



Upstream from ordinary.

Comprehensive Annual Financial Report



**For the fiscal year ended
June 30, 2020**

City of Riverside, Missouri

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

Prepared by Finance Department

Nate Blum, Finance Director

City of Riverside, Missouri
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2020

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2950 NW Vivion Road
Riverside, MO 64150

November 30, 2020

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, 2020. The CAFR was prepared by the City's Finance Department in close cooperation with the external auditor, RSM US LLP.

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

RSM US LLP, have issued an unmodified ("clean") opinion on the City of Riverside's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Riverside is a suburban community located in Platte County, Missouri, and within the northern sector of the Kansas City metropolitan area. It currently occupies 5.87 square miles and serves an estimated population of 3,255.

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 works) and cost center (e.g., building maintenance). Department heads may transfer resources within a department. Transfers between departments, however, need special approval from the Board of Aldermen.

Long-term financial planning

Staff prepares five-year forecasts of General Fund balance using current information and trends for revenues and expenditures. The forecasts are used to assess areas of concern for current and future operating budgets. Recent forecasts indicate the City can maintain a General Fund balance of 75% of estimated current revenues through 2025, which meets the requirements of the Reserve and Fund Balance Policy.

Additionally, staff prepares five-year financial projections of its capital improvement program (CIP). The current CIP includes an estimated \$25 million for projects including a renovation of the public safety facility, new trails, street and infrastructure maintenance and an access control/security project.

Reserves and contingencies

Due to a heavy reliance on gaming revenue, City policy states that the fund balance target for the General Fund will be 75% of General Fund budgeted expenditures. As of June 30, 2020, reserves exceeded requirements with 165% of actual expenditures.

Local economy

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

With total governmental fund type revenue of \$21.9 million in fiscal year 2020, use of which is prudently allocated by the City Council, the City provides many services not available elsewhere, such as one police officer for every 120 residents, refuse collections weekly for residential property at no charge, and a 75% subsidy on all resident community center memberships.

Since 2011, the growth in the Horizons Business Park has added over 4,000 jobs in to the local economy. The unemployment rate for Platte County, which includes the City of Riverside, is currently 7.2%, which is an increase from a rate of 1.9% a year ago. In comparison, the state's unemployment rate was 7.8% and the national rate was 11.2%. The unemployment rates have significantly increased over last year due to the impact of the COVID-19 pandemic. The median household income in Platte County was \$76,912 compared to \$54,478 for the State of Missouri and \$68,703 for the United States.

Major initiatives

Residential

The City of Riverside continues to see significant interest in development projects throughout the Horizons Business Park and in residentially zoned areas. 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. Residential housing construction continues to experience aggressive growth. Over the past 6 years, 272 residential building permits have been issued. During the current fiscal year, 13 permits were issued with a construction value of \$4,544,246.

Of the three newer subdivision in Riverside, the Gatewoods project is built out, the first two phases of Montebella are built out (and future phases are delayed), and Palisades continues to have construction in the first phase, while the second phase is scheduled for approval in early 2021. The City has also approved the Skyline Townhomes project adjacent to the Gatewoods development. This 128-unit development will include individual garages, one and two-story floor plans and neighborhood amenities including a clubhouse and pool. They will be maintenance-provided units with monthly rents in the \$1,400 range.

Commercial

Within Horizons Business Park, twenty buildings Class A manufacturing and distribution buildings have been constructed since 2011. These buildings total more than 4,000,000 square feet, house more than thirty companies, and employ more than 4,000 people. There are currently two additional buildings under construction totaling approximately 320,000 square feet. These buildings will be complete, occupied in early 2021, and provide jobs for more than 600 new employees.

Throughout the rest of the community, smaller scale projects are also underway. Several buildings are expanding to support increased demand for retail services within Riverside. The City has also recently approved plans for the construction of a new building to house the Red X, an iconic business that recently celebrated its 70th anniversary.

Acknowledgements

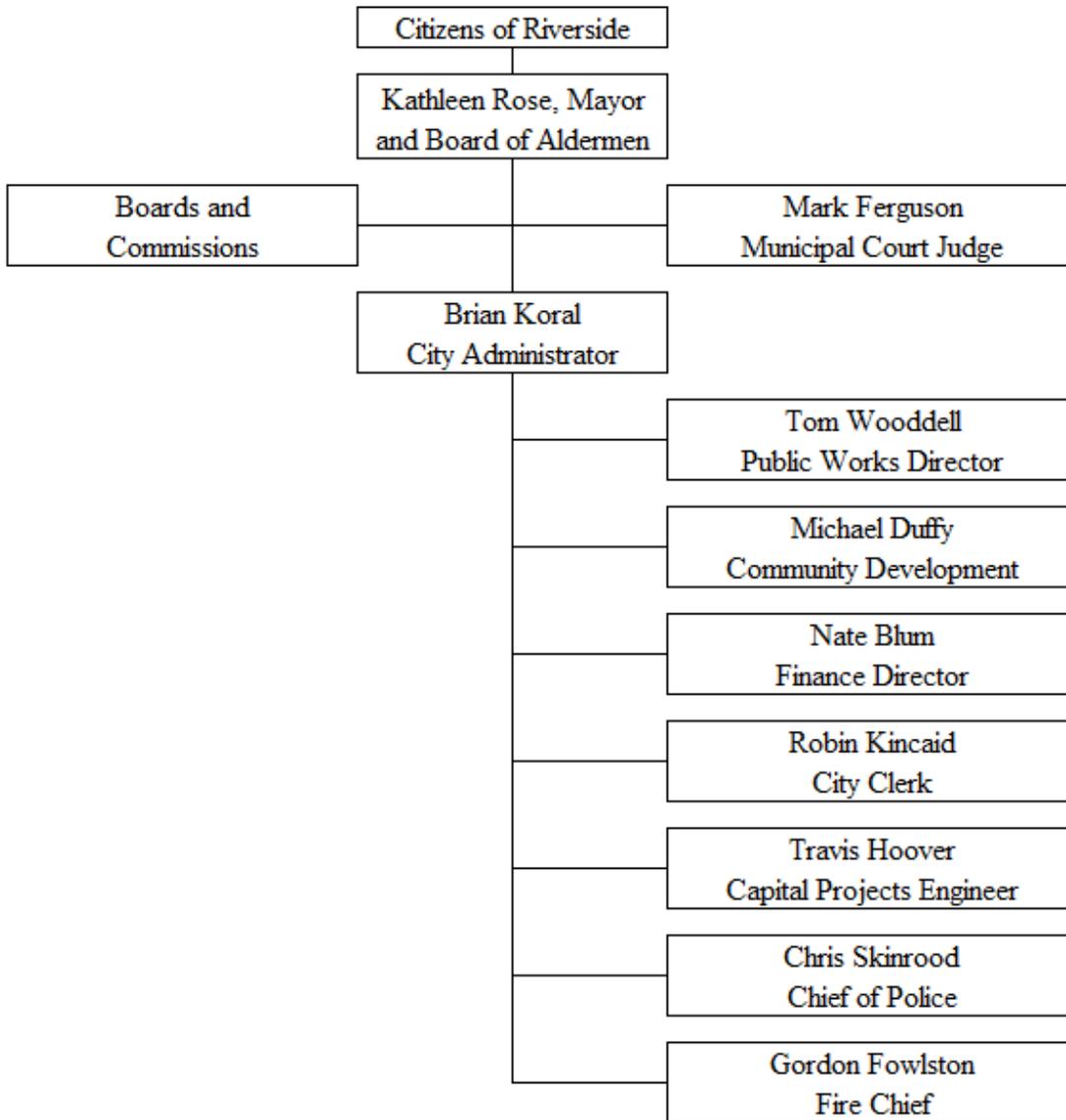
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and the assistance of other departments. We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation 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 blue ink, appearing to read "Nate Blum". The signature is fluid and cursive, with a long horizontal stroke at the end.

Nate Blum
Finance Director

City of Riverside, Missouri
Organizational Chart
For the Year Ended June 30, 2020



**City of Riverside, Missouri
Principal Officers
June 30, 2020**

Elected Officials

Mayor	Kathleen Rose
Alderman, Ward 3	Sal LoPorto
Alderman, Ward 2	Jill Hammond
Alderman, Ward 1	Al Bowman
Alderman, Ward 3	Nathan Cretsinger
Alderman, Ward 1	Mike Fuller
Alderman, Ward 2	Aaron Thatcher

Appointed Officials

City Administrator	Brian Koral
City Clerk	Robin Kincaid
Finance Director	Nate Blum
Municipal Court Judge	Mark Ferguson
Community Development Director	Michael Duffy
Public Works Director	Tom Wooddell
Capital Projects Engineer	Travis Hoover
Chief of Police	Chris Skinrod
Fire Chief	Gordon Fowlston

Independent Auditor's Report

RSM US LLP

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Riverside, Missouri (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Riverside, Missouri, as of June 30, 2020, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

RSM US LLP

Kansas City, Missouri
November 30, 2020

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

Management's Discussion and Analysis

Our discussion and analysis of the City of Riverside's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the City's letter of transmittal and the financial statements that begin on page 21.

FINANCIAL HIGHLIGHTS

- The City's net position at end of the fiscal year was \$129,205,801. Of this amount, \$22,033,852 is unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position of the City increased by 3.9% or \$4,891,349. Analysis is included in the overview of the financial statements.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$26,953,083 a decrease of \$2,983,457 over the previous year. Approximately \$8,453,499 of this amount is available for spending at the government's discretion.
- The unassigned fund balance for the General Fund was \$8,453,499 compared to \$10,582,168 in general fund expenditures.
- The City of Riverside total debt (excluding compensated absences, pension and OPEB) decreased by (\$4,415,673) or (25%).

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Report Components

This annual report consists of five parts as follows:

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

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

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

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

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

Governmental Funds: Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 23-25 of this report.

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

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

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

Other Information: The combining statements referred to earlier in connection with nonmajor funds and combining and individual fund statements and schedules can be found on pages 55-63 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. In the case of the City of Riverside, the net position increased by \$4,891,349. Following is a condensed version of the government-wide statement of net position comparing fiscal year 2020 and 2019.

City of Riverside Net Position

	2020	2019
Current and other assets	\$ 28,807,568	\$ 31,541,723
Capital assets	118,958,693	116,280,506
Total assets	147,766,261	147,822,229
Deferred outflows of resources	1,097,859	681,847
Long-term liabilities outstanding	16,582,628	20,192,903
Other liabilities	1,542,576	1,291,514
Total liabilities	18,125,204	21,484,417
Deferred inflows of resources	1,533,115	2,705,207
Net position		
Net investment in capital assets	105,704,703	100,630,858
Restricted	1,467,246	1,432,686
Unrestricted	22,033,852	22,250,908
Total net position	\$129,205,801	\$124,314,452

The total net position of the City increased by \$4,891,349. Net position in capital assets (e.g., land, buildings, machinery and equipment), restricted net position and unrestricted net position increased/(decreased) by \$5,073,845, \$34,560 and \$(217,056), respectively.

