	23.83%
2008	24.75%	26.04%
2009	26.14%	27.48%
2010	25.07%	27.31%
2011	25.25%	27.16%

Source: Missouri Gaming Commission

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

<b>Fiscal Year</b>	<b>TIF Bonds</b>	<b>Percentage of Personal Income*</b>	<b>Per Capita*</b>
2002	\$ 2,320,000	4.19%	\$ 770
2003	3,575,000	6.40%	1,196
2004	3,500,000	6.15%	1,170
2005	19,215,000	32.95%	6,384
2006	18,325,000	30.83%	6,084
2007	57,650,000	94.84%	19,070
2008	55,770,000	89.32%	18,309
2009	51,880,000	80.42%	16,817
2010	49,585,000	75.33%	16,073
2011	45,125,000	67.16%	14,627

\* See the Schedule of Demographic and Economic Statistics on page 78 for personal income and population data.

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

<b>Fiscal Year</b>	<b>TIF Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
		<b>Principal</b>	<b>Interest</b>	
2002	\$ 322,828	\$ 35,000	\$ 164,441	1.62
2003	349,342	45,000	233,373	1.25
2004	528,237	75,000	236,373	1.70
2005	1,064,007	585,000	614,891	0.89
2006	1,153,120	890,000	971,153	0.62
2007	1,922,001	940,000	1,407,112	0.82
2008	2,190,264	1,880,000	2,759,983	0.47
2009	2,422,337	3,548,200	2,677,457	0.39
2010	2,278,764	2,275,000	2,539,407	0.47
2011	2,469,629	4,340,000	2,420,314	0.37

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

<b>Fiscal Year</b>	<b>Population (a)</b>	<b>Per Capita Personal Income (b)</b>	<b>Total Personal Income (b)</b>	<b>Median Family Income (a)</b>	<b>Unemployment Rate (c)</b>
2002	3,012	\$ 18,378	\$55,354,536	\$ 28,580	3.1%
2003	2,989	18,698	55,888,322	33,401	4.1%
2004	2,991	19,029	56,915,739	39,217	4.3%
2005	3,010	19,373	58,312,730	37,270	4.5%
2006	3,012	19,732	59,432,784	38,654	4.4%
2007	3,023	20,107	60,783,461	40,000	3.9%
2008	3,046	20,498	62,436,908	39,943	4.1%
2009	3,085	20,910	64,507,350	38,423	5.1%
2010	3,085	21,337	65,823,713	39,207	7.8%
2011	3,085	21,781	67,192,846	40,023	7.7%

Sources:

- (a) Mid-America Regional Council Research Services - ([www.metrodataline.org](http://www.metrodataline.org))
- (b) Year 2000 US Census Bureau, all other years are inflation adjusted
- (c) U.S. Department of Labor for Platte County, Missouri

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

Employer	2011			2002		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Argosy Casino	1,000	1	24.2%	929	1	27.9%
Faurecia/ Riverside						
Seat Company	235	2	5.7%	200	3	6.0%
Capital Electric	200	3	4.8%	-	-	0.0%
Park Hill School District	160	4	3.9%	-	-	0.0%
Woodbridge	137	5	3.3%	150	2	4.5%
Knappco/Civacon	135	6	3.3%	-	-	0.0%
Corner Café	129	7	3.1%	95	4	2.8%
Riverside Nursing & Rehab.	123	8	3.0%	-	-	0.0%
Apria Medical	100	9	2.4%	-	-	0.0%
Red X	100	9	2.4%	93	6	2.8%
Carter Energy Corporatic Intercontinental	-	-	0.0%	40	9	1.2%
Engineering	-	-	0.0%	94	5	2.8%
Viron	-	-	0.0%	80	7	2.4%
Sherer Trucking	-	-	0.0%	50	8	1.5%
Kitterman	-	-	0.0%	35	10	1.0%
<b>Total</b>	<b>2,319</b>		<b>56.0%</b>	<b>1,766</b>		<b>53.0%</b>

Source: City of Riverside city clerk business license database.

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

Function	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government	8	7	7	7	7	6	5	5	5	3
Municipal court	1	1	1	1	1	1	1	1	1	1
Public safety										
Public safety administration	3	3	3	-	-	-	-	-	-	-
Police										
Officers	24	24	24	25	23	21	21	20	18	17
Civilians	-	-	-	1	1	1	1	1	-	-
Operations support	10	10	8	6	6	6	5	5	5	5
Fire	14	14	11	3	1	1	1	-	-	-
Public works										
Street maintenance	8	8	8	8	9	7	6	5	4	4
Building codes	2	2	2	2	2	1	1	1	1	1
Parks & recreation	2	2	2	2	2	2	2	2	2	2
Community development	3	3	2	2	2	2	1	1	-	-
<b>Total</b>	<b>75</b>	<b>74</b>	<b>68</b>	<b>57</b>	<b>54</b>	<b>48</b>	<b>44</b>	<b>41</b>	<b>36</b>	<b>33</b>

Source: City of Riverside operating budget documents

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

Function/Program	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Police Services*:										
Traffic & ordinance citations	2,180	3,491	2,667	3,798	2,939	2,208	2,234	2,239	1,926	2,239
Municipal & state arrests	1,023	1,293	1,018	901	1,067	2,208	1,120	1,175	1,125	1,212
Fire Services*										
Structure fires	7	9	8	5	9	-	-	-	-	-
Calls for service	1,075	943	788	487	293	-	-	-	-	-
Inspections conducted	416	397	479	354	5	-	-	-	-	-
Building Codes**:										
Commercial building permits	19	17	25	20	9	33	15	20	8	47
Residential building permits	15	19	23	20	49	50	29	30	13	2

\*Source: City of Riverside police safety department

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

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

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

Function/Program	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
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	-	-	-	-
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***	59	59	59	58	55	55	55	55	55	55

\*Source: City of Riverside public safety department

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

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