

City of Riverside, Missouri

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

Prepared by Finance Department

Donna Resz, Finance Director

City of Riverside, Missouri
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2012

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2950 NW Vivion Road
Riverside, MO 64150

October 30, 2012

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, 2012. The CAFR was prepared by the City's Finance Division in close cooperation with the external auditor, McGladrey LLP.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that 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 LLP, have issued an unqualified ("clean") opinion on the City of Riverside's financial statements for the year ended June 30, 2012. 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 2,937.

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, Hoover Universal, 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.

Relevant financial policies

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

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

Major initiatives

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

Parks and Recreation: The City of Riverside continues to develop its trail system with design of the Upper and Lower Line Creek Trails.

Public Safety: In fiscal year 2012, the Public Safety Department completed a 2-year project for a new P25 Digital 800 MHz radio system, which is a significant upgrade from its old outdated VHF system. The new system ties Riverside into the regional radio system that allows complete interoperability with the majority of cities in the Kansas City Metro area. In addition, this system is fully compliant with the FCC’s narrowbanding mandates which go into effect on January 1, 2013.

Horizons: With the creation of a new master plan and the execution of a development agreement with NorthPoint Development to implement this plan, Riverside Horizons saw a tremendous amount of development activity this past year. With infrastructure nearly completed that include new streets, utilities, and landscaping, the area is now open for vertical development. Horizons has seen roughly 1,000,000 square feet of high end manufacturing and distribution space come to fruition over the last 18 months, resulting in job creation and financial benefit to the City.

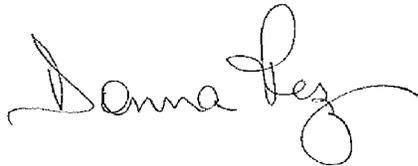
Awards and Acknowledgements

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, 2011. This was the sixth 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.

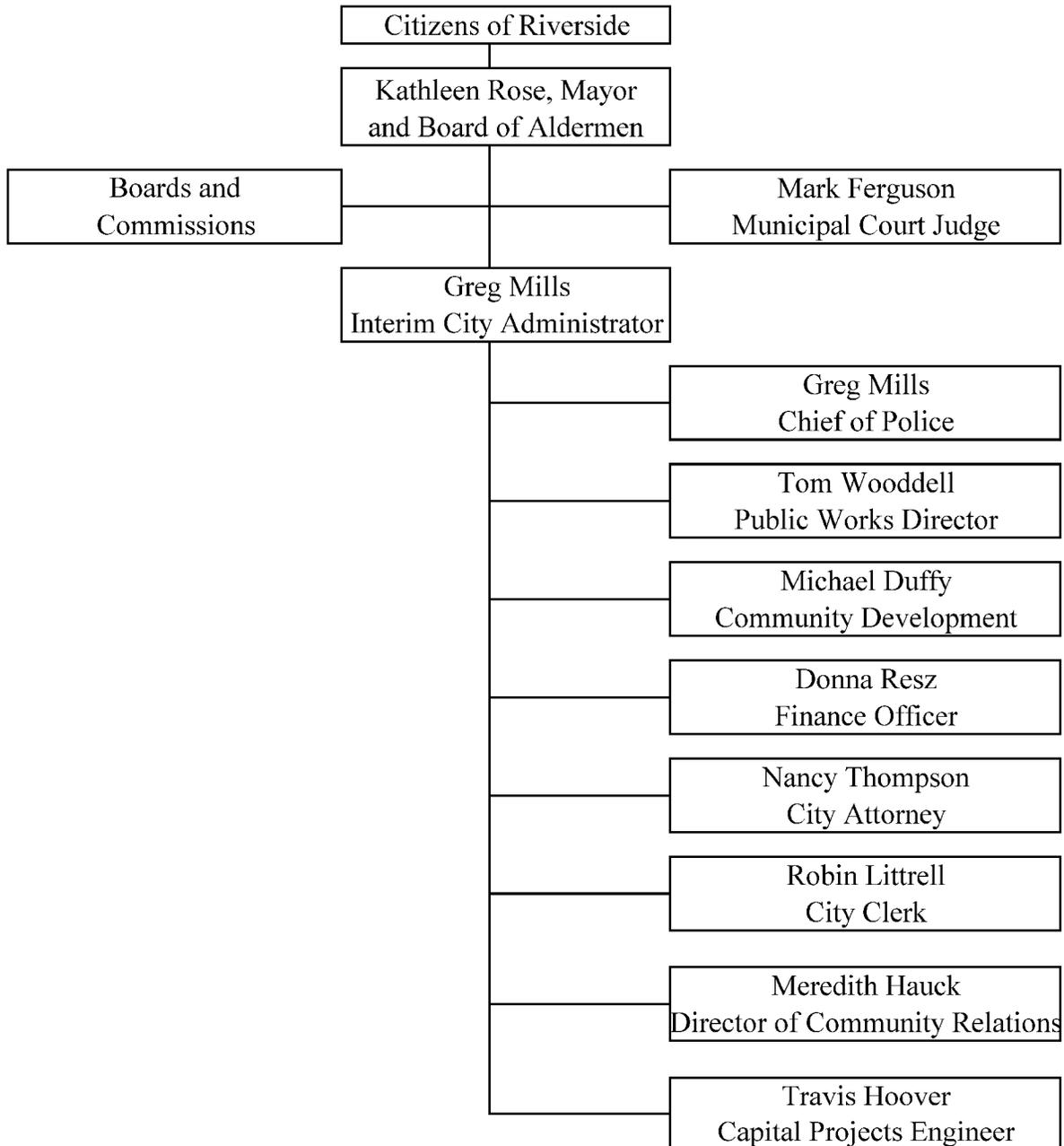
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and the assistance of other departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation 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 fluid and includes a long, sweeping underline that extends to the right.

Donna Resz
Finance Director

**City of Riverside, Missouri
Organizational Chart
For the Year Ended June 30, 2012**



**City of Riverside, Missouri
Principal Officers
June 30, 2012**

Elected Officials

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

Appointed Officials

Interim City Administrator	Greg Mills
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, 2011

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.



Linda C. Stanton

President

Jeffrey R. Egan

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, 2012, 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, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2012 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 21 and the schedules of funding progress on page 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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 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. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

McGladrey LLP

Kansas City, Missouri
October 29, 2012

**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, 2012. 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 \$98,608,573 (net assets). Of this amount, (\$594,131) 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 1% or \$1,302,472. 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 \$24,397,397 a decrease of (\$5,904,106) over the previous year. Approximately \$12,642,233 of this amount is available for spending at the government's discretion.
- The unassigned fund balance for the General Fund was \$12,642,233 compared to \$8,519,395 in general fund expenditures.
- The City of Riverside total debt (excluding compensated absences) decreased by (\$2,675,000) or (6%).

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 31-52 of this report.

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

Government-Wide Financial Analysis

As noted earlier, net 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 \$98,608,573 as of June 30, 2012. Following is a condensed version of the government-wide statement of net assets comparing fiscal year 2012 and 2011.

City of Riverside Net Assets

	2012	2011
Current and other assets	\$ 32,286,480	\$ 34,422,920
Capital assets	118,719,822	113,325,267
Total assets	<u>151,006,302</u>	<u>147,748,187</u>
Long-term liabilities outstanding	50,308,430	46,078,624
Other liabilities	2,089,299	4,363,462
Total liabilities	<u>52,397,729</u>	<u>50,442,086</u>
Net assets:		
Investment in capital assets, net of related debt	87,447,540	80,614,617
Restricted	11,755,164	7,479,268
Unrestricted	(594,131)	9,212,216
Total net assets	<u>\$ 98,608,573</u>	<u>\$ 97,306,101</u>

The largest portion of the City of Riverside's net assets (89%) 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 (12%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of (-1%) may be used to meet the government's ongoing obligations to its citizens and creditors.

Current and other assets decreased by (\$2,136,440) (-6%) and capital assets increased by \$5,394,555 (5%) largely due to the construction of infrastructure in Horizons Business Park, and Northwood Road which correlated to the capitalization of \$2,445,558, and \$2,381,246 in expenditures, respectively.

Long-term liabilities increased by \$4,229,806 (9%) due to a development agreement with NorthPoint Realty. In this agreement, Northpoint agreed to contribute 51% of infrastructure costs with the Horizons Development. In return, they will receive land proceeds in excess of 50 cents a square foot and a portion of PILOTS on subsequent development until their contribution has been repaid. The outstanding balance at June 30, 2012 was \$4,491,791.