**City of Riverside
Changes in Net Position**

	2020	2019	%
			Change
Revenues:			
Program revenues:			
Charges for services	\$ 349,474	\$ 453,802	(23%)
Operating grants and contributions	12,928	7,445	74%
Capital grants and contributions	57,474	1,430,041	(96%)
General revenues:			
Sales tax	1,960,811	1,770,167	11%
Other taxes	1,008,908	1,110,956	(9%)
Grants and contributions not restricted for specific programs	334,587	347,951	(4%)
Tax increment financing revenue	9,223,853	8,469,400	9%
Gaming revenue	5,158,233	6,593,570	(22%)
Real estate income – gaming	3,087,509	4,512,586	(32%)
Investment earnings	709,190	637,918	11%
Gain on land lease	748,530	1,266,766	(51%)
Other	306,788	358,245	(13%)
Total revenues	<u>22,958,285</u>	<u>26,958,847</u>	(15%)
Expenses:			
Administrative and support	3,222,700	3,291,541	(2%)
Municipal court	201,048	203,680	(1%)
Police services	3,668,974	3,869,164	(5%)
Fire services	2,035,973	1,943,975	5%
Public works	6,683,518	5,195,695	18%
Parks and recreation	750,178	776,230	(3%)
Community dev. & engineering	778,856	729,527	7%
Interest on long-term debt	725,689	840,802	(27%)
Total expenses	<u>18,066,936</u>	<u>16,850,614</u>	7%
Increase/(decrease) in net position	<u>4,891,349</u>	<u>10,108,233</u>	
Total net position	<u>\$129,205,801</u>	<u>\$124,314,452</u>	

Operating grants and contributions increased due to the receipt of new grants for fire services.

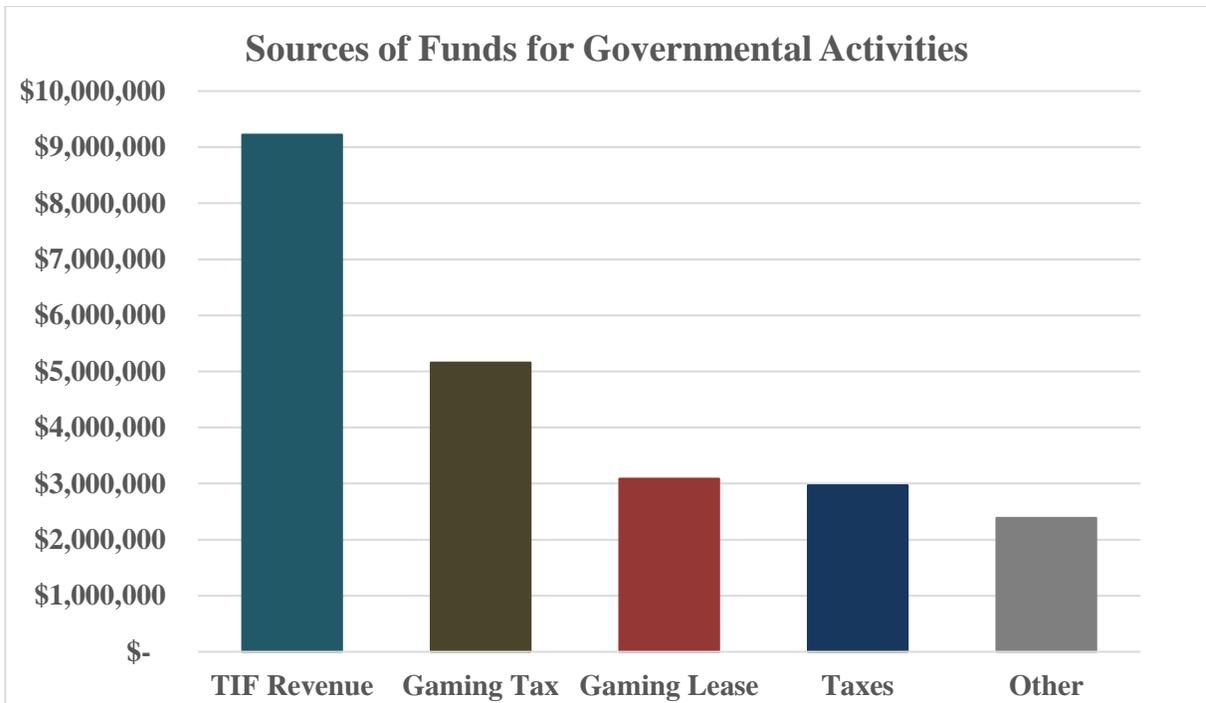
Capital grants and contributions decreased due to the City not receiving any new developer contributions.

Investment earnings had a significant increase due to increased interest rates on the City's investment portfolio.

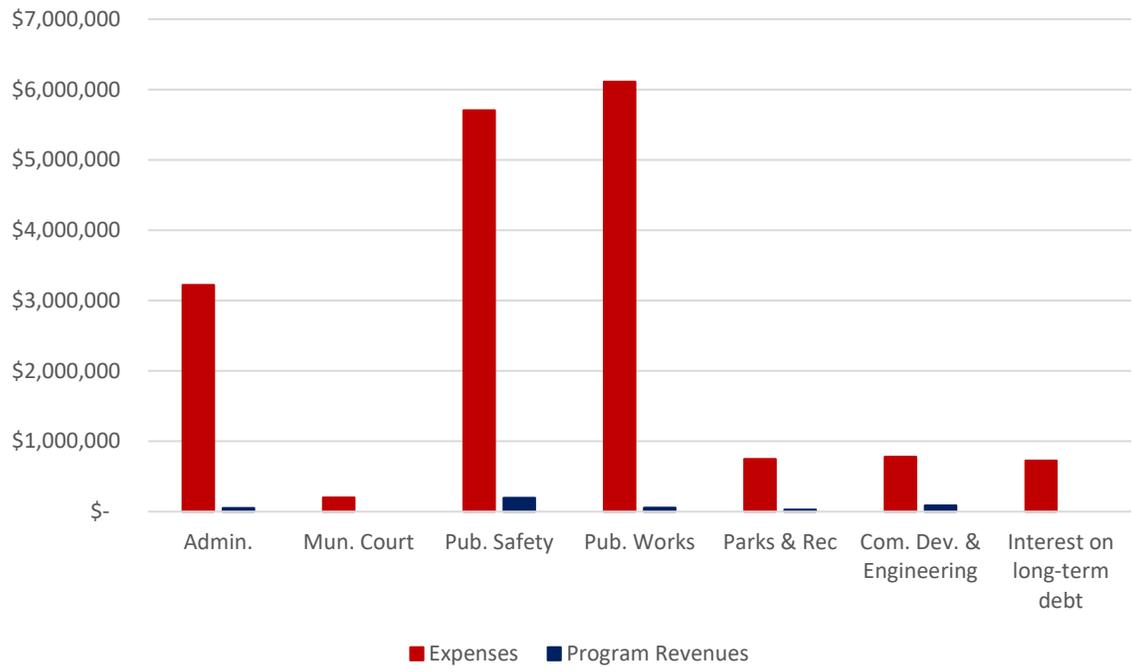
Gaming revenue and real estate income decreased due to business closures related to the COVID-19 pandemic.

Public Works expenses increased due to the completion of large capital projects in FY 20.

Interest on long-term debt decreased as a result of lower principal balance due on outstanding bonds.



Expenses and Program Revenues



Financial Analysis of the Government's Funds

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

Governmental funds: The focus of the City of Riverside's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City of Riverside's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Riverside's governmental funds reported combined ending fund balances of \$26,953,083, a decrease of \$2,983,457 in comparison with the prior year. Approximately 31% or \$8,453,499 constitutes unassigned fund balance, which is available for spending at the government's discretion. \$4,564,072 of fund balance is committed to indicate that it is not available for new spending because it has already been committed to pay for capital projects. \$8,968,618 of fund balance is committed to indicate that it is not available for new spending because it has already been committed to a stabilization reserve. 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 (\$3,499,649), to construct capital improvements (\$679,613), for law enforcement (\$121,544) and for tourism (\$666,088).

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 \$17,422,117. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 165% of total general fund expenditures. The fund balance of the general fund increased by \$1,630,056.

The fund balance of the capital improvement fund decreased by \$2,143,720 due to the planned spenddown for large projects. In the FY 20 budget, capital outlay was budgeted at \$11,175,000 compared to \$7,844,163 in actual expenditures. Due to the delay of several large projects, the amount transferred in from the General Fund was \$5,620,000 compared to a budgeted transfer of \$9,000,000 in FY 20. These delayed projects are budgeted in FY 21.

The fund balance of the TIF debt service fund decreased by \$2,800,983 due to a planned transfer to the General Fund to reimburse eligible expenditures. The remaining funds will be used to make debt service payments in FY 21.

The fund balance of the community development fund increased by \$117,361 due to reduced expenditures in the downtown area, which is being redeveloped.

General Fund Budgetary Highlights

General Fund Revenues: Overall actual general fund revenues of \$12,376,133 were lower than budgeted revenues of \$14,747,310 by \$2,371,177 or 16.1%. Some elements of this difference are the following:

The City’s revenue from Gaming and Real Estate Income was down significantly due to the impact of the COVID-19 pandemic on businesses within the City. These two revenue sources accounted for \$2,654,258 in reductions to anticipated revenue.

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

In the general government department, the elected official’s division actual expenditures were 40% under budget as a result of fewer than anticipated meetings. The human resources actual expenditures were 17% under budget due to fewer tuition reimbursement requests from employees.

In the parks and recreation department, the parks division was under budget by 43% due to lower than anticipated costs for trail system and park maintenance. In addition, The City’s Municipal Court was under budget by 15% due to a partial year closure from the COVID-19 pandemic. The Healthy Citizen Initiative, which provides a 75% reimbursement to citizens for gym members, decreased 12% in comparison to last year. The decrease was due to citizens cancelling memberships and gym closures related to the COVID-19 pandemic.

Capital Assets

The City of Riverside’s investment in capital assets as of June 30, 2020, amounts to \$118,958,693, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways and bridges.

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

	2020	2019
Land	\$ 21,256,191	\$ 21,471,213
Buildings	12,867,815	13,251,771
Improvements	7,858,387	3,475,500
Machinery and Equipment	1,334,286	1,121,651
Infrastructure	74,113,831	76,037,348
Construction in Progress	1,528,183	923,023
Total	\$118,958,693	\$116,280,506

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 \$12,115,000 in outstanding tax increment financing debt which is secured by tax increment financing revenues generated.

City of Riverside Outstanding Debt

	2020	2019
Tax Increment Financing Bonds	<u>\$12,115,000</u>	<u>\$15,640,000</u>

The City of Riverside's total debt (excluding premiums) decreased by (\$3,525,000) or (23%) 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 included a 4.0 percent increase for staff and a 2.0 percent increase for management in its pay for performance plan.
- The unemployment rate for Platte County, which includes the City of Riverside, is currently 7.2% which is an increase from a rate of 1.9% a year ago. In comparison, the state's unemployment rate was 7.8% and the national rate was 11.2%. The unemployment rates have significantly increased over last year due to the impact of COVID-19 pandemic.
- The City of Riverside included a reduction of 15% in gaming revenue, 12% in real estate income and 10% in sales tax revenue from the previous year's budget. These reductions in revenue were due to the impact of the COVID-19 pandemic on the local economy.

All of these factors were considered in preparing the City of Riverside's budget for the 2021 fiscal year.

Requests and Information

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

BASIC FINANCIAL STATEMENTS

City of Riverside, Missouri
Statement of Net Position
June 30, 2020

	Governmental Activities
Assets:	
Current assets:	
Cash and investments	\$ 23,428,017
Taxes receivable	648,325
Due from other governments	11,728
Interest receivable	59,550
Gaming receivable	346,485
Other receivable and prepaids	591,728
Total current assets	25,085,833
Noncurrent assets:	
Restricted cash and investments	3,721,735
Capital assets not being depreciated:	
Land	21,256,191
Construction in progress	1,528,183
Capital assets being depreciated:	
Buildings	19,026,865
Land improvements	8,666,372
Equipment	7,116,862
Infrastructure	96,370,224
Accumulated depreciation	(35,006,004)
Total noncurrent assets	122,680,428
Total assets	147,766,261
 Deferred outflows of resources:	
Pension related amounts	1,097,859
Total assets and deferred outflows of resources	\$ 148,864,120
 Liabilities:	
Current liabilities:	
Accounts payable	\$ 1,305,298
Accrued wages	234,198
Deposits	3,080
Current portion of long-term obligations:	
Compensated absences	323,850
Accrued interest	93,400
Developer liability	136,572
TIF bonds payable, net	2,225,000
Total current liabilities	4,321,398
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Compensated absences	159,508
TIF bonds payable, net	11,028,992
Net pension liability	2,615,306
Total noncurrent liabilities	13,803,806
Total liabilities	18,125,204
 Deferred Inflows of Resources:	
Deferred gain from sale - leaseback	1,122,866
Pension related amounts	410,249
Total deferred inflows of resources	1,533,115
 Net Position:	
Net investment in capital assets	105,704,703
Restricted for:	
Capital improvements	679,614
Tourism	666,088
Law enforcement	121,544
Unrestricted	22,033,852
Total net position	129,205,801
Total liabilities, deferred inflows of resources and net position	\$ 148,864,120

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental Activities					
Administrative and support	\$ 3,222,700	\$ 49,624	\$ -	\$ -	\$ (3,173,076)
Municipal court	201,048	-	-	-	(201,048)
Public safety administration	457,058	-	-	-	(457,058)
Police services	2,514,340	181,870	12,928	-	(2,319,542)
Operations support	697,576	-	-	-	(697,576)
Fire services	2,035,973	-	-	-	(2,035,973)
Public works	6,683,518	-	-	57,474	(6,626,044)
Parks and recreation	750,178	28,841	-	-	(721,337)
Community development	514,451	89,139	-	-	(425,312)
Engineering	264,405	-	-	-	(264,405)
Interest on long-term debt and related to developer liability	725,689	-	-	-	(725,689)
Total governmental activities	\$ 18,066,936	\$ 349,474	\$ 12,928	\$ 57,474	(17,647,060)
General revenues					
Taxes					
Sales tax					1,960,811
Franchise tax					882,555
Tourism tax					126,353
Gaming revenue tax					5,158,233
Tax increment financing revenue					9,223,853
Grants and contributions not restricted to specific programs					334,587
Investment earnings					709,190
Real estate income - gaming					3,087,509
Gain from land lease					748,530
Miscellaneous					306,788
Total general revenues					22,538,409
Change in net position					4,891,349
Net position, beginning of year					124,314,452
Net position, end of year					\$ 129,205,801

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Capital Improvements	TIF Debt Service	Community Development Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 16,657,844	\$ 2,432,752	\$ 376,788	\$ 2,633,660	\$ 1,326,973	\$ 23,428,017
Taxes receivable	641,804	-	-	-	6,521	648,325
Due from other governments	-	-	-	-	11,728	11,728
Interest receivable	35,785	-	23,724	41	-	59,550
Gaming receivable	346,485	-	-	-	-	346,485
Prepaid insurance	342,894	-	-	-	-	342,894
Other receivable	191,819	57,015	-	-	-	248,834
Restricted cash and investments	-	622,598	3,099,137	-	-	3,721,735
Due from other funds	11,728	-	-	-	-	11,728
Total Assets	\$ 18,228,359	\$ 3,112,365	\$ 3,499,649	\$ 2,633,701	\$ 1,345,222	\$ 28,819,296
Liabilities						
Accounts payable	\$ 563,524	\$ 729,809	\$ -	\$ -	\$ 11,965	\$ 1,305,298
Accrued wages	234,198	-	-	-	-	234,198
Deposits	3,080	-	-	-	-	3,080
Advance from developer	-	306,469	-	-	-	306,469
Due to other funds	-	-	-	-	11,728	11,728
Total liabilities	800,802	1,036,278	-	-	23,693	1,860,773
Deferred inflows of resources						
Unavailable revenue						
long-term receivables	5,440	-	-	-	-	5,440
Total unavailable revenue	5,440	-	-	-	-	5,440
Fund balance						
Restricted for:						
Debt service	-	-	3,499,649	-	-	3,499,649
Capital improvements	-	679,613	-	-	-	679,613
Law enforcement	-	-	-	-	121,544	121,544
Tourism	-	-	-	-	666,088	666,088
Committed for:						
Stabilization Reserve	8,968,618	-	-	-	-	8,968,618
Capital Projects	-	1,396,474	-	2,633,701	533,897	4,564,072
Unassigned	8,453,499	-	-	-	-	8,453,499
Total fund balance	17,422,117	2,076,087	3,499,649	2,633,701	1,321,529	26,953,083
Total liabilities and fund balance	\$ 18,228,359	\$ 3,112,365	\$ 3,499,649	\$ 2,633,701	\$ 1,345,222	\$ 28,819,296

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Reconciliation of the Governmental Fund Balances
To the Net Position of Governmental Activities
June 30, 2020

Total governmental fund balances	\$	26,953,083
Capital assets used in Government Activities are not current financial resources and, therefore, are not reported as assets in the Government Funds Balance Sheet		118,958,693
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	\$	(483,358)
Deferred gain from sale-leaseback		(1,122,866)
Reduction of long-term portion of developer liability from repayments		169,897
Accrued interest on long term debt		(93,400)
TIF Bonds payable		(12,115,000)
Net pension liability		(2,615,306)
Bond premium (discount), net		(1,138,992)
		(17,399,025)
Unavailable long-term receivable revenue is not reported on the entity wide statements. Deferred inflows of resources - unavailable revenue		5,440
Pension related deferred outflows and inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:		
Deferred inflows of resources - pension related amounts		(410,249)
Deferred outflows of resources - pension related amounts		1,097,859
		1,097,859
Net position of governmental activities	\$	129,205,801

City of Riverside, Missouri
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	General	Capital Improvements	TIF Debt Service	Community Development Fund	Nonmajor Governmental Funds	Total
Revenues						
Taxes:						
Sales and use tax	\$ 1,960,811	\$ -	\$ -	\$ -	\$ -	\$ 1,960,811
Franchise tax	882,555	-	-	-	-	882,555
Tourism tax	-	-	-	-	126,353	126,353
Gaming revenue tax	5,158,233	-	-	-	-	5,158,233
Intergovernmental revenue	317,887	57,474	-	-	12,928	388,289
Investment earnings	620,561	6,269	70,900	11,460	-	709,190
Real estate income - gaming	3,087,509	-	-	-	-	3,087,509
Licenses and fees	138,763	-	-	-	-	138,763
Fines and forfeitures	174,673	-	-	-	7,197	181,870
Recreation fees	19,006	-	-	-	9,835	28,841
Miscellaneous	16,135	16,700	-	-	3,615	36,450
Tax increment financing revenue	-	-	9,113,064	110,789	-	9,223,853
Total revenues	<u>12,376,133</u>	<u>80,443</u>	<u>9,183,964</u>	<u>122,249</u>	<u>159,928</u>	<u>21,922,717</u>
Expenditures						
Current:						
Administrative and support	1,707,630	-	1,935,106	-	220,360	3,863,096
Municipal court	199,767	-	-	-	-	199,767
Public safety administration	451,532	-	-	-	-	451,532
Police services	2,575,763	-	-	-	130,463	2,706,226
Operations support	670,463	-	-	-	-	670,463
Fire services	1,946,577	-	-	-	32,385	1,978,962
Public works	1,528,106	-	-	-	3,960	1,532,066
Parks and recreation	682,143	-	-	-	-	682,143
Community development	534,205	-	-	-	12,060	546,265
Engineering	285,982	-	-	-	-	285,982
Capital outlay	-	7,844,163	-	8,108	-	7,852,271
Debt service:						
Principal	-	-	3,525,000	-	-	3,525,000
Interest	-	-	679,581	-	-	679,581
Total expenditures	<u>10,582,168</u>	<u>7,844,163</u>	<u>6,139,687</u>	<u>8,108</u>	<u>399,228</u>	<u>24,973,354</u>
Excess (deficiency) of revenue over expenditures	<u>1,793,965</u>	<u>(7,763,720)</u>	<u>3,044,277</u>	<u>114,141</u>	<u>(239,300)</u>	<u>(3,050,637)</u>
Other financing sources (uses)						
Proceeds from sale of capital assets	67,180	-	-	-	-	67,180
Transfers in	6,000,000	5,620,000	154,740	3,220	453,129	12,231,089
Transfers out	(6,231,089)	-	(6,000,000)	-	-	(12,231,089)
Total other financing sources (uses)	<u>(163,909)</u>	<u>5,620,000</u>	<u>(5,845,260)</u>	<u>3,220</u>	<u>453,129</u>	<u>67,180</u>
Net change in fund balance	1,630,056	(2,143,720)	(2,800,983)	117,361	213,829	(2,983,457)
Fund balance, beginning of year	<u>15,792,061</u>	<u>4,219,807</u>	<u>6,300,632</u>	<u>2,516,340</u>	<u>1,107,700</u>	<u>29,936,540</u>
Fund balance, end of year	<u>\$ 17,422,117</u>	<u>\$ 2,076,087</u>	<u>\$ 3,499,649</u>	<u>\$ 2,633,701</u>	<u>\$ 1,321,529</u>	<u>\$ 26,953,083</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, 2020

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

Net change in fund balances - total governmental funds \$ (2,983,457)

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, and other transactions involving capital assets, in the current period.