Other liabilities decrease by (\$2,274,163) (-52%) due to the reduction of accounts payable invoices for construction projects.

Investment in capital assets, net of related debt increased \$6,832,923 (8%) due to the reduction of debt related to capital assets by \$1,415,000, and construction of other infrastructure with current resources.

Unrestricted net assets decreased by (\$9,806,347) or (-106%). Key elements of this decrease are as follows:

**City of Riverside
Changes in Net Assets**

	2012	2011
Revenues:		
Program revenues:		
Charges for services	\$ 770,570	\$ 4,398,815
Operating grants and contributions	32,747	12,122
Capital grants and contributions	3,689,165	510,410
General revenues:		
Sales tax	1,358,640	1,256,558
Other taxes	760,880	760,224
Grants and contributions not restricted for specific programs	287,393	297,315
Tax increment financing revenue	2,615,532	2,531,727
Gaming revenue	8,528,022	9,333,622
Real estate income – gaming	4,424,307	4,972,759
Investment earnings	187,308	274,702
Gain on purchase of bonds	-	120,000
Gain on land lease	325,557	51,263
Other	18,736	44,782
Total revenues	22,998,857	24,564,299
Expenses:		
Administrative and support	3,340,602	3,167,034
Municipal court	163,037	151,884
Public safety	4,835,082	4,497,708
Public works	9,347,065	5,585,388
Parks and recreation	776,223	595,934
Community development	422,397	465,551
Building and codes	138,467	148,270
Interest on long-term debt	2,673,512	2,393,978
Total expenses	21,696,385	17,005,747
Change in net assets	1,302,472	7,558,552
Net assets, beginning of year	97,306,101	89,747,549
Net assets, end of year	\$98,608,573	\$97,306,101

The decrease in charges for services of (\$3,628,245) or (82%) is attributable to the completion of Argosy Casino Parkway North and the subsequent decrease in contributions made by Penn Gaming.

The increase in operating grants and contributions of \$20,625 or (170%) is reflective of a FEMA grant for flood damage at E. H. Young Park.

The increase in capital grants and contributions of \$3,178,755 (623%) is largely attributable to the development agreement with NorthPoint in which they contributed 51% of infrastructure costs with the Horizons development.

Gaming revenues and real estate income from gaming decreased by (\$805,600) and \$548,452), respectively. In February 2012, an additional casino was opened in the Kansas City metropolitan area. While significant, the City had been forecasting this decrease in its five year capital plan.

Investment earnings decreased by (\$87,394) (-32%) as the result of significantly lower interest rates.

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

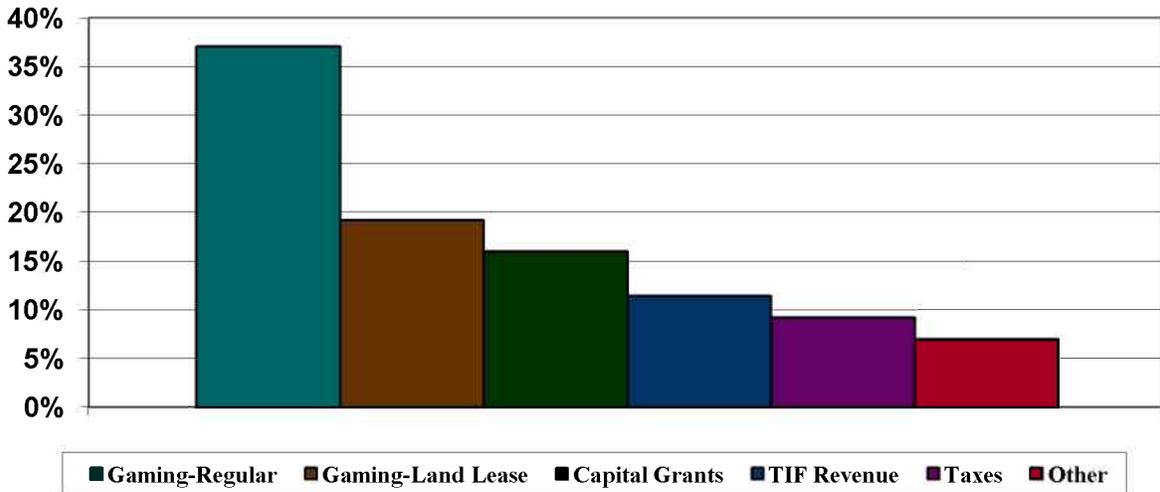
Gain on land lease increased by \$274,294 or (535%). In fiscal year 2012, the City entered into a sales-type agreement with a private business which resulted in recognition of \$223,030 in gain on land lease.

Public works expenses increased by \$3,761,677 or (67%). This increase is largely due to the construction of capital assets that will not be owned or maintained by the City of Riverside, including the Vivion Road Bridge over Line Creek which is maintained by MODOT and the extension of utility lines within the Horizons development.

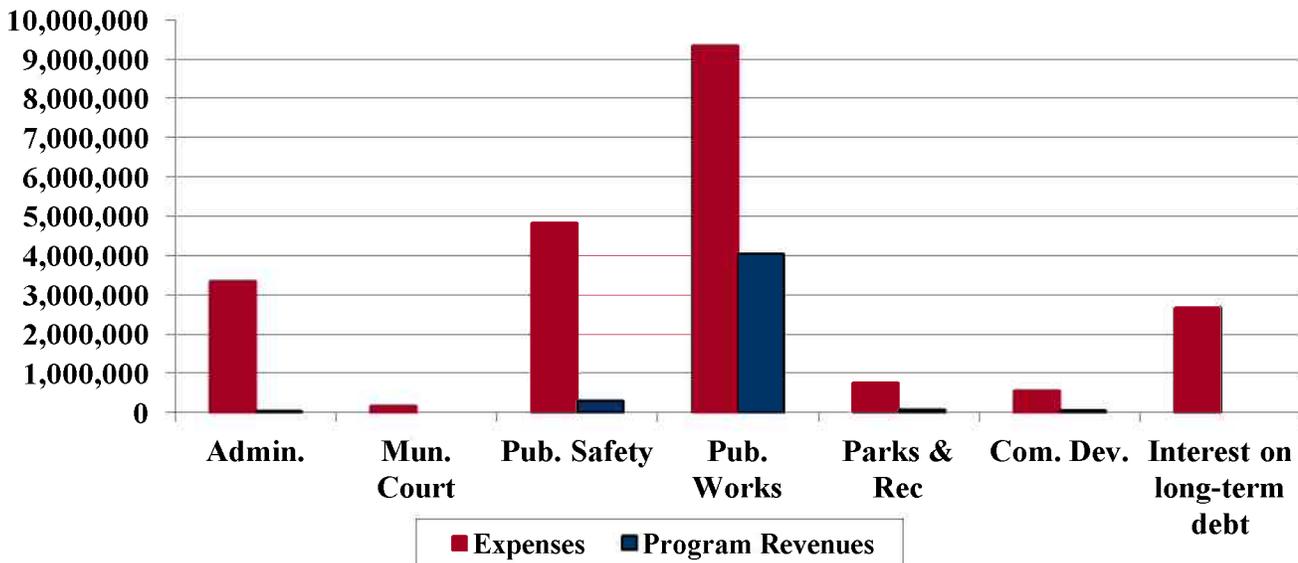
Park and recreation expenses increased by \$180,289 or (30%). This increase is due to increased costs of utilities and maintenance of the water features and right of way throughout the City.

Interest on long-term debt increased by \$279,534 (12%) due to the accrual of interest related to the developer liability. The City entered into an agreement with NorthPoint Realty. NorthPoint agreed to contribute 51% of infrastructure costs with the Horizons Development. In return, they will receive land proceeds in excess of 50 cents a square foot and a portion of PILOTS on subsequent development until their contribution has been repaid. The outstanding balance of \$4,491,791 was subject to a 15% return on investment.

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 \$24,397,397, a decrease of (\$5,904,106) in comparison with the prior year. Approximately 52% or \$12,642,233 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 (\$5,327,671), to construct capital improvements (\$4,200,664), to community development (\$1,618,153), to purchase equipment (\$153,515), for law enforcement (\$76,991) and for tourism (\$378,170).

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 \$12,642,233. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 148% of total general fund expenditures.

The fund balance of the City of Riverside's general fund decreased by (\$10,180,002) or (-45%) during the current fiscal year largely due to budgeted transfers of \$8,791,374 to other funds for capital improvements, future economic development and maintain debt service reserves.