Capital outlays	\$ 6,428,220	
Proceeds on sale of capital assets	(67,180)	
Gain/(loss) on disposal of capital assets	(828,003)	
Depreciation expense	<u>(2,834,849)</u>	2,698,188

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

Lease revenue		748,530
Change in long-term receivables		<u>(1,760)</u>

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

Long-term debt interest expense	19,864	
Principal payments	3,525,000	
Change in developer liability	600,965	
Amortization of bond premium and discount	289,708	
Amortization of deferred charge on refunding	<u>(65,972)</u>	4,369,565

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		121,499
Pension related amounts, pension expense		<u>(61,216)</u>

Change in net position of governmental activities \$ 4,891,349

City of Riverside, Missouri
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Budget to Actual
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and fees	\$ 95,500	\$ 95,500	\$ 138,763	\$ 43,263
Fines and forfeitures	223,000	223,000	174,673	(48,327)
Recreation fees	18,000	18,000	19,006	1,006
Sales taxes	1,787,700	1,787,700	1,960,811	173,111
Franchise taxes	959,500	959,500	882,555	(76,945)
Intergovernmental revenue	353,610	353,610	317,887	(35,723)
Investment earnings	400,000	400,000	620,561	220,561
Real estate income - gaming	4,300,000	4,300,000	3,087,509	(1,212,491)
Gaming revenue tax	6,600,000	6,600,000	5,158,233	(1,441,767)
Miscellaneous revenue	10,000	10,000	16,135	6,135
Total revenues	<u>14,747,310</u>	<u>14,747,310</u>	<u>12,376,133</u>	<u>(2,371,177)</u>
Expenditures:				
General government:				
Elected officials	58,519	58,519	35,124	23,395
Administration	1,622,919	1,622,919	1,548,290	74,629
Human resources	150,000	150,000	124,216	25,784
Municipal court	235,531	235,531	199,767	35,764
Total general government	<u>2,066,969</u>	<u>2,066,969</u>	<u>1,907,397</u>	<u>159,572</u>
Public safety				
Public safety administration	546,710	546,710	451,532	95,178
Police services	2,765,984	2,765,984	2,575,763	190,221
Operations support	706,871	706,871	670,463	36,408
Fire services	2,021,311	2,021,311	1,946,577	74,734
Total public safety	<u>6,040,876</u>	<u>6,040,876</u>	<u>5,644,335</u>	<u>396,541</u>
Public works				
Public works	1,426,719	1,426,719	1,265,625	161,094
Building maintenance	348,500	348,500	262,481	86,019
Total public works	<u>1,775,219</u>	<u>1,775,219</u>	<u>1,528,106</u>	<u>247,113</u>
Parks & recreation:				
Parks	384,000	384,000	218,402	165,598
Community center	537,471	537,471	463,741	73,730
Total parks & recreation	<u>921,471</u>	<u>921,471</u>	<u>682,143</u>	<u>239,328</u>
Community development:				
Community development	535,909	535,909	534,205	1,704
Engineering	285,649	285,649	285,982	(333)
Total community development	<u>821,558</u>	<u>821,558</u>	<u>820,187</u>	<u>1,371</u>
Total expenditures	<u>11,626,093</u>	<u>11,626,093</u>	<u>10,582,168</u>	<u>1,043,925</u>
Revenues over expenditures	<u>3,121,217</u>	<u>3,121,217</u>	<u>1,793,965</u>	<u>(1,327,252)</u>
Other financing sources (uses)				
Proceeds from sale of capital asset	230,000	230,000	67,180	(162,820)
Transfers in	6,000,000	6,000,000	6,000,000	-
Transfers out	(9,450,000)	(9,450,000)	(6,231,089)	3,218,911
Total other financing sources (uses)	<u>(3,220,000)</u>	<u>(3,220,000)</u>	<u>(163,909)</u>	<u>3,056,091</u>
Net change in fund balance	<u>\$ (98,783)</u>	<u>\$ (98,783)</u>	<u>1,630,056</u>	<u>\$ 1,728,839</u>
Fund balance, beginning of year			15,792,061	
Fund balance, end of year			<u>\$ 17,422,117</u>	

See Accompanying Notes to the Basic Financial Statements.

City of Riverside, Missouri
Statement of Assets and Liabilities
Agency Fund
June 30, 2020

	<u>Municipal Court</u> <u>Bond Account</u>
Assets	
Cash and investments	\$ <u>29,206</u>
Liabilities	
Due to others	\$ <u>29,206</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, 2020

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, 2020 year-end.

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

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

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

Basis of Presentation

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

Capital Improvements Fund: A Capital Projects Fund, accounts for funds accumulated and payments made for the construction or maintenance of infrastructure.

Community Development Fund: A Capital Projects Fund, accounts for the contributions and transfers from the General Fund and expenditures for capital projects as the Board of Alderman may designate.

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

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

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

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

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

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

Summary of Significant Accounting Policies

1. *Cash and Investments*

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

Investments in certificates of deposit and money market funds are recorded at amortized cost. The City's investment in the external investment pool (MOSIP) is not SEC-registered and is regulated by the State of Missouri. This external investment pool is reported at amortized cost pursuant to the criteria set forth in GASB Statement No. 79.

Investments in the U.S. Government Agencies are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market and participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. See Note 2 for additional information regarding fair value measures.

2. *Restricted Assets*

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

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

3. *Capital Assets*

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

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

The City utilizes a capitalization threshold of \$10,000 for purposes of reporting capital assets. The range of estimated useful lives by type of asset is as follows:

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

4. *Deferred Outflows of Resources*

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred pension related amounts reported in the government-wide statement of net position. The pension related deferred outflow consists of the unamortized portion of the net difference between projected and actual experience on plan assumptions and plan investments and change in assumptions.

5. *Deferred Inflows of Resources*

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. They are the deferred gain from sale-leaseback transactions and deferred pension related amounts reported in the government-wide statement of net position. A deferred gain from a sale-leaseback transaction results from the difference between the acquisition cost of property and the amount paid by the lessee. The amount is deferred and amortized over the term of the lease. See Note 7E for information pertaining to the deferred gain from sale-leaseback reported on the City's statement of net position. The pension related deferred inflow consists of the unamortized portion of the difference between projected and actual experience on plan assumptions and plan investments.

6. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. Only retiring employees are compensated for unused sick leave, at a maximum of 50% of their sick leave balance. All vacation and compensatory pay is accrued when incurred in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. Interfund Transactions

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

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

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

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

8. Long-Term Obligations

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

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

9. Pensions

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

10. Advance From Developer

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

11. *Developer Liability*

The City is currently constructing office buildings in connection with developer agreements. The agreements require the developer to provide an advance of cash for the project and upon sale of the property or collection of payments in lieu of taxes the advance will be returned to the developer. The advance is recorded as a developer liability on the statement of net position, in addition to the contributed escrow accounts already reported in the Capital Improvements Fund.

12. *Fund Balance*

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

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

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

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

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

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

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

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

The City has a fund balance policy that reserves 75% of fiscal year 2021 general fund budgeted expenditures. This stabilization reserve is established as committed fund balance in the General Fund by the Board of Alderman with Resolution No. R-219-012. The reserve is established to be used in unforeseen, unbudgeted emergency situations, such as rapidly declining revenues; the loss of a major taxpayer; sudden changes in revenues or spending requirements imposed by the state or federal government; natural disasters or emergency infrastructure failures; or unforeseen litigation. The reserve funds should only be used to provide a short-term solution to maintaining services until projected revenue growth or necessary expenditure reductions are achieved to balance the budget. When it becomes necessary for the City to draw funds from the reserve, the City will develop a plan to replenish the reserve to the minimum level from net revenue surpluses in subsequent fiscal year(s) until the balance is restored to the minimum level.

13. *Net Position*

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net position restricted through enabling legislation consist of \$679,614 for capital improvements, \$121,544 for law enforcement, and \$666,088 for tourism.

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

14. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures accordingly, actual results could differ from those estimates.

15. *Budgetary Information*

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

General Fund

Tourism Tax Fund – Nonmajor Special Revenue Fund

Capital Improvements Fund – Major Capital Projects Fund

Community Development Fund – 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 4, 2019, the Board of Aldermen formally approved the original adopted budget for fiscal year 2020.

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

- The City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed operating expenditures, capital expenditures and the means for financing them.
- Public hearings are conducted to obtain comments from all interested parties.
- The budget for the coming year is formally adopted on or before the last day of the current fiscal year.
- The City Administrator is authorized to make changes within departments, between departments and between functions within each fund. Changes or transfers at the fund level require approval by the Board of Aldermen.
- Under Missouri law, expenditures may not legally exceed budgeted appropriations at the fund level. If expenditures for a fund exceed the budget, either the budget must be amended or the Board of Aldermen must pass a resolution authorizing the expenditures in excess of the budget. The City did not have any amendments to the original published budgets for fiscal year 2020.

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

Fair value measurements: The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input: Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input: Inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.

Level 3 input: Inputs that are unobservable for the asset or liability which are typically based upon the City's own assumptions as there is little, if any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following fair value techniques were utilized in measuring the fair value of investments:

U.S. Government agency securities and government-sponsored enterprise notes:

U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out to 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading, and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium-term notes.

As of June 30, 2020, the City had the following investments:

<u>Investments at Fair Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value Hierarchy Level</u>
U.S. Treasury Notes	\$ 2,009,933	0.93	2
U.S. Government Sponsored Enterprise Notes	17,717,940	2.57	2
<u>Investments at Amortized Cost</u>			
Local government investment pool-MOSIP	33,644	n/a	
Ameritrade Money Market Fund	1,613,411	n/a	
Certificate of Deposits	500,000	2.00	
Federated Money Market Fund	3,721,746	n/a	
Total Investments	<u>\$25,596,674</u>		

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the final maturity date of all operating investments to 5 years or less from the date of purchase. Investments for bond proceeds and debt service reserve accounts may be extended to match the anticipated cash flow needs.

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

- 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>
Bankers Acceptances	10%
Collateralized Certificate of Deposit	100%
U.S. Treasuries	100%
U.S. Agencies	80%
Collateralized Repurchase Agreements	50%

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

<u>Investment Type</u>	<u>Standard & Poor's Credit Rating</u>	<u>Percent of Total Investments</u>
U. S. Treasury Note	Aaa	N/A
Federal Home Loan Bank	Aaa	11.7%
Federal Farm Credit Bank	Aaa	21.6%
Federal Home Loan Mortgage Corporation	Aaa	33.2%
Federal National Mortgage Association	Aaa	2.7%
Federated Treasury Obligation Fund Money Market	AAA	N/A
Certificates of Deposit	N/A	1.9%
Missouri Securities Investment Program Money Market	AAA	N/A

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

Custodial Credit Risk

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

At June 30, 2020, 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, 2020, the City's bank balance of deposits with financial institutions of \$1,580,805 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, 2020:

	2019 Balance	Additions	Deletions	2020 Balance
Capital assets not being depreciated:				
Land	\$21,471,213	\$633,766	\$(848,788)	\$21,256,191
Construction in progress	919,136	609,047	-	1,528,183
Total capital assets not being depreciated	22,390,349	1,242,813	(848,788)	22,784,374
Capital assets being depreciated:				
Buildings	19,026,865	-	-	19,026,865
Improvements	4,187,353	4,479,019	-	8,666,372
Machinery and equipment	6,724,074	706,388	(313,600)	7,116,862
Infrastructure	96,370,224	-	-	96,370,224
Total capital assets being depreciated	126,308,516	5,185,407	(313,600)	131,180,323
Less accumulated depreciation for:				
Buildings	(5,775,094)	(383,956)	-	(6,159,050)
Improvements	(711,853)	(96,132)	-	(807,985)
Machinery and equipment	(5,602,423)	(427,357)	247,204	(5,782,576)
Infrastructure	(20,328,989)	(1,927,404)	-	(22,256,393)
Total accumulated depreciation	(32,418,359)	(2,834,849)	247,204	(35,006,004)
Total capital assets, being depreciated, net	93,890,157	(2,350,558)	(66,396)	96,174,319
Governmental activities capital assets, net	\$116,280,506	\$3,593,371	\$(915,184)	\$118,958,693

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

Administration	\$106,556
Police Services	285,148
Fire Service	120,758
Public Works	2,251,879
Parks and Recreation	65,293
Community Development	5,215
Total Depreciation Expense	<u>\$2,834,849</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 Capital Improvement Fund as follows:

<u>Capital Improvements Fund</u>	<u>Contract Amount</u>	<u>Completed</u>	<u>To Be Completed</u>
Horizons Phase I Construction	\$11,871,232	\$11,262,920	\$608,312
E.H. Young Park Improvements	2,246,792	2,201,856	44,936
Street Maintenance	282,850	242,926	39,924
Total	<u>\$14,400,874</u>	<u>\$13,707,702</u>	<u>\$693,172</u>

Note 4 – Interfund Balances and Transfers

Interfund balances at June 30, 2020 consisted of:

	<u>Due From</u>	<u>Due To</u>
General fund	\$11,728	\$ -
Nonmajor governmental funds	-	11,728
Total	<u>\$11,728</u>	<u>\$11,728</u>

Transfers for the year ended June 30, 2020 consisted of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$6,000,000	\$6,231,089
Capital improvements fund	5,620,000	-
TIF debt service fund	154,740	6,000,000
Community development fund	3,220	-
Nonmajor governmental funds	453,129	-
Total	<u>\$12,231,089</u>	<u>\$12,231,089</u>

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

The TIF debt service fund transferred \$6,000,000 to the general fund. Both Tax Increment Financing and Bond documents allow for the general fund to be reimbursed for prior year expenditures once debt service costs are covered. During the current fiscal year, TIF revenues were in excess of debt service costs, which allowed for a reimbursement to the general fund of prior year expenditures.