The fund balance of the capital improvement fund increased by \$3,916,101 largely due to a developer contribution for future infrastructure improvements \$1,757,460 and a budgeted transfer from the general fund.

The fund balance of the community development fund increased by \$633,084 due to issuance of a sales-type lease for economic development.

General Fund Budgetary Highlights

General Fund Revenues: Overall actual general fund revenues (\$7,130,767) were lower than budgeted revenues (\$7,371,372) by \$240,605. Some elements of this difference are the following:

- Investment earnings were less than the original budget by (87%) due to lower interest rates.

General Fund Expenditures: The legally adopted budget for the General Fund was amended by the Board of Aldermen during the current fiscal year to increase transfers to other funds.

In the general government department, the elected officials division actual expenditures were 13% under budget as a result of fewer than anticipated meetings. The municipal court division was over budget by 2% due to higher prisoner expenditures for housing.

In the public safety department, the public safety administration division was over budget by 8% due to higher fuel costs. The police division and the fire division actual expenditures were under budget by 12% and 11% due to employee vacancies

In the public works department, the public works division actual expenditures were under budget by 13% due to a mild winter that resulted in less overtime and snow removal material expenditures.

In the parks and recreation department, the parks division was over budget by 9% 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 2% due to increased usage of the Healthy Citizens Initiative.

In the community development department, the building and codes division was under budget by 15% due to a vacancy for a portion of the year and 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, 2012, amounts to \$118,719,822, (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 5% over the previous fiscal year.

City of Riverside Capital Assets, (Net of Depreciation)

	2012	2011
Land	\$ 17,057,361	\$ 16,239,139
Buildings	16,862,305	14,653,836
Improvements	2,656,010	2,701,416
Machinery and Equipment	2,390,303	1,904,380
Infrastructure	72,873,814	61,319,614
Construction in Progress	6,880,029	16,506,882
Total	\$118,719,822	\$113,325,267

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 \$42,450,000 in outstanding tax increment financing debt which is secured solely by tax increment financing revenues generated.

City of Riverside Outstanding Debt

	2012	2011
Tax Increment Financing Bonds	\$42,450,000	\$45,125,000

The City of Riverside's total debt decreased by (\$2,675,000) or (6%) 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 5.7% which is an increase from a rate of 7.5% a year ago. This compares favorably to the state's unemployment rate of 7.1% and the national rate of 8.2%.

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, 2012

	Governmental Activities
Assets:	
Current assets:	
Cash and investments	\$ 14,947,158
Taxes receivable	501,593
Interest receivable	309,616
Gaming receivable	551,745
Other receivable	114,674
Total current assets	16,424,786
Noncurrent assets:	
Restricted cash and investments	15,005,549
Deferred charges, net	856,145
Capital assets not being depreciated:	
Land	17,057,361
Construction in progress	6,880,029
Capital assets being depreciated:	
Buildings	19,984,851
Land improvements	2,853,818
Equipment	5,110,679
Infrastructure	80,956,237
Accumulated depreciation	(14,123,153)
Total noncurrent assets	134,581,516
Total assets	\$ 151,006,302
Liabilities:	
Current liabilities:	
Accounts payable	\$ 1,944,261
Accrued wages	134,318
Deposits	10,720
Current portion of long-term obligations:	
Compensated absences	180,300
Accrued interest	336,560
Unearned lease revenue	325,557
TIF bonds payable	2,465,000
Total current liabilities	5,396,716
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Compensated absences	88,805
OPEB liability	50,167
Unearned lease revenue	1,741,614
Developer liability	4,491,791
TIF bonds payable	40,628,636
Total noncurrent liabilities	47,001,013
Total liabilities	52,397,729
Net Assets:	
Invested in capital assets, net of related debt	87,447,540
Restricted for:	
Tax increment financing debt service	5,327,671
Capital improvements and equipment	4,354,179
Community development	1,618,153
Tourism	378,170
Law enforcement	76,991
Unrestricted	(594,131)
Total net assets	98,608,573
Total liabilities and net assets	\$ 151,006,302

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	
Primary Government				
Governmental Activities				
Administrative and support	\$ 3,340,602	\$ 40,154	\$ -	\$ -
Municipal court	163,037	-	-	-
Public safety administration	555,516	-	-	-
Police services	2,331,412	269,042	32,747	-
Operations support	700,555	-	-	-
Fire services	1,247,599	-	-	-
Public works	9,347,065	347,037	-	3,689,165
Parks and recreation	776,223	66,564	-	-
Community development	422,397	168	-	-
Building and codes	138,467	47,605	-	-
Interest on long-term debt	2,673,512	-	-	-
Total governmental activities	<u>\$ 21,696,385</u>	<u>\$ 770,570</u>	<u>\$ 32,747</u>	<u>\$ 3,689,165</u>
General revenues				
Taxes				
Sales tax				1,358,640
Franchise tax				587,217
Tourism tax				173,663
Grants and contributions not restricted to specific programs				287,393
Investment earnings				187,308
Real estate income - gaming				4,424,307
Gaming revenue				8,528,022
Tax increment financing revenue				2,615,532
Gain from land lease				325,557
Miscellaneous				18,736
Total general revenues				<u>18,506,375</u>
Change in net assets				1,302,472
Net assets, beginning of year				<u>97,306,101</u>
Net assets, end of year				<u>\$ 98,608,573</u>

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Balance Sheet
Governmental Funds
June 30, 2012

	General Fund	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 12,291,581	\$ 413,589	\$ 1,626,782	\$ -	\$ 615,206	\$ 14,947,158
Taxes receivable	383,905	-	-	96,093	21,595	501,593
Interest receivable	81,799	-	-	227,817	-	309,616
Gaming receivable	-	551,745	-	-	-	551,745
Other receivable	1,183	110,695	635	-	2,161	114,674
Restricted cash and investments	-	9,505,702	-	5,499,847	-	15,005,549
Due from other funds	402,154	-	-	-	-	402,154
Total Assets	\$ 13,160,622	\$ 10,581,731	\$ 1,627,417	\$ 5,823,757	\$ 638,962	\$ 31,832,489
Liabilities						
Accounts payable	\$ 373,351	\$ 1,533,521	\$ 9,264	\$ -	\$ 28,125	\$ 1,944,261
Accrued wages	134,318	-	-	-	-	134,318
Deferred revenue	-	-	-	96,093	-	96,093
Deposits	10,720	-	-	-	-	10,720
Developer liability	-	4,847,546	-	-	-	4,847,546
Due to other funds	-	-	-	399,993	2,161	402,154
Total liabilities	518,389	6,381,067	9,264	496,086	30,286	7,435,092
Fund balance						
Restricted for:						
Debt service	-	-	-	5,327,671	-	5,327,671
Capital improvements	-	4,200,664	-	-	-	4,200,664
Equipment	-	-	-	-	153,515	153,515
Community development	-	-	1,618,153	-	-	1,618,153
Law enforcement	-	-	-	-	76,991	76,991
Tourism	-	-	-	-	378,170	378,170
Unassigned	12,642,233	-	-	-	-	12,642,233
Total fund balance	12,642,233	4,200,664	1,618,153	5,327,671	608,676	24,397,397
Total liabilities and fund balance	\$ 13,160,622	\$ 10,581,731	\$ 1,627,417	\$ 5,823,757	\$ 638,962	\$ 31,832,489

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, 2012

Total governmental fund balances		\$ 24,397,397
Capital assets used in Government Activities are not current financial resources and, therefore, are not reported as assets in the Government Funds Balance Sheet		118,719,822
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	\$ (269,105)	
OPEB liability	(50,167)	
Unearned lease revenue	(2,067,171)	
Forgiveness of developer liability	355,755	
Accrued interest on long term debt	(336,560)	
TIF Bonds payable	(42,450,000)	
Deferred charges, net	856,145	
Bond premium, net	(643,636)	(44,604,739)
Certain revenues are not available to pay for current period expenditures and therefore are deferred in the governmental funds		96,093
Net assets of governmental activities		\$ 98,608,573

See Accompanying Notes to the Basic Financial Statement.

City of Riverside, Missouri
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2012

	General	Capital Improvements	Community Development	TIF Debt Service	Nonmajor Governmental Funds	Total
Revenues						
Taxes:						
Sales tax	\$ 1,358,640	\$ -	\$ -	\$ -	\$ -	\$ 1,358,640
Franchise tax	587,217	-	-	-	-	587,217
Tourism tax	-	-	-	-	173,663	173,663
Intergovernmental revenue	287,393	1,079,000	-	-	32,747	1,399,140
Charge for services	-	347,037	-	-	-	347,037
Investment earnings	81,163	781	3,962	101,402	-	187,308
Real estate income - gaming	4,424,307	-	-	-	-	4,424,307
Gaming revenue	-	8,528,022	-	-	-	8,528,022
Licenses and fees	87,927	-	-	-	-	87,927
Fines and forfeitures	258,169	-	-	-	10,873	269,042
Recreation fees	42,178	-	-	-	24,386	66,564
Miscellaneous	3,773	-	-	-	14,963	18,736
Tax increment financing revenue	-	-	112,742	2,406,697	-	2,519,439
Total revenues	<u>7,130,767</u>	<u>9,954,840</u>	<u>116,704</u>	<u>2,508,099</u>	<u>256,632</u>	<u>19,967,042</u>
Expenditures						
Current:						
Administrative and support	1,722,219	-	-	1,317,715	163,878	3,203,812
Municipal court	161,947	-	-	-	-	161,947
Public safety administration	547,390	-	-	-	42,893	590,283
Police services	1,921,187	-	-	-	139,600	2,060,787
Operations support	674,363	-	-	-	-	674,363
Fire services	1,181,127	-	-	-	1,784	1,182,911
Public works	1,130,983	-	-	-	71,745	1,202,728
Parks and recreation	626,643	-	-	-	35,068	661,711
Community development	417,553	-	-	-	-	417,553
Building and codes	135,983	-	-	-	-	135,983
Capital outlay	-	12,526,199	1,876,600	-	-	14,402,799
Debt service:						
Principal	-	-	-	5,060,000	-	5,060,000
Interest	-	-	-	2,161,639	-	2,161,639
Bond issuance costs	-	-	-	79,419	-	79,419
Total expenditures	<u>8,519,395</u>	<u>12,526,199</u>	<u>1,876,600</u>	<u>8,618,773</u>	<u>454,968</u>	<u>31,995,935</u>
Deficiency of revenue under expenditures	<u>(1,388,628)</u>	<u>(2,571,359)</u>	<u>(1,759,896)</u>	<u>(6,110,674)</u>	<u>(198,336)</u>	<u>(12,028,893)</u>
Other financing sources (uses)						
Refunding bond issuance	-	-	-	2,385,000	-	2,385,000
Premium on issuance	-	-	-	17,810	-	17,810
Transfers in	-	6,981,000	1,500,000	2,251,000	310,374	11,042,374
Transfers out	(8,791,374)	(2,251,000)	-	-	-	(11,042,374)
Developer contribution	-	1,757,460	-	-	-	1,757,460
Sale of capital assets	-	-	-	282,826	-	282,826
Issuance of lease	-	-	892,980	788,711	-	1,681,691
Total other financing sources (uses)	<u>(8,791,374)</u>	<u>6,487,460</u>	<u>2,392,980</u>	<u>5,725,347</u>	<u>310,374</u>	<u>6,124,787</u>
Net change in fund balance	(10,180,002)	3,916,101	633,084	(385,327)	112,038	(5,904,106)
Fund balance, beginning of year	22,822,235	284,563	985,069	5,712,998	496,638	30,301,503
Fund balance, end of year	<u>\$ 12,642,233</u>	<u>\$ 4,200,664</u>	<u>\$ 1,618,153</u>	<u>\$ 5,327,671</u>	<u>\$ 608,676</u>	<u>\$ 24,397,397</u>

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, 2012

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

Net change in fund balances - total governmental funds \$ (5,904,106)

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	\$ 8,340,578	
Sale of capital assets	(282,826)	
Loss on disposal of capital assets	(38,165)	
Depreciation expense	<u>(2,625,032)</u>	5,394,555

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

TIF Revenue	96,093	
Lease revenue	<u>325,557</u>	421,650

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	32,957	
Long-term debt issuance	(2,385,000)	
Principal payments	5,060,000	
Change in developer liability	355,755	
Issuance of lease	(1,681,691)	
Amortization of bond premium	26,493	
Amortization of deferred charges, net	<u>17,636</u>	1,426,150

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		(18,517)
Change in OPEB accrual		(17,260)

Change in net assets of governmental activities \$ 1,302,472

City of Riverside, Missouri
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Budget to Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and fees	\$ 70,600	\$ 70,600	\$ 87,927	\$ 17,327
Fines & forfeitures	288,200	288,200	258,169	(30,031)
Recreation fees	30,000	30,000	42,178	12,178
Sales taxes	1,235,000	1,235,000	1,358,640	123,640
Franchise taxes	650,000	650,000	587,217	(62,783)
Intergovernmental revenue	300,072	300,072	287,393	(12,679)
Investment earnings	610,000	610,000	81,163	(528,837)
Real estate income - gaming	4,182,500	4,182,500	4,424,307	241,807
Miscellaneous revenue	5,000	5,000	3,773	(1,227)
Total revenues	<u>7,371,372</u>	<u>7,371,372</u>	<u>7,130,767</u>	<u>(240,605)</u>
Expenditures:				
General government:				
Elected officials	58,913	58,913	51,277	7,636
Administration	1,763,404	1,763,404	1,670,942	92,462
Municipal court	158,595	158,595	161,947	(3,352)
Total general government	<u>1,980,912</u>	<u>1,980,912</u>	<u>1,884,166</u>	<u>96,746</u>
Public safety				
Public safety administration	507,648	507,648	547,390	(39,742)
Police services	2,175,370	2,175,370	1,921,187	254,183
Operations support	693,455	693,455	674,363	19,092
Fire services	1,321,659	1,321,659	1,181,127	140,532
Total public safety	<u>4,698,132</u>	<u>4,698,132</u>	<u>4,324,067</u>	<u>374,065</u>
Public works				
Public works	985,697	985,697	861,800	123,897
Building maintenance	284,500	284,500	269,183	15,317
Total public works	<u>1,270,197</u>	<u>1,270,197</u>	<u>1,130,983</u>	<u>139,214</u>
Parks & recreation				
Parks	224,000	224,000	244,142	(20,142)
Community center	374,141	374,141	382,501	(8,360)
Total parks & recreation	<u>598,141</u>	<u>598,141</u>	<u>626,643</u>	<u>(28,502)</u>
Community development				
Community development	420,440	420,440	417,553	2,887
Building and codes	160,030	160,030	135,983	24,047
Total community development	<u>580,470</u>	<u>580,470</u>	<u>553,536</u>	<u>26,934</u>
Total expenditures	<u>9,127,852</u>	<u>9,127,852</u>	<u>8,519,395</u>	<u>608,457</u>
Revenues (under) expenditures	<u>(1,756,480)</u>	<u>(1,756,480)</u>	<u>(1,388,628)</u>	<u>367,852</u>
Other financing sources (uses),				
Transfers in	-	-	-	-
Transfers out	(7,800,000)	(13,070,000)	(8,791,374)	4,278,626
Total other financing sources (uses)	<u>(7,800,000)</u>	<u>(13,070,000)</u>	<u>(8,791,374)</u>	<u>4,278,626</u>
Net change in fund balance	<u>\$ (9,556,480)</u>	<u>\$ (14,826,480)</u>	<u>(10,180,002)</u>	<u>\$ 4,646,478</u>
Fund balance, beginning of year			22,822,235	
Fund balance, end of year			<u>\$ 12,642,233</u>	

See Accompanying Notes to the Basic Financial Statements

City of Riverside, Missouri
Statement of Assets and Liabilities
Agency Fund
June 30, 2012

	<u>Municipal Court Bond Account</u>
Assets	
Cash and investments	\$ <u>25,315</u>
Liabilities	
Due to others	\$ <u>25,315</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, 2012

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, 2012 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 Community Development Fund is shown as major for public interest purposes.

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

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

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

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

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

Measurement Focus and Basis of Accounting

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

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

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

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

Summary of Significant Accounting Policies

1. Cash and Investments

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

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

The City invests in the Missouri Securities Investment Program (MOSIP) which is an external investment pool 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, in accordance with the debt agreements, to cover debt payments in the event that the TIF Commission or the Riverside Industrial Development Authority were to default on their obligations on these liabilities. These resources have been shown as restricted.

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*

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

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

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

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

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the Board of Alderman through ordinance 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 \$5,327,671 for debt service, \$4,354,179 for capital improvements and equipment, \$76,991 for law enforcement, \$1,618,153 for community development and \$378,170 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, and the Fire-Police Athletic League Fund.