Note 5 – Long-Term Liabilities

Long-term liability balances and activity for the year ended June 30, 2020 were as follows:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Amounts Due Within One Year
Tax Increment Financing Bonds	\$15,640,000	\$ -	\$3,525,000	\$12,115,000	\$2,225,000
Premium (discount) on bonds, net	1,428,700	-	289,708	1,138,992	-
Net pension liability	1,668,545	946,761	-	2,615,306	-
Developer liability	737,537	-	600,965	136,572	136,572
Compensated absences	604,857	483,358	604,857	483,358	323,850
Total	<u>\$20,079,639</u>	<u>\$1,430,119</u>	<u>\$5,020,530</u>	<u>\$16,489,228</u>	<u>\$2,685,422</u>

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

Long-term debt payable as of June 30, 2020 is comprised of the following individual issues:

	Fiscal Year Issued	Maturity Date	Outstanding Interest Rates	Balance June 30, 2020
Series 2017 Tax Increment Financing Debt \$18,370,000	2017	5/1/18-5/1/25	2.0% to 5.0%	12,115,000
Total				<u>\$12,115,000</u>

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2021	2,225,000	560,400
2022	2,310,000	471,400
2023	2,405,000	379,000
2024	2,525,000	258,750
2025	2,650,000	132,500
Total	<u>\$12,115,000</u>	<u>\$ 1,802,050</u>

During 2017, the Riverside Industrial Development Authority, a blended component unit of the City, issued \$18,370,000 of Tax Increment Financing Revenue Bonds for a current refunding of the Authority's Series 2007 Tax Increment Financing Revenue Bonds. Total principal and interest remaining on the bonds is \$13,917,050 payable through 2025.

Conduit Debt Obligations

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

As of June 30, 2020, there was one issue of Missouri recovery zone facility revenue bonds outstanding with an original issue amount of \$20,000,000, and a principal balance outstanding of \$1,250,000.

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	1.5%

The agreement expires in fiscal year 2025, with four 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, 2020 is \$3,087,509.

Note 7 – 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 risk pool that would require recognition of a liability as of June 30, 2020.

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’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits provided:

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

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

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

Employees covered by benefit terms:

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	32
Inactive employees entitled to but not yet receiving benefits	39
Active employees	77
Total	<u>148</u>

Contributions:

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employees of the City do not contribute to the pension plan. The City’s employer contribution rates are 16.4% (General), 23.2% (Police), and 15.9% (Fire) of annual covered payroll.

Net Pension Liability:

The City's net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 29, 2020 and rolled forward to the measurement date using standard update procedures.

Actuarial assumptions:

The total pension liability in the February 29, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.5% price inflation
Salary Increase	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment and administration expenses

Mortality rates were based on RP-2014 Healthy Annuitant Mortality table for males and females for healthy retirees, the RP-2014 Disabled Mortality table for males and females for disabled retirees and the RP-2014 Employees Mortality table for males and females for pre-retirement employees. Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 29, 2020 valuation were based upon experience observed during the most recent 5-year period study for the period March 1, 2010 through February 28, 2015.

Long-term expected rate of return:

The long-term expected rate of return on pension plan investments of 7.25% was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash/Leverage	-25.00%	-0.29%

Discount rate:

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

Changes in net pension liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balances at June 30, 2019	\$ 15,806,844	\$14,138,299	\$1,668,545
Changes for the year:			
Service Cost	571,829	-	571,829
Interest	1,154,447	-	1,154,447
Difference between expected & actual experience	253,575	-	253,575
Contributions – employer	-	856,948	(856,948)
Net investment income	-	185,011	(185,011)
Benefit payments, including refunds	(334,535)	(334,535)	-
Administrative expense	-	(17,217)	17,217
Other changes	-	8,348	(8,348)
Net changes	1,645,316	698,555	946,761
Balances at June 30, 2020	\$17,452,160	\$14,836,854	\$2,615,306

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

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

Current Single Discount		
1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
\$5,675,789	\$2,615,306	\$142,734

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

For the year ended June 30, 2020, the City recognized pension expense of \$918,164. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$552,492	(\$410,249)
Differences in assumptions	115,628	-
Difference between projected and actual investment earnings	429,739	-
Total	<u>\$1,097,859</u>	<u>(\$410,249)</u>

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

Year ended:	
6/30/2021	\$66,094
6/30/2022	94,095
6/30/2023	212,514
6/30/2024	180,094
6/30/2025	18,387
Thereafter	116,426
Total	<u>\$687,610</u>

The deferred inflows of resources related to the difference between expected and actual investment earnings is being amortized over a closed five-year period. The remaining deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period.

Payable to the Pension Plan:

The City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

C. Commitments and Contingencies

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

D. Federal and State Grants

In the current and prior years the City has participated in a number of federal and state programs that were fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of June 30, 2020 certain grant expenditures have not been audited by grantor governments, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

E. Lease

During fiscal year 2011, the City entered into a sales-type lease agreement with a private business (the lessee) which expires in fiscal year 2021. In connection with the agreement, the City purchased land for an approximate cost of \$630,012. The lessee will pay the City \$1,655,280 in order to lease the land; the title of the land will not transfer to the third party until the end of the lease term (December 2020). The lessee paid the City \$762,300 during fiscal year 2011. The remaining balance of \$892,980 was received in fiscal year 2012. In accordance with GASB Statement No. 62, this transaction resulted in a gain on a sales-type lease of \$1,025,268 (difference between the cost of the land and the amount paid by the lessee). Because the title to the land will not be transferred to the lessee until the end of the lease term, this gain was recorded as a deferred inflow of resources - deferred gain on the City's government-wide statement of net position and is being recognized as revenue on a straight-line basis over the life of the lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2020 is \$102,527. The balance of the deferred gain on sales- leaseback as of June 30, 2020 is \$681,274.

During fiscal year 2018, the City entered into a sales-type lease agreement with a private business (the lessee) which expires in fiscal year 2020. In connection with the agreement, the City purchased land for an approximate cost of \$237,452. The lessee paid the City \$1,307,676 in order to lease the land and the land transferred to the lessee in April 2020. In accordance with GASB Statement No. 62, this transaction resulted in a gain on a sales-type lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2020 is \$335,116. The balance of the deferred gain on sales- leaseback as of June 30, 2020 is \$87,006.

During fiscal year 2019, the City entered into a sales-type lease agreement with a private business (the lessee) which expires in fiscal year 2020. In connection with the agreement, the City purchased land for an approximate cost of \$354,586. The lessee paid the City \$904,266 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). In accordance with GASB Statement No. 62, this transaction resulted in a gain on a sales-type lease. The amount of revenue recorded on the City's government-wide statement of activities for fiscal year ending June 30, 2020 is \$310,887. The balance of the deferred gain on sales- leaseback as of June 30, 2020 is \$354,586.

Note 8 – Tax Abatements

The City enters into real and personal property tax abatement agreements with local businesses pursuant to Article VI, Section 27(b) of the Missouri Constitution, as amended, Sections 100.010 to 100.200, inclusive, of the Missouri Revised Statutes, as amended. Under this authority, municipalities may grant real and personal property tax abatements of up to 100 percent of a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the City.

For the fiscal year ended June 30, 2020, the City abated property taxes totaling \$851,521, under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated.

A 75% personal property abatement to an automotive manufacturing supplier for acquiring, constructing, improving, purchasing, equipping and installing an approximately 260,000 square feet of industrial building consisting of approximately 240,000 square feet of manufacturing space and approximately 20,000 square feet of office space within the City. The abatement totaled \$254,562.

A 75% personal property abatement to an automotive manufacturing supplier for purchasing, equipping and installing certain personal property in a leased facility containing 221,940 square feet of industrial building within the City. The abatement totaled \$238,134.

A 100% real property abatement to an automotive manufacturing supplier for acquiring, constructing, improving, purchasing, equipping and installing an approximately 170,000 square feet of manufacturing facility within the City. The abatement totaled \$347,901.

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 Statement which may impact the City is as follows:

GASB Statement GASB Statement No. 84, *Fiduciary Activities*, issued February 2017, will be effective for the City beginning with its fiscal year ending June 30, 2021. The objective of Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

GASB Statement No. 87, Leases, issued June 2017, will be effective for the City beginning with its fiscal year ending June 30, 2022 with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

GASB Statement No. 91, Conduit Debt Obligations, issued May 2019, will be effective for the City beginning with its fiscal year ending June 30, 2023 with earlier adoption encouraged. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

Note 10 – Subsequent Events

The spread of COVID-19, a novel strain of coronavirus, is altering the behavior of businesses and people throughout the United States. Furthermore, financial markets have experienced significant volatility attributed to coronavirus concerns. The continued spread of COVID-19 may adversely impact the local, regional and national economies. The extent to which the coronavirus impacts the City's results will depend on future developments, which are highly uncertain and cannot be predicted. The impact is highly dependent on the breadth and duration of the outbreak and could be affected by other factors that cannot currently be predicted. Accordingly, management cannot presently estimate the overall operational and financial impact to the City, but such an impact could have a material adverse effect on the financial condition of the City.

Due to the impact of the COVID-19 pandemic on the local economy, the City of Riverside is projecting a significant decrease in gaming revenue, real estate income and sales tax revenue for the first several months of fiscal year 2021. Ultimately, the City expects to see a reduction of 15% in gaming revenue, 12% in real estate income and 10% in sales tax revenue from the fiscal year 2020 budget.

City of Riverside, Missouri

Required Supplementary Information

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

Fiscal year ending June 30,

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 571,829	\$ 543,476	\$ 515,557	\$ 510,264	\$ 480,583	\$ 465,251	\$ 465,251
Interest on the Total Pension Liability	1,154,447	1,071,690	968,671	895,886	795,380	715,173	715,173
Benefit Changes	-	-	-	-	-	-	-
Difference between expected and actual experience	253,575	(140,934)	228,005	(152,119)	(51,932)	195,168	195,168
Assumption Changes	-	-	-	-	393,633	-	-
Benefit Payments	(334,535)	(358,404)	(253,408)	(252,052)	(240,061)	(312,317)	(312,317)
Refunds	-	-	-	-	-	-	-
Net Change in Total Pension Liability	<u>1,645,316</u>	<u>1,115,828</u>	<u>1,458,825</u>	<u>1,001,979</u>	<u>1,377,603</u>	<u>1,063,275</u>	<u>1,063,275</u>
Total Pension Liability beginning	<u>15,806,844</u>	<u>14,691,016</u>	<u>13,232,191</u>	<u>12,230,212</u>	<u>10,852,609</u>	<u>9,789,334</u>	<u>9,789,334</u>
Total Pension Liability ending	<u>\$ 17,452,160</u>	<u>\$ 15,806,844</u>	<u>\$ 14,691,016</u>	<u>\$ 13,232,191</u>	<u>\$ 12,230,212</u>	<u>\$ 10,852,609</u>	<u>\$ 10,852,609</u>
Plan Fiduciary Net Position							
Contributions-employer	\$ 856,948	\$ 809,078	\$ 818,940	\$ 735,877	\$ 700,760	\$ 713,467	\$ 713,467
Contributions-employee	-	-	-	-	-	-	-
Pension Plan Net Investment income	185,011	838,925	1,426,667	1,134,048	10,866	167,165	167,165
Benefit Payments	(334,535)	(358,404)	(253,408)	(252,052)	(240,061)	(312,317)	(312,317)
Refunds	-	-	-	-	-	-	-
Pension Plan Administrative expense	(17,217)	(15,222)	(10,588)	(10,031)	(9,845)	(9,599)	(9,599)
Other	8,348	(196,735)	(28,487)	7,834	(75,346)	28,155	28,155
Net Change in Plan Fiduciary Net Position	<u>698,555</u>	<u>1,077,642</u>	<u>1,953,124</u>	<u>1,615,676</u>	<u>386,374</u>	<u>586,871</u>	<u>586,871</u>
Plan Fiduciary Net Position beginning	<u>14,138,299</u>	<u>13,060,657</u>	<u>11,107,533</u>	<u>9,491,857</u>	<u>9,105,483</u>	<u>8,518,612</u>	<u>8,518,612</u>
Plan Fiduciary Net Position ending	<u>\$ 14,836,854</u>	<u>\$ 14,138,299</u>	<u>\$ 13,060,657</u>	<u>\$ 11,107,533</u>	<u>\$ 9,491,857</u>	<u>\$ 9,105,483</u>	<u>\$ 9,105,483</u>
Employer Net Pension Liability	<u>\$ 2,615,306</u>	<u>\$ 1,668,545</u>	<u>\$ 1,630,359</u>	<u>\$ 2,124,658</u>	<u>\$ 2,738,355</u>	<u>\$ 1,747,126</u>	<u>\$ 1,747,126</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.01%	89.44%	88.90%	83.94%	77.61%	83.90%	83.90%
Covered Payroll	\$ 4,839,083	\$ 4,512,401	\$ 4,375,028	\$ 4,157,961	\$ 4,106,637	\$ 3,814,750	\$ 3,814,750
Employer's Net Pension Liability as a percentage of covered payroll	54.05%	36.98%	37.27%	51.10%	66.68%	45.80%	45.80%

Notes to schedule:

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

In 2016, amounts reported as changes in assumptions resulted primarily from the change in the mortality table, inflation rate and salary increase.

City of Riverside, Missouri
Required Supplementary Information
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$854,771	\$831,217	\$735,380	\$700,103	\$717,000	\$703,828	\$649,559	\$626,517	\$605,177	\$530,374
Contributions in relation to the actuarially determined contribution	856,948	818,115	735,380	700,103	712,502	676,577	642,214	626,517	605,177	530,374
Contribution deficiency (excess)	(\$2,177)	\$13,102	\$0	\$0	\$4,498	\$27,251	\$7,345	\$0	\$0	\$0
Covered payroll	\$4,736,452	\$4,533,192	\$4,296,936	\$4,039,173	\$3,926,513	\$3,868,205	\$3,692,007	\$3,724,212	\$3,585,177	\$3,360,791
Contributions as a percentage of covered payroll	18.09%	18.05%	17.11%	17.33%	18.15%	17.49%	17.39%	16.82%	16.88%	15.78%

Note: For a complete description of the actuarial assumptions used in the annual valuations, please refer to Footnote 7.B. or please contact the LAGERS office in Jefferson City.

Notes to Schedule:

Valuation date: Actuarially determined contribution rates are calculated as of February 29, two years and four months prior to the end of the fiscal year which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and modified terminal funding
Amortization method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period of (ii) 15 years.
Remaining amortization period	General-multiple bases from 11 to 15 years. Police & Fire-multiple bases from 10 to 20 years
Asset valuation method	5 year smoothed market, 20% corridor
Inflation	3.25% wage inflation, 2.50% price inflation
Salary increases	General & Police-3.25% to 6.55% including wage inflation. Fire-3.25% to 7.15% including wage inflation.
Net investment rate of return	7.25%, net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The healthy retiree mortality tables, for postretirement mortality, were the RP-2014 Healthy Annuitant mortality tables for males and females. The disabled retiree mortality tables, for postretirement mortality, were the RP-14 disabled mortality table for males and females. The preretirement mortality tables used were the PR-2014 employees mortality table for males and females. Both the postretirement and preretirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.
Other information	None

Note: UAAL is the Unfunded Actuarial Accrued Liability

City of Riverside, Missouri
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue		
	DUI Fund	Tourism Tax	Federal & State Grants
Assets			
Cash and investments	\$ 19,035	\$ 659,567	\$ -
Taxes receivable	-	6,521	-
Due from other governments	-	-	11,728
Total assets	\$ 19,035	\$ 666,088	\$ 11,728
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	11,728
Total liabilities	-	-	11,728
Fund balances			
Restricted for:			
Law enforcement	19,035	-	-
Tourism	-	666,088	-
Committed for, capital projects	-	-	-
Total fund balance	19,035	666,088	-
Total liabilities and fund balances	\$ 19,035	\$ 666,088	\$ 11,728

<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>	
\$ 7,608	\$ 39,060	\$ 55,841	\$ 545,862	\$ 1,326,973
-	-	-	-	6,521
-	-	-	-	11,728
<u>7,608</u>	<u>\$ 39,060</u>	<u>\$ 55,841</u>	<u>\$ 545,862</u>	<u>\$ 1,345,222</u>
\$ -	\$ -	\$ -	\$ 11,965	\$ 11,965
-	-	-	-	11,728
-	-	-	11,965	23,693
7,608	39,060	55,841	-	121,544
-	-	-	-	666,088
-	-	-	533,897	533,897
<u>7,608</u>	<u>39,060</u>	<u>55,841</u>	<u>533,897</u>	<u>1,321,529</u>
<u>\$ 7,608</u>	<u>\$ 39,060</u>	<u>\$ 55,841</u>	<u>\$ 545,862</u>	<u>\$ 1,345,222</u>

City of Riverside, Missouri
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		
	DUI Fund	Tourism Tax	Federal & State Grants
Revenue:			
Taxes, tourism tax	\$ -	\$ 126,353	\$ -
Intergovernmental revenue	-	-	12,928
Fines and forfeitures	1,541	-	-
Recreation fees	-	-	-
Miscellaneous revenue	-	1,305	-
Total revenue	1,541	127,658	12,928
Expenditures:			
Current:			
Administrative and support	-	137,686	-
Police services	196	-	6,257
Fire services	-	-	9,800
Public works	-	-	-
Community Development	-	-	-
Total expenditures	196	137,686	16,057
Excess of revenue over/(under) expenditures	1,345	(10,028)	(3,129)
Other financing sources			
Transfers in	-	-	3,129
Total other financing sources	-	-	3,129
Net change in fund balance	1,345	(10,028)	-
Fund balance, beginning of year	17,690	676,116	-
Fund balance, end of year	\$ 19,035	\$ 666,088	\$ -

<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>	
\$ -	\$ -	\$ -	\$ -	\$ 126,353
-	-	-	-	12,928
3,685	1,971	-	-	7,197
-	-	9,835	-	9,835
-	-	2,310	-	3,615
<u>3,685</u>	<u>1,971</u>	<u>12,145</u>	<u>-</u>	<u>159,928</u>
-	-	-	82,674	220,360
349	-	36,744	86,917	130,463
-	-	-	22,585	32,385
-	-	-	3,960	3,960
-	-	-	12,060	12,060
<u>349</u>	<u>-</u>	<u>36,744</u>	<u>208,196</u>	<u>399,228</u>
<u>3,336</u>	<u>1,971</u>	<u>(24,599)</u>	<u>(208,196)</u>	<u>(239,300)</u>
-	-	-	450,000	453,129
-	-	-	450,000	453,129
3,336	1,971	(24,599)	241,804	213,829
4,272	37,089	80,440	292,093	1,107,700
<u>\$ 7,608</u>	<u>\$ 39,060</u>	<u>\$ 55,841</u>	<u>\$ 533,897</u>	<u>\$ 1,321,529</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, 2020

	Tourism Tax Fund	
	Budget	Actual
Revenues:		
Taxes, tourism tax	\$ 185,000	\$ 126,353
Miscellaneous	-	1,305
Total revenues	185,000	127,658
Expenditures:		
Current:		
Administrative and support	150,000	137,686
Revenues over expenditures	35,000	(10,028)
Net change in fund balance	\$ 35,000	(10,028)
Fund balance, beginning of year		676,116
Fund balance, end of year		\$ 666,088

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, 2020

	Capital Improvements Fund		Community Development Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Investment earnings	\$ 3,000	\$ 6,269	\$ 10,000	\$ 11,460
Intergovernmental revenue	595,000	57,474	-	-
Miscellaneous	-	16,700	-	-
Tax increment financing revenue	-	-	109,500	110,789
Total revenues	<u>598,000</u>	<u>80,443</u>	<u>119,500</u>	<u>122,249</u>
Expenditures:				
Current:				
Administrative and support	-	-	-	-
Police services	-	-	-	-
Fire services	-	-	-	-
Public works	-	-	-	-
Community Development	-	-	-	-
Capital outlay	11,773,000	7,844,163	750,000	8,108
Total expenditures	<u>11,773,000</u>	<u>7,844,163</u>	<u>750,000</u>	<u>8,108</u>
Revenues over expenditures	<u>(11,175,000)</u>	<u>(7,763,720)</u>	<u>(630,500)</u>	<u>114,141</u>
Other financing sources:				
Transfers in	9,000,000	5,620,000	1,500	3,220
Total other financing sources	<u>9,000,000</u>	<u>5,620,000</u>	<u>1,500</u>	<u>3,220</u>
Net change in fund balance	<u>\$ (2,175,000)</u>	(2,143,720)	<u>\$ (629,000)</u>	117,361
Fund balance, beginning of year		4,219,807		2,516,340
Fund balance, end of year		<u>\$ 2,076,087</u>		<u>\$ 2,633,701</u>

Capital Equipment Fund	
Budget	Actual
\$ -	\$ -
-	-
-	-
-	-
-	-
-	-
95,000	82,674
120,000	86,917
55,600	22,585
8,000	3,960
11,500	12,060
-	-
<u>290,100</u>	<u>208,196</u>
<u>(290,100)</u>	<u>(208,196)</u>
450,000	450,000
<u>450,000</u>	<u>450,000</u>
<u>\$ 159,900</u>	241,804
	292,093
	<u>\$ 533,897</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, 2020