All appropriations are legally controlled at the fund level for the individual funds. On June 21, 2011, 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 \$16,682,200.

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, 2012, 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	\$9,542,922	2.31
Missouri Securities Investment, Program Money Market Fund	1,804,079	n/a
Missouri Securities Investment, Program Certificate of Deposits	6,870,000	1.63
Federated Money Market Fund	10,467,473	.10
Total Fair Value	<u>\$28,684,474</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 & Poor's Credit Rating</u>	<u>Percent of Total Investments</u>
Federal Home Loan Bank	AAA	10.5%
Federal Home Loan Mortgage Corporation	AAA	12.3%
Federal National Mortgage Association	AAA	10.5%
Federated Treasury Obligation Fund	AAA	36.5%
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, 2012, 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, 2012, the City's bank balance of deposits with financial institutions of \$1,358,702 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, 2012:

	2011 Balance	Additions	Deletions	2012 Balance
Capital assets not being depreciated:				
Land	\$16,239,139	1,131,449	(313,227)	\$17,057,361
Construction in progress	16,506,882	5,004,007	(14,630,860)	6,880,029
Total capital assets not being depreciated	<u>32,746,021</u>	<u>6,135,456</u>	<u>(14,944,087)</u>	<u>23,937,390</u>
Capital assets being depreciated:				
Buildings	17,399,113	2,585,738	-	19,984,851
Improvements	2,836,054	17,764	-	2,853,818
Machinery and equipment	4,182,087	1,059,155	(130,563)	5,110,679
Infrastructure	67,782,912	13,173,325	-	80,956,237
Total capital assets being depreciated	<u>92,200,166</u>	<u>16,835,982</u>	<u>(130,563)</u>	<u>108,905,585</u>
Less accumulated depreciation for:				
Buildings	(2,745,277)	(377,269)	-	(3,122,546)
Improvements	(134,638)	(63,170)	-	(197,808)
Machinery and equipment	(2,277,707)	(565,468)	122,799	(2,720,376)
Infrastructure	(6,463,298)	(1,619,125)	-	(8,082,423)
Total accumulated depreciation	<u>(11,620,920)</u>	<u>(2,625,032)</u>	<u>122,799</u>	<u>(14,123,153)</u>
Total capital assets, being depreciated, net	<u>80,579,246</u>	<u>14,210,950</u>	<u>(7,764)</u>	<u>94,782,432</u>
Governmental activities capital assets, net	<u>\$113,325,267</u>	<u>20,346,406</u>	<u>(14,951,851)</u>	<u>\$118,719,822</u>

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

Administration	\$146,494
Police Services	310,788
Operations Support	20,487
Fire Service	65,994
Public Works	1,943,299
Parks and Recreation	130,484
Community Development	3,847
Building and Codes	3,639
Total Depreciation Expense	<u>\$2,625,032</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	\$4,465,319	\$ 8,001
Horizons Phase I Construction	930,876	217,276	713,600
Horizons Phase I Construction	8,105,456	1,666,731	6,438,725
Northwood Road Phase 2	3,358,320	2,356,727	1,001,593
Total	<u>\$16,867,972</u>	<u>\$8,706,053</u>	<u>\$8,161,919</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, 2012 consisted of:

	<u>Due From</u>	<u>Due To</u>
General fund	\$402,154	\$ -
TIF debt service fund	-	399,993
Nonmajor governmental funds	-	2,161
Total	<u>\$402,154</u>	<u>\$402,154</u>

Transfers for the year ended June 30, 2012 consisted of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$8,791,374
Capital improvement fund	6,981,000	2,251,000
Community development fund	1,500,000	-
TIF debt service fund	2,251,000	-
Nonmajor governmental funds	310,374	-
Total	<u>\$11,042,374</u>	<u>\$11,042,374</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, 2012 were as follows:

	Balance June 30, 2011	Additions	Retirements	Balance June 30, 2012	Amounts Due Within One Year
Tax Increment Financing Bonds	\$45,125,000	\$2,385,000	\$5,060,000	\$42,450,000	\$2,465,000
Premium on bonds	670,129	17,810	44,303	643,636	-
OPEB Liability	32,907	17,260	-	50,167	-
Compensated absences	250,588	269,105	250,588	269,105	180,300
Total	<u>\$46,078,624</u>	<u>\$2,689,175</u>	<u>\$5,354,891</u>	<u>\$43,412,908</u>	<u>\$2,645,300</u>

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

Long-term debt payable as of June 30, 2012 is comprised of the following individual issues:

	Fiscal Year Issued	Maturity Date	Outstanding Interest Rates	Balance June 30, 2012
Series 2004 Tax Increment Financing Debt \$16,300,000	2005	5/1/05 – 5/1/20	2.5% to 4.875%	\$ 9,750,000
Series 2007A Tax Increment Financing Debt \$30,265,000	2007	5/1/08 – 5/1/27	4.5% to 5.0%	21,800,000
Series 2007B Tax Increment Financing Debt \$10,000,000	2007	5/1/14 – 5/1/27	4.5%	8,875,000
Series 2011 Tax Increment Financing Debt \$2,385,000	2012	5/1/12-5/1/20	2.0% to 4.0%	2,025,000
Total				<u>\$42,450,000</u>

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

Fiscal Year	Principal	Interest
2013	\$2,465,000	\$2,019,359
2014	3,280,000	1,913,232
2015	3,180,000	1,766,995
2016	3,340,000	1,619,145
2017	3,505,000	1,461,919
2018-2022	16,480,000	4,660,008
2023-2027	10,200,000	1,158,700
Total	\$42,450,000	\$14,599,358

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 \$12,173,113 payable through 2021. For the current year, principal and interest paid and total incremental property tax revenues were \$1,939,104 and \$2,406,697, 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 \$42,575,495 payable through 2027. For the current year, principal and interest paid and total incremental property tax revenues were \$2,930,688 and \$0, respectively.

During 2011, the Tax Increment Financing Commission, a blended component unit of the City, issued \$2,385,000 of Tax Increment Financing Revenue Bonds for a current refunding of the City's Series 1998, 1999 and 2002 Tax Increment Financing Revenue Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$36,848. This amount represents the accrued interest at the time of the refunding and is fully expensed as interest expense in 2012. The City completed this current refunding to reduce its debt service payments by \$270,881 and to obtain an economic gain of \$214,088. Total principal and interest remaining on the bonds is \$2,300,750 payable through 2021.

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, 2012, there was four issues of Missouri recovery zone facility revenue bonds outstanding with an aggregate original issue amount totaling \$67,900,000 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.

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

The agreement expires in fiscal year 2015, with six remaining five-year options to extend the terms of the lease. The amount of revenue recorded on the statement of revenues, expenditures and changes in fund balance in the General Fund for the fiscal year ended June 30, 2012 is \$4,424,307.

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, 2012, there was 1 City retiree participating in the plan.

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

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

Annual required contribution	\$17,654
Interest on net OPEB obligation	1,645
Adjustment to annual required contribution	(2,039)
Annual OPEB cost (expense)	17,260
Contributions and payments made	0
Increase in net OPEB obligation	17,260
Net OPEB obligation – July 1, 2011	32,907
Net OPEB obligation – June 30, 2012	\$50,167

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
June 30, 2012	17,260	0.0%	50,167

Funded status and funding progress: As of July 1, 2011, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$64,212 and the actuarial value of assets is none, resulting in an unfunded actuarial accrued liability (UAAL) of \$64,212. The covered payroll (annual payroll of active employees covered by the plan) was \$3,350,660 and the ratio of the UAAL to the covered payroll was 1.9 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. 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, 2011 actuarial valuation, projected unit credit actuarial cost method was used. The actuarial assumptions included a 5 percent investment rate of return (net of administrative expenses), a dental care cost trend rate of 4 percent and a medical claims and prescription cost trend rate of 8.5 percent initially, grading down to 5 percent in 10 years. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open group. The remaining amortization period at July 1, 2011, was 30 years.

Note 8 – Other Information

A. Risk Management

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

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

In the event that a deficit occurs with respect to any fiscal year of MPR or MOPERM for which the City was a participant at any time during such year, and in the event that MARCIT or MOPERM determines that an assessment is required in order to provide additional funds for the obligations of the insurance company for such year, and further, in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment whether or not the City is a member of MPR or MOPERM at the time of such assessment. Management of the City is not aware of any deficit situation in either company that would require an accrual of a liability as of June 30, 2012.