	Budget	Actual
Revenues:		
Investment earnings	\$ 60,000	\$ 70,900
Tax increment financing revenue	9,242,000	9,113,064
Total revenues	9,302,000	9,183,964
Expenditures:		
Current:		
Administrative and support	2,017,000	1,935,106
Debt service:		
Principal	3,525,000	3,525,000
Interest	680,000	679,581
Total expenditures	6,222,000	6,139,687
Revenues (under) expenditures	3,080,000	3,044,277
Other financing sources (uses),		
Transfers in	-	154,740
Transfers out	(6,000,000)	(6,000,000)
Total other financing sources (uses)	(6,000,000)	(5,845,260)
Changes in fund balance	\$ (2,920,000)	(2,800,983)
Fund balance, beginning of year		6,300,632
Fund balance, end of year		\$ 3,499,649

City of Riverside, Missouri
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2020

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Municipal Court Bond Account				
Assets:				
Cash and investments	\$ <u>47,127</u>	\$ <u>60,317</u>	\$ <u>78,238</u>	\$ <u>29,206</u>
Liabilities:				
Due to others	\$ <u>47,127</u>	\$ <u>60,317</u>	\$ <u>78,238</u>	\$ <u>29,206</u>

Statistical Section

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

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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.	66 – 73
Revenue Capacity These schedules contain information to help the reader assess the government’s most significant local revenue source, the gaming revenue.	74 – 77
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.	78 – 79
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.	80 – 81
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.	82 – 85

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

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

	Fiscal Year			
	2020	2019	2018	2017
Governmental Activities				
Net investment in capital assets	105,704,703	\$ 100,630,858	\$ 97,344,337	\$ 97,004,464
Restricted	1,467,246	1,432,686	1,367,834	4,013,110
Unrestricted	22,033,852	22,250,908	15,494,048	6,359,006
Total governmental activities net position	129,205,801	\$ 124,314,452	\$ 114,206,219	\$ 107,376,580

Note 1: Beginning with year 2014, the City reclassified the presentation of certain amounts previously presented as restricted. This schedule has not been adjusted for years prior to 2014.

Note 2: The City adopted GASB Statement No. 68 in fiscal year 2015. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2015.

Note 3: The City adopted GASB Statement No. 75 in fiscal year 2018. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2018.

						Fiscal Year						
2016		2015		2014		2013		2012		2011		
\$	96,108,750	\$	95,152,969	\$	93,573,067	\$	97,455,751	\$	87,447,540	\$	80,614,617	
	4,558,070		1,369,477		803,511		8,978,799		11,601,649		7,372,933	
	(92,041)		(1,937,545)		(1,482,081)		(7,486,325)		(440,616)		9,318,551	
<hr/>												
\$	100,574,779	\$	94,584,901	\$	92,894,497	\$	98,948,225	\$	98,608,573	\$	97,306,101	
<hr/>												

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

	Fiscal Year			
	2020	2019	2018	2017
Expenses				
Governmental activities:				
Administrative and support	\$ 3,222,700	\$ 3,291,541	\$ 3,453,807	\$ 3,443,113
Municipal court	201,048	203,680	185,151	186,954
Public safety administration	457,058	458,170	469,381	503,889
Police services:	2,514,340	2,785,423	2,763,422	2,826,475
Operations support	697,576	625,571	626,777	652,384
Fire services	2,035,973	1,943,975	1,960,449	1,650,728
Public works	6,683,518	5,195,695	6,449,874	6,116,448
Parks and recreation	750,178	776,230	792,884	808,300
Community developmen	514,451	481,236	489,157	453,302
Engineering*	264,405	248,291	252,597	203,769
Interest on long-term deb	725,689	840,802	1,069,332	1,465,032
Total governmental activities expense	<u>18,066,936</u>	<u>16,850,614</u>	<u>18,512,831</u>	<u>18,310,394</u>
Program revenues				
Governmental activities:				
Charges for services:				
Administrative and support	49,624	46,302	43,708	42,139
Police services	181,870	216,135	217,239	251,529
Public works	-	1,405,041	-	598,059
Parks and recreation	28,841	74,045	73,779	70,979
Community development	89,139	117,320	164,204	175,544
Operating grants and contributions:				
Police services	12,928	7,445	8,705	14,391
Capital grants and contributions	57,474	25,000	134,440	1,001,920
Total governmental activities program revenue	<u>419,876</u>	<u>1,891,288</u>	<u>642,075</u>	<u>2,154,561</u>
Net (expense)/revenue governmental activities	<u>(17,647,060)</u>	<u>(14,959,326)</u>	<u>(17,870,756)</u>	<u>(16,155,833)</u>
General revenue and other changes in net position				
Governmental activities:				
Taxes				
Sales taxes	1,960,811	1,770,167	1,761,375	1,611,237
Franchise taxes	882,555	942,401	956,301	906,344
Tourism taxes	126,353	168,555	188,108	188,955
Gaming revenue taxes	5,158,233	6,593,570	6,724,359	6,589,264
Tax increment financing	9,223,853	8,469,400	8,602,995	7,273,358
Unrestricted grants and contribution	334,587	347,951	358,673	323,261
Investment earnings	709,190	637,918	175,186	69,611
Real estate income - gaming	3,087,509	4,512,586	4,593,455	4,358,378
Gain on purchase of bonds	-	-	-	-
Gain on land lease	748,530	1,266,766	1,170,449	1,407,859
Gain on sale of capital position	-	-	-	-
Miscellaneous	306,788	358,245	242,562	227,366
Total governmental activities	<u>22,538,409</u>	<u>25,067,559</u>	<u>24,773,463</u>	<u>22,955,633</u>
Change in net position				
Governmental activities:	<u>\$ 4,891,349</u>	<u>\$ 10,108,233</u>	<u>\$ 6,902,707</u>	<u>\$ 6,799,800</u>

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

Note 1: The City adopted GASB Statement No. 68 in fiscal year 2015. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2015.

Note 2: The City adopted GASB Statement No. 75 in fiscal year 2018. Although beginning net position on the basic financial statements was restated, this schedule has not been adjusted for years prior to 2018.

		Fiscal Year									
		2016	2015	2014	2013	2012	2011				
\$	3,552,846	\$	3,536,140	\$	3,361,653	\$	3,291,806	\$	3,340,602	\$	3,167,034
	173,961		178,317		175,443		168,189		163,037		151,884
	441,392		435,851		512,170		645,375		555,516		474,639
	2,766,514		2,551,494		2,560,182		2,543,564		2,331,412		2,132,814
	614,941		585,905		549,291		606,699		700,555		633,732
	1,731,925		1,582,358		1,563,803		1,418,114		1,247,599		1,256,523
	5,598,064		5,191,014		14,302,013		9,024,716		9,347,065		5,585,388
	779,143		745,998		773,333		725,478		776,223		595,934
	469,177		442,382		368,024		499,425		560,864		613,821
	214,828		202,569		201,177		-		-		-
	1,666,391		1,982,428		2,395,524		2,481,272		2,673,512		2,393,978
	18,009,182		17,434,456		26,762,613		21,404,638		21,696,385		17,005,747
	47,948		45,850		42,498		41,535		40,154		41,426
	254,540		289,082		366,880		356,142		269,042		272,520
	400,424		278,171		-		186,168		347,037		4,004,893
	68,643		62,537		68,084		77,587		66,564		54,281
	128,375		103,251		57,701		58,196		47,773		25,695
	25,742		13,822		6,455		8,906		32,747		12,122
	847,362		46,767		1,165,046		3,512,010		2,279,000		510,410
	1,773,034		839,480		1,706,664		4,240,544		3,082,317		4,921,347
	(16,236,148)		(16,594,976)		(25,055,949)		(17,164,094)		(18,614,068)		(12,084,400)
	1,697,356		1,378,151		1,445,549		1,397,363		1,358,640		1,256,558
	813,186		716,542		714,460		651,528		587,217		583,266
	217,779		184,262		166,584		169,910		173,663		176,958
	6,569,566		6,303,001		6,399,850		7,133,275		8,528,022		9,333,622
	6,654,901		5,123,842		3,883,538		3,335,920		2,615,532		2,531,727
	348,521		371,948		254,291		238,557		287,393		297,315
	87,952		89,580		47,676		51,762		187,308		274,702
	4,394,870		4,182,418		4,060,295		4,155,181		4,424,307		4,972,759
	-		-		-		-		-		120,000
	1,300,452		1,094,726		1,843,665		1,153,512		325,557		51,263
	-		-		-		-		1,410,165		-
	141,443		111,632		186,313		26,529		18,736		44,782
	22,226,026		19,556,102		19,002,221		18,313,537		19,916,540		19,642,952
\$	5,989,878	\$	2,961,126	\$	(6,053,728)	\$	1,149,443	\$	1,302,472	\$	7,558,552

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

	Fiscal Year				
	2020	2019	2018	2017	2016
General fund					
Committed for, stabilization reserve	\$ 8,968,618	\$ 8,719,571	\$ -	\$ -	\$ -
Unassigned	8,453,499	7,072,490	12,937,617	9,450,806	5,953,625
Total general fund	<u>\$ 17,422,117</u>	<u>\$ 15,792,061</u>	<u>\$ 12,937,617</u>	<u>\$ 9,450,806</u>	<u>\$ 5,953,625</u>
All other governmental funds					
Restricted for:					
Debt service	\$ 3,499,649	\$ 6,300,632	\$ 5,808,290	\$ 7,089,829	\$ 6,331,575
Capital improvements	679,613	617,079	632,198	2,860,470	3,562,686
Community development	-	-	-	499,660	393,379
Law enforcement	121,544	139,491	127,757	143,538	140,459
Tourism	666,088	676,116	607,879	509,442	461,546
Committed for, capital projects	4,564,072	6,411,161	6,102,394	345,998	300,574
Total all other governmental funds	<u>\$ 9,530,966</u>	<u>\$ 14,144,479</u>	<u>\$ 13,278,518</u>	<u>\$ 11,448,937</u>	<u>\$ 11,190,219</u>

Fiscal Year				
2015	2014	2013	2012	2011
\$ -	\$ -	\$ -	\$ -	\$ -
5,585,914	5,564,281	7,391,475	12,642,233	22,822,235
<u>\$ 5,585,914</u>	<u>\$ 5,564,281</u>	<u>\$ 7,391,475</u>	<u>\$ 12,642,233</u>	<u>\$ 22,822,235</u>

\$ 6,193,653	\$ 5,945,362	\$ 6,466,375	\$ 5,327,671	\$ 5,712,998
544,497	98,722	1,867,992	4,200,664	284,563
286,014	184,514	145,884	1,618,153	985,069
135,379	128,051	106,265	76,991	68,250
403,587	392,224	392,283	378,170	322,053
240,222	174,720	55,241	153,515	106,335
<u>\$ 7,803,352</u>	<u>\$ 6,923,593</u>	<u>\$ 9,034,040</u>	<u>\$ 11,755,164</u>	<u>\$ 7,479,268</u>