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 15.4% (general), 18.8% (police) and 16.5% (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 2012, the political subdivision’s annual pension cost of \$628,015 was equal to the required and actual contributions. The annual required contribution (ARC) was determined as part of the February 28, 2010 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 29, 2012 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, 2010, was 21 years for the general division, 19 years for the police division and 10 years for the fire division.

As of February 29, 2012, the most recent actuarial valuation date, the plan was 46 percent funded. The actuarial accrued liability for benefits was \$5,232,116, and the actuarial value of assets was \$2,419,659, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,812,457. The covered payroll (annual payroll of active employees covered by the plan) was \$3,566,313 and the ratio of the UAAL to the covered payroll was 79 percent.

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

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/10	\$530,374	100%	\$0
06/30/11	\$607,327	100%	\$0
06/30/12	\$628,015	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, 2012, 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 2012, the City entered into a sales-type lease agreement with a private business (the lessee) which expires in fiscal year 2013. In connection with the agreement, the City has purchased land for an approximate cost of \$342,650. The lessee will pay the City \$788,711 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 (June 2013). The lessee paid the City \$788,711 during fiscal year 2012, which has been recorded as an other financing source on the statement of revenues, expenditures and changes in fund balance in the TIF Debt Service Fund.

In accordance with GASB Statement No. 62, this transaction results in a gain on a sales-type lease of \$446,061 (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, 2012 is \$223,030. The balance of the unearned lease revenue as of June 30, 2012 is \$565,681.

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 paid the City \$1,655,280 in order to lease the land; the title of the land will not transfer to the third party until the end of the lease term (December 2020). The lessee paid the City \$762,300 during fiscal year 2011. The remaining balance of \$892,980 was received in fiscal year 2012 and has been recorded as an other financing source on the statement of revenues, expenditures and changes in fund balance in the Community Development Fund.

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, 2012 is \$102,527. The balance of the unearned lease revenue as of June 30, 2012 is \$1,501,490.

Note 9 – Governmental Accounting Standards Board Statements

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

GASB Statement No. 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. 65, *Items Previously Reported as Assets and Liabilities*, issued April 2012, will be effective for the City beginning with its year ending June 30, 2014. This Statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, *Elements of Financial Statements*, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, this Statement reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, the Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.

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

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

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

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
02/28/2010	\$ 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%
02/29/2012	2,419,659	5,232,116	2,812,457	46.2%	3,566,313	78.9%

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 29, 2012 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%
2012	07/01/2011	-	64,212	64,212	- %	3,350,660	1.9%

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, 2011. Additional information follows:

- The actuarial method used to determine the ARC is the projected unit credit actuarial cost method.
- There are no plan assets.
- The actuarial assumptions included: (1) 5 percent investment rate of return and (b) a dental care cost trend rate of 4 percent and 8.5 percent for medical claims and prescriptions; reduced by decrements to an ultimate rate of 5 percent in 8 years.
- 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, 2012**

	Special Revenue		
	DUI Fund	Tourism Tax	Federal & State Grants
Assets			
Cash and investments	\$ 21,878	\$ 376,543	\$ -
Taxes receivable	-	21,595	-
Other receivable	-	-	2,161
Total assets	\$ 21,878	\$ 398,138	\$ 2,161
Liabilities			
Accounts payable	\$ 110	\$ 19,968	\$ -
Due to other funds	-	-	2,161
Total liabilities	110	19,968	2,161
Fund balances			
Restricted for:			
Equipment	-	-	-
Law enforcement	21,768	-	-
Tourism	-	378,170	-
Total fund balance	21,768	378,170	-
Total liabilities and fund balances	\$ 21,878	\$ 398,138	\$ 2,161

<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>	
\$ 8,870	\$ 18,346	\$ 28,648	\$ 160,921	\$ 615,206
-	-	-	-	21,595
-	-	-	-	2,161
<u>8,870</u>	<u>18,346</u>	<u>28,648</u>	<u>160,921</u>	<u>638,962</u>
\$ 473	\$ -	\$ 168	\$ 7,406	\$ 28,125
-	-	-	-	2,161
<u>473</u>	<u>-</u>	<u>168</u>	<u>7,406</u>	<u>30,286</u>
-	-	-	153,515	153,515
8,397	18,346	28,480	-	76,991
-	-	-	-	378,170
<u>8,397</u>	<u>18,346</u>	<u>28,480</u>	<u>153,515</u>	<u>608,676</u>
<u>\$ 8,870</u>	<u>\$ 18,346</u>	<u>\$ 28,648</u>	<u>\$ 160,921</u>	<u>\$ 638,962</u>

City of Riverside, Missouri
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2012

	Special Revenue		
	DUI Fund	Tourism Tax	Federal & State Grants
Revenue:			
Taxes, tourism tax	\$ -	\$ 173,663	\$ -
Intergovernmental revenue	-	-	32,747
Fines and forfeitures	1,600	-	-
Recreation fees	-	-	-
Miscellaneous revenue	-	-	-
Total revenue	1,600	173,663	32,747
Expenditures:			
Current:			
Administrative and support	-	117,546	-
Public safety administration	-	-	-
Police services	237	-	11,721
Fire services	-	-	-
Public works	-	-	-
Parks and recreation	-	-	31,400
Total expenditures	237	117,546	43,121
Excess of revenue over/(under) expenditures	1,363	56,117	(10,374)
Other financing sources, transfers in	-	-	10,374
Net change in fund balance	1,363	56,117	-
Fund balance, beginning of year	20,405	322,053	-
Fund balance, end of year	\$ 21,768	\$ 378,170	\$ -

<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>	
\$ -	\$ -	\$ -	\$ -	\$ 173,663
-	-	-	-	32,747
5,505	3,768	-	-	10,873
-	-	24,386	-	24,386
-	-	14,963	-	14,963
<u>5,505</u>	<u>3,768</u>	<u>39,349</u>	<u>-</u>	<u>256,632</u>
-	-	-	46,332	163,878
-	-	34,484	8,409	42,893
6,760	-	-	120,882	139,600
-	-	-	1,784	1,784
-	-	-	71,745	71,745
-	-	-	3,668	35,068
<u>6,760</u>	<u>-</u>	<u>34,484</u>	<u>252,820</u>	<u>454,968</u>
<u>(1,255)</u>	<u>3,768</u>	<u>4,865</u>	<u>(252,820)</u>	<u>(198,336)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>310,374</u>
(1,255)	3,768	4,865	47,180	112,038
9,652	14,578	23,615	106,335	496,638
<u>\$ 8,397</u>	<u>\$ 18,346</u>	<u>\$ 28,480</u>	<u>\$ 153,515</u>	<u>\$ 608,676</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, 2012

	Tourism Tax Fund	
	Budget	Actual
Revenues:		
Taxes, tourism tax	\$ 175,000	\$ 173,663
Investment earnings	5,000	-
Total revenues	180,000	173,663
Expenditures:		
Current:		
Administrative and support	180,000	117,546
Revenues over expenditures	-	56,117
Changes in fund balance	\$ -	56,117
Fund balance, beginning of year		322,053
Fund balance, end of year		\$ 378,170

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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, 2012

	Capital Improvements Fund		Community Development Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Gaming revenue	\$ 8,181,250	\$ 8,528,022	\$ -	\$ -
Charges for services	1,637,200	347,037	-	-
Investment earnings	10,000	781	5,000	3,962
Intergovernmental revenue	2,485,000	1,079,000	-	-
Tax increment financing revenue	-	-	91,500	112,742
Total revenues	<u>12,313,450</u>	<u>9,954,840</u>	<u>96,500</u>	<u>116,704</u>
Expenditures:				
Current:				
Administrative and support	-	-	-	-
Public safety administration	-	-	-	-
Police services	-	-	-	-
Fire services	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	<u>26,665,500</u>	<u>12,526,199</u>	<u>5,692,000</u>	<u>1,876,600</u>
Total expenditures	<u>26,665,500</u>	<u>12,526,199</u>	<u>5,692,000</u>	<u>1,876,600</u>
Revenues (under) expenditures	<u>(14,352,050)</u>	<u>(2,571,359)</u>	<u>(5,595,500)</u>	<u>(1,759,896)</u>
Other financing sources:				
Transfers in	7,556,800	6,981,000	5,192,000	1,500,000
Transfers out	-	(2,251,000)	-	-
Developer contributions	-	1,757,460	-	-
Issuance of lease	-	-	-	892,980
Total other financing sources (uses)	<u>7,556,800</u>	<u>6,487,460</u>	<u>5,192,000</u>	<u>2,392,980</u>
Net change in fund balance	<u>\$ (6,795,250)</u>	3,916,101	<u>\$ (403,500)</u>	633,084
Fund balance, beginning of year		<u>284,563</u>		<u>985,069</u>
Fund balance, end of year		<u>\$ 4,200,664</u>		<u>\$ 1,618,153</u>

Capital Equipment Fund	
Budget	Actual
\$ -	\$ -
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
63,000	46,332
-	8,409
110,880	120,882
-	1,784
75,400	71,745
5,100	3,668
-	-
<u>254,380</u>	<u>252,820</u>
<u>(254,380)</u>	<u>(252,820)</u>
300,000	300,000
-	-
-	-
-	-
<u>300,000</u>	<u>300,000</u>
<u>\$ 45,620</u>	47,180
	<u>106,335</u>
	<u>\$ 153,515</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, 2012

	<u>Budget</u>	<u>Actual</u>
Revenues:		
Investment earnings	\$ 40,000	\$ 101,402
Tax increment financing revenue	<u>2,494,325</u>	<u>2,406,697</u>
Total revenues	<u>2,534,325</u>	<u>2,508,099</u>
Expenditures:		
Current:		
Administrative and support	1,155,000	1,317,715
Debt service:		
Principal	5,945,105	5,060,000
Interest	2,125,000	2,161,639
Bond issuance costs	-	79,419
Total expenditures	<u>9,225,105</u>	<u>8,618,773</u>
Revenues (under) expenditures	<u>(6,690,780)</u>	<u>(6,110,674)</u>
Other financing sources (uses),		
Refunding bonds issuance and premium	2,403,000	2,402,810
Transfers in	2,171,200	2,251,000
Sale of capital assets	-	282,826
Issuance of lease	2,124,580	788,711
Total other financing sources (uses)	<u>6,698,780</u>	<u>5,725,347</u>
Changes in fund balance	<u>\$ 8,000</u>	<u>(385,327)</u>
Fund balance, beginning of year		<u>5,712,998</u>
Fund balance, end of year		<u>\$ 5,327,671</u>

City of Riverside, Missouri
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
Municipal Court Bond Account				
Assets:				
Cash and investments	\$ 19,042	\$ 66,980	\$ 60,707	\$ 25,315
Liabilities:				
Due to others	\$ 19,042	\$ 66,980	\$ 60,707	\$ 25,315

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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.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	64-70
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the gaming revenue.	71-74
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.	75-76
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.	77-78
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.	79-81

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

	Fiscal Year					Fiscal Year	
	2012	2011	2010	2009	2008	2007	2006
Governmental Activities							
Invested in capital assets, net of related debt	\$ 87,447,540	\$ 80,614,617	\$ 61,176,406	\$ 53,635,284	\$ 48,718,762	\$ 41,078,438	\$ 44,776,807
Restricted	11,755,164	7,479,268	6,368,302	7,166,149	8,010,787	10,978,464	2,918,719
Unrestricted	(594,131)	9,212,216	22,306,604	24,700,804	21,385,342	18,265,520	20,768,498
Total governmental activities net assets	<u>\$ 98,608,573</u>	<u>\$ 97,306,101</u>	<u>\$ 89,851,312</u>	<u>\$ 85,502,237</u>	<u>\$ 78,114,891</u>	<u>\$ 70,322,422</u>	<u>\$ 68,464,024</u>

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 Seven Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year		
	2012	2011	2010
Expenses			
Governmental activities			
Administrative and support	\$ 3,340,602	\$ 3,167,034	\$ 2,878,084
Municipal court	163,037	151,884	144,889
Public safety administration**	555,516	474,639	462,810
Police services	2,331,412	2,132,814	2,119,296
Operations support	700,555	633,732	563,120
Fire services	1,247,599	1,256,523	1,175,275
Public works	9,347,065	5,585,388	7,064,953
Parks and recreation	776,223	595,934	514,852
Community development	422,397	465,551	318,829
Building and codes*	138,467	148,270	119,918
Interest on long-term debt	2,673,512	2,393,978	2,532,675
Total governmental activities expenses	<u>21,696,385</u>	<u>17,005,747</u>	<u>17,894,701</u>
Program revenues			
Governmental activities			
Charges for services:			
Administrative and support	40,154	41,426	39,500
Police services	269,042	272,520	336,073
Public works	347,037	4,004,893	1,761,757
Parks and recreation	66,564	54,281	57,851
Community development	168	-	4,250
Building and codes*	47,605	25,695	22,015
Operating grants and contributions:			
Police services	32,747	12,122	14,710
Public works	-	-	-
Capital grants and contributions	3,689,165	510,410	443,985
Total governmental activities program revenues	<u>4,492,482</u>	<u>4,921,347</u>	<u>2,680,141</u>
Net (expense)/revenue governmental activities	<u>(17,203,903)</u>	<u>(12,084,400)</u>	<u>(15,214,560)</u>
General revenue and other changes in net assets			
Governmental activities			
Taxes			
Sales taxes	1,358,640	1,256,558	1,207,371
Franchise taxes	587,217	583,266	605,841
Tourism taxes	173,663	176,958	175,603
Tax increment financing	2,615,532	2,531,727	2,322,386
Unrestricted grants and contributions	287,393	297,315	288,481
Interest on accounts	187,308	274,702	413,453
Real estate income - gaming	4,424,307	4,972,759	4,876,918
Gaming revenue	8,528,022	9,333,622	9,550,347
Gain on purchase of bonds	-	120,000	20,000
Gain on land lease	325,557	51,263	-
Miscellaneous	18,736	44,782	103,235
Total governmental activities	<u>18,506,375</u>	<u>19,642,952</u>	<u>19,563,635</u>
Change in net assets			
Governmental activities	<u>\$ 1,302,472</u>	<u>\$ 7,558,552</u>	<u>\$ 4,349,075</u>

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.

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

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

	Fiscal Year				
	2012	2011	2010	2009	2008
General fund					
Unassigned	\$ 12,642,233	\$ 22,822,235	\$ 25,730,000	\$ 28,304,417	\$ 34,169,319
Total general fund	<u>\$ 12,642,233</u>	<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	\$ 5,327,671	\$ 5,712,998	\$ 5,819,205	\$ 6,318,578	\$ 5,783,385
Capital improvements	4,200,664	284,563	7,165,710	14,452,483	25,249,399
Equipment	153,515	106,335	329,317	647,410	413,319
Community development	1,618,153	985,069	3,439,590	4,057,846	2,819,163
Law enforcement	76,991	68,250	59,645	77,775	80,031
Tourism	378,170	322,053	296,299	315,274	262,967
Total all other governmental funds	<u>\$ 11,755,164</u>	<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.

Fiscal Year				
2007	2006	2005	2004	2003
\$ 33,106,575	\$ 39,142,518	\$ 35,999,110	\$ 21,857,931	\$ 35,069,822
<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>
\$ 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>

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

	Fiscal Year				
	2012	2011	2010	2009	2008
Revenues					
Taxes	\$ 2,119,520	\$ 2,152,052	\$ 1,853,545	\$ 1,845,476	\$ 2,061,368
Intergovernmental revenue	1,399,140	809,437	316,176	310,017	310,188
Charges for services	347,037	4,060,752	1,705,898	1,661,146	-
Investment earnings	187,308	274,702	413,453	1,624,693	3,554,557
Real estate income - gaming	4,424,307	4,972,759	4,876,918	5,079,236	5,049,125
Gaming revenue	8,528,022	9,333,622	9,550,347	9,718,310	9,170,049
Licenses and fees	87,927	67,121	65,765	91,275	105,818
Fines and forfeitures	269,042	272,520	336,073	250,397	188,911
Recreation fees	66,564	54,281	57,851	34,102	22,279
Miscellaneous	18,736	44,782	103,235	16,275	92,894
TIF revenue**	2,519,439	2,531,727	2,322,386	2,422,337	2,190,264
Total revenues	<u>19,967,042</u>	<u>24,573,755</u>	<u>21,601,647</u>	<u>23,053,264</u>	<u>22,745,453</u>
Expenditures					
Administrative and support	3,203,812	3,101,376	2,845,019	2,329,588	2,106,530
Municipal court	161,947	151,678	143,329	138,671	127,247
Public safety administration****	590,283	500,781	468,776	447,162	-
Police services	2,060,787	2,083,386	2,059,677	1,957,651	2,370,824
Operations support	674,363	607,814	574,827	504,515	369,433
Fire services	1,182,911	1,173,397	1,140,734	590,159	501,427
Public works	1,202,728	1,225,402	1,271,986	1,045,468	796,276
Parks and recreation	661,711	592,584	506,783	406,136	382,808
Community development	417,553	456,607	336,651	433,659	473,846
Building and codes***	135,983	140,565	111,981	142,333	136,993
Other departments	-	-	-	-	-
Capital outlay	14,402,799	21,080,414	18,557,731	23,436,065	18,862,799
TIF Expenditures, net of revenues**	-	-	-	-	-
Principal**	5,060,000	4,340,000	2,275,000	3,548,200	1,880,000
Interest**	2,161,639	2,420,314	2,539,407	2,677,457	2,762,291
Bond issuance costs**	79,419	-	-	-	-
Total expenditures	<u>31,995,935</u>	<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	<u>(12,028,893)</u>	<u>(13,300,563)</u>	<u>(11,230,254)</u>	<u>(14,603,800)</u>	<u>(8,025,021)</u>
Other financing sources (uses)					
Transfers in	11,042,374	5,844,652	4,736,748	7,269,467	2,043,799
Transfers out	(11,042,374)	(5,844,652)	(4,736,748)	(7,269,467)	(2,043,799)
Issuance of lease	1,681,691	762,300	-	-	-
Developer contribution	1,757,460	-	-	-	-
Issuance of TIF bonds	2,385,000	-	-	-	-
Sale of capital assets	282,826	-	-	-	-
Premium on bonds issuance	17,810	-	-	-	-
Discount on bonds issuance	-	-	-	-	-
Total other financing sources (uses)	<u>6,124,787</u>	<u>762,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (5,904,106)</u>	<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					
	31%	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
\$ 1,791,178	\$ 1,642,612	\$ 1,429,694	\$ 1,364,533	\$ 1,491,915
370,232	1,302,846	483,414	716,049	180,145
-	-	-	-	-
2,244,178	1,411,830	733,502	354,341	582,117
4,913,928	4,247,146	4,589,088	4,347,457	3,370,638
8,550,830	7,961,232	7,843,345	6,473,005	5,351,069
97,669	63,621	69,851	72,840	54,656
227,052	176,180	178,481	198,961	141,079
24,370	29,522	19,134	30,822	20,999
25,310	46,396	58,131	110,613	47,320
1,922,001	-	-	-	-
<u>20,166,748</u>	<u>16,881,385</u>	<u>15,404,640</u>	<u>13,668,621</u>	<u>11,239,938</u>
2,595,393	1,329,815	1,033,579	799,553	781,583
145,525	138,230	125,896	124,253	127,524
-	-	-	-	-
2,156,671	1,514,316	1,444,932	1,273,387	1,108,621
296,153	248,106	243,025	213,809	234,596
387,864	60,295	49,391	44,227	17,679
832,589	455,024	374,206	247,952	219,880
307,784	225,278	294,961	214,584	230,329
218,351	213,386	133,801	93,154	58,823
-	-	-	-	-
-	-	-	-	-
16,678,172	7,538,823	7,232,001	13,415,223	7,825,157
-	1,891,289	3,029,447	10,454,370	-
940,000	-	-	-	-
937,915	-	-	-	-
996,670	-	-	-	-
<u>26,493,087</u>	<u>13,614,562</u>	<u>13,961,239</u>	<u>26,880,512</u>	<u>10,604,192</u>
<u>(6,326,339)</u>	<u>3,266,823</u>	<u>1,443,401</u>	<u>(13,211,891)</u>	<u>635,746</u>
10,083,923	31,201,324	-	13,415,223	7,825,157
(10,083,923)	(31,201,324)	-	(13,415,223)	(7,825,157)
-	-	-	-	-
40,265,000	-	-	-	-
846,479	-	-	-	-
(62,500)	-	-	-	-
<u>41,048,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 34,722,640</u>	<u>\$ 3,266,823</u>	<u>\$ 1,443,401</u>	<u>\$(13,211,891)</u>	<u>\$ 635,746</u>
11%	n/a	n/a	n/a	n/a

City of Riverside, Missouri
Tax Revenues by Source
2001-2012
(Modified Accrual Basis of Accounting)*
(unaudited)

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Tourism Tax</u>
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
2012	1,358,640	587,217	173,663

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>
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
2012	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>
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
2012	8,528,022	4,424,307	12,952,329

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

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

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

<u>Fiscal Year</u>	<u>Admission Fee</u>	<u>% of Adjusted Gross Revenue</u>
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%
2012	\$1 per patron	2.1%

Source: Missouri Gaming Commission

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

<u>Fiscal Year</u>	<u>Percentage of Adjusted Gross Receipts</u>
2003	15.61%
2004	19.10%
2005	21.98%
2006	21.46%
2007	23.83%
2008	26.04%
2009	27.48%
2010	27.31%
2011	27.16%
2012*	24.14%

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

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

Fiscal Year	TIF Bonds	Percentage of Personal Income*	Per Capita*
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	78.80%	16,814
2011	45,125,000	67.16%	14,627
2012	42,450,000	64.97%	14,454

* 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)

Fiscal Year	TIF Revenues	Debt Service		Coverage
		Principal	Interest	
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
2012	2,406,697	5,060,000	2,161,639	0.33

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

Fiscal Year	Population (a)	Per Capita Personal Income (b)	Total Personal Income (b)	Median Family Income (a)	Unemployment Rate (c)
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	2,949	21,337	62,921,922	39,207	7.8%
2011	2,988	21,781	67,192,846	40,023	7.2%
2012	2,937	22,246	65,335,077	40,192	5.8%

Sources:

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

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

Employer	2012			2003		
	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%
Hoover Universal	250	2	6.0%	-	-	0.0%
Faurecia/ Riverside Seat Company	235	3	5.7%	200	3	6.0%
Capital Electric	200	4	4.8%	-	-	0.0%
Park Hill School District	160	5	3.9%	-	-	0.0%
Woodbridge	137	6	3.3%	150	2	4.5%
Knappco/Civacon	135	7	3.3%	-	-	0.0%
Corner Café	129	8	3.1%	95	4	2.8%
Riverside Nursing & Rehab.	123	9	3.0%	-	-	0.0%
Apria Medical	100	10	2.4%	-	-	0.0%
Red X	100	10	2.4%	93	6	2.8%
Intercontinental Engineering	-	-	0.0%	94	5	2.8%
Viron	-	-	0.0%	80	7	2.4%
Sherer Trucking	-	-	0.0%	50	8	1.5%
Carter Energy Corporation	-	-	0.0%	40	9	1.2%
Kitterman	-	-	0.0%	35	10	1.0%
Total	2,569		62.1%	1,766		53.0%

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									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government	8	8	7	7	7	7	6	5	5	5
Municipal court	1	1	1	1	1	1	1	1	1	1
Public safety										
Public safety administration	3	3	3	3	-	-	-	-	-	-
Police										
Officers	25	24	24	24	25	23	21	21	20	18
Civilians	-	-	-	-	1	1	1	1	1	-
Operations support	10	10	10	8	6	6	6	5	5	5
Fire	14	14	14	11	3	1	1	1	-	-
Public works										
Street maintenance	8	8	8	8	8	9	7	6	5	4
Building codes	2	2	2	2	2	2	1	1	1	1
Parks & recreation	2	2	2	2	2	2	2	2	2	2
Community development	3	3	3	2	2	2	2	1	1	-
Total	76	75	74	68	57	54	48	44	41	36

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									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police Services*:										
Traffic & ordinance citations	2,825	2,180	3,491	2,667	3,798	2,939	2,208	2,234	2,239	1,926
Municipal & state arrests	1,151	1,023	1,293	1,018	901	1,067	2,208	1,120	1,175	1,125
Fire Services*										
Structure fires	5	7	9	8	5	9	-	-	-	-
Calls for service	1,105	1,075	943	788	487	293	-	-	-	-
Inspections conducted	418	416	397	479	354	5	-	-	-	-
Building Codes**:										
Commercial building permits	32	19	17	25	20	9	33	15	20	8
Residential building permits	24	15	19	23	20	49	50	29	30	13

*Source: City of Riverside public safety department

** Source: City of Riverside building codes division

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

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

Function/Program	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police stations*	1	1	1	1	1	1	1	1	1	1
Fire stations*	1	1	1	1	1	1	1	1	1	1
Parks & recreation**										
Acreage	73	73	73	73	73	73	73	73	73	73
Parks	3	3	3	3	3	3	3	3	3	3
Softball/baseball diamonds	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	-	-	-
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***	63	59	59	59	58	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