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

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues					
Taxes	\$ 2,969,719	\$ 2,881,123	\$ 2,905,784	\$ 2,706,536	\$ 2,728,321
Intergovernmental revenue	388,289	380,396	447,378	339,572	832,035
Charges for services	-	-	-	16,785	1,860
Investment earnings	709,190	637,918	175,186	69,611	87,952
Real estate income - gaming	3,087,509	4,512,586	4,593,455	4,358,378	4,394,870
Gaming revenue	5,158,233	6,593,570	6,724,359	6,589,264	6,569,566
Licenses and fees	138,763	163,622	207,912	217,683	176,323
Fines and forfeitures	181,870	216,135	217,239	251,529	254,540
Recreation fees	28,841	74,045	73,779	70,979	68,643
Miscellaneous	36,450	36,048	23,515	111,143	40,145
TIF revenue	9,223,853	8,469,400	8,602,995	7,273,358	6,654,901
Developer contribution	-	12,677	52,288	1,269,288	1,057,605
Proceeds from sale-leaseback	-	-	-	-	-
Total revenues	21,922,717	23,977,520	24,023,890	23,274,126	22,866,761
Expenditures					
Administrative and support	3,863,096	3,900,865	3,566,856	3,423,664	3,556,565
Municipal court	199,767	203,994	180,543	185,717	170,866
Police administration	451,532	459,788	465,947	493,515	424,178
Police services	2,706,226	2,660,128	2,678,181	2,393,971	2,332,919
Operations support	670,463	630,670	620,156	630,912	588,216
Fire services	1,978,962	1,927,497	1,874,710	1,641,159	1,569,336
Public works	1,532,066	1,594,657	1,533,085	1,575,538	1,510,818
Parks and recreation	682,143	715,177	726,863	656,928	642,074
Community development	546,265	474,891	457,772	441,152	469,676
Engineering*	285,982	248,517	227,650	202,924	199,203
Capital outlay	7,852,271	3,926,854	2,156,109	2,990,402	2,768,726
Principal	3,525,000	3,760,000	23,290,000	4,075,000	3,775,000
Interest	679,581	793,881	1,059,844	1,244,681	1,373,481
Bond issuance costs	-	-	366,530	-	-
Total expenditures	24,973,354	21,296,919	39,204,246	19,955,563	19,381,058
Excess of revenues over (under) expenditures	(3,050,637)	2,680,601	(15,180,356)	3,318,563	3,485,703
Other financing sources (uses)					
Transfers in	12,231,089	6,096,411	6,973,338	1,434,560	2,743,737
Transfers out	(12,231,089)	(6,096,411)	(6,973,338)	(1,434,560)	(2,743,737)
Issuance of TIF bonds	-	-	18,370,000	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Sale of capital assets	67,180	1,039,804	359,344	437,336	268,875
Premium on bonds issuance	-	-	1,767,404	-	-
Discount on bonds issuance	-	-	-	-	-
Total other financing sources (uses)	67,180	1,039,804	20,496,748	437,336	268,875
Net change in fund balances	\$ (2,983,457)	\$ 3,720,405	\$ 5,316,392	\$ 3,755,899	\$ 3,754,578
Debt service as a percentage of noncapital expenditures	22%	25%	64%	28%	29%

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

		Fiscal Year							
		2015	2014	2013	2012	2011			
\$	2,278,955	\$	2,326,593	\$	2,218,801	\$	2,119,520	\$	2,152,052
	432,537		1,080,549		3,496,318		1,399,140		809,437
	28,173		345,243		186,168		347,037		4,060,752
	89,580		47,676		51,762		187,308		274,702
	4,182,418		4,060,295		4,155,181		4,424,307		4,972,759
	6,303,001		6,399,850		7,133,275		8,528,022		9,333,622
	149,101		100,199		99,731		87,927		67,121
	289,082		366,880		356,142		269,042		272,520
	62,537		68,084		77,587		66,546		54,281
	12,194		138,950		26,429		18,736		44,782
	5,123,842		3,883,538		3,432,013		2,519,439		2,531,727
	1,717,957		1,396,227		2,540,649		1,757,460		-
	494,745		367,115		405,087		1,681,691		762,300
	21,164,122		20,581,199		24,179,143		23,406,175		25,336,055
	3,505,623		3,296,734		3,166,187		3,203,812		3,101,376
	177,974		172,938		166,973		161,947		151,678
	439,051		512,201		617,544		590,283		500,781
	2,242,909		2,282,508		2,241,434		2,060,787		2,083,386
	594,077		545,778		594,086		674,363		607,814
	1,563,418		1,497,050		1,331,481		1,182,911		1,173,397
	1,400,168		1,469,270		1,548,537		1,202,728		1,225,402
	585,065		617,043		598,104		661,711		592,584
	440,189		366,814		488,233		553,536		467,172
	198,042		194,649		-		-		-
	4,455,505		7,808,465		16,861,669		14,402,799		21,080,414
	3,190,000		3,665,000		3,395,000		5,060,000		4,340,000
	1,470,709		1,870,256		2,012,606		2,161,639		2,420,314
	-		106,758		-		79,419		-
	20,262,730		24,405,464		33,021,854		31,995,935		37,874,318
	901,392		(3,824,265)		(8,842,711)		(8,589,760)		(13,300,563)
	3,504,604		4,504,978		5,908,490		11,042,374		5,844,652
	(3,504,604)		(4,504,978)		(5,908,490)		(11,042,374)		(5,844,652)
	-		7,640,000		-		2,385,000		-
	-		(8,065,827)		-		-		-
	-		-		870,829		282,826		-
	-		312,451		-		17,810		-
	-		-		-		-		-
	-		(113,376)		870,829		2,685,636		762,300
\$	901,392	\$	(3,937,641)	\$	(7,971,882)	\$	(5,904,124)	\$	(12,538,263)

27%

30%

25%

31%

35%

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

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Tourism Tax</u>	<u>Gaming Tax</u>
2011	1,256,558	583,266	176,958	9,333,622
2012	1,358,640	587,217	173,663	8,528,022
2013	1,397,363	651,528	169,910	7,133,275
2014	1,445,549	714,460	166,584	6,399,850
2015	1,378,151	716,542	184,262	6,303,001
2016	1,697,356	813,186	217,779	6,569,566
2017	1,611,237	906,344	188,955	6,589,264
2018	1,761,375	956,301	188,108	6,724,359
2019	1,770,167	942,401	168,555	6,593,570
2020	1,960,811	882,555	126,353	5,158,233

Note: In FY 2012, a fifth casino opened in the Kansas City metropolitan area.

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>
2011	1.000	1.375	4.225	6.600
2012	1.000	1.375	4.225	6.600
2013	1.000	1.375	4.225	6.600
2014	1.000	1.375	4.225	6.600
2015	1.000	1.375	4.225	6.600
2016	1.000	1.375	4.225	6.600
2017	1.000	1.375	4.225	6.600
2018	1.000	1.375	4.225	6.600
2019	1.000	1.375	4.225	6.600
2020	1.000	1.375	4.225	6.600

* Source: Missouri Department of Revenue

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

<u>Fiscal Year</u>	<u>Gaming Revenue</u>	<u>Real Estate Income</u>	<u>Total</u>
2011	9,333,622	4,972,759	14,306,381
2012*	8,528,022	4,424,307	12,952,329
2013	7,133,275	4,155,181	11,288,456
2014	6,399,850	4,060,295	10,460,145
2015	6,303,001	4,182,418	10,485,419
2016	6,569,566	4,394,870	10,964,436
2017	6,589,264	4,358,378	10,947,642
2018	6,724,359	4,593,455	11,317,814
2019	6,593,570	4,512,586	11,106,156
2020**	5,158,233	3,087,509	8,245,742

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

**In FY 2020, the casinos in Missouri were closed for several months due to COVID-19

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>
2011	\$1 per patron	2.1%
2012	\$1 per patron	2.1%
2013	\$1 per patron	2.1%
2014	\$1 per patron	2.1%
2015	\$1 per patron	2.1%
2016	\$1 per patron	2.1%
2017	\$1 per patron	2.1%
2018	\$1 per patron	2.1%
2019	\$1 per patron	2.1%
2020	\$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>
2011	27.16%
2012	24.14%
2013	20.36%
2014	19.77%
2015	19.34%
2016	20.91%
2017	21.09%
2018	22.07%
2019	21.89%
2020	21.67%

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*
2011	45,125,000	33.44%	15,153
2012	42,450,000	30.04%	14,089
2013	39,055,000	26.82%	12,813
2014	35,360,000	22.98%	11,414
2015	32,896,406	19.33%	10,400
2016	29,025,580	16.59%	8,953
2017	24,855,594	13.50%	7,413
2018	21,118,408	10.89%	6,116
2019	17,068,700	8.60%	4,943
2020	13,253,992	6.43%	3,781

* See the Schedule of Demographic and Economic Statistics on page 80 for personal income and population data.

City of Riverside, Missouri
Direct and Overlapping Debt
As of June 30, 2020
(unaudited)

	Outstanding Debt	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt	Assessed Valuation
Direct Debt:				
City of Riverside	13,253,992	100.0%	13,253,992	128,608,359
Overlapping Debt:				
Platte County, Missouri	28,538,051	5.1%	1,445,401	2,539,247,356
Park Hill School District	<u>156,240,182</u>	7.4%	<u>11,491,057</u>	1,748,646,163
Total overlapping debt	<u>184,778,233</u>		<u>12,936,459</u>	
Total direct and overlapping debt	<u>198,032,225</u>		<u>26,190,451</u>	

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

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

<u>Fiscal Year</u>	<u>TIF Revenues</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
2011	2,469,629	4,340,000	2,420,314	0.37
2012 *	2,406,697	2,675,000	2,161,639	0.50
2013	3,334,312	3,395,000	2,012,606	0.62
2014 **	3,773,369	3,665,000	1,870,256	0.68
2015	5,018,593	3,190,000	1,470,709	1.08
2016	6,549,491	3,775,000	1,373,481	1.27
2017	7,168,571	4,075,000	1,244,681	1.35
2018 ***	8,501,397	3,625,000	1,059,844	1.81
2019	8,356,188	3,760,000	793,881	1.83
2020	9,113,064	3,525,000	679,581	2.17

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

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

***In 2018, the City issued \$18,370,000 of bonds to refund the 2007 Tax Increment Financing Revenue Bonds, which has been excluded from above principal payments.

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

Fiscal Year	Population (a)	Per Capita Personal Income (b)	Total Personal Income (b)	Median Family Income (c)	Unemployment Rate (d)
2011	2,978	45,320	134,962,960	80,564	7.2%
2012	3,013	46,893	141,288,609	81,687	5.8%
2013	3,048	47,771	145,606,008	83,110	6.0%
2014	3,098	49,663	153,855,974	83,587	5.5%
2015	3,163	53,796	170,156,748	84,309	4.7%
2016	3,242	53,956	174,925,352	87,917	4.6%
2017	3,353	54,893	184,056,229	90,397	4.4%
2018	3,453	56,155	193,901,664	92,475	3.2%
2019	3,453	57,476	198,465,062	94,651	2.6%
2020	3,505	58,846	206,254,224	96,906	2.7%

Sources:

- (a) Mid-America Regional Council Research Services - (www.metrodataline.org)
- (b) U.S. Bureau of Economic Analysis
- (c) American Community Survey for Platte County, Missouri - (<https://factfinder.census.gov>)
- (d) U.S. Department of Labor for Platte County, Missouri

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

Employer	2020			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Adient/Hoover Universal	810	1	12.5%	-	-	0.0%
Argosy Casino	712	2	13.5%	1,000	1	23.6%
Yanfeng USA	525	3	6.6%	-	-	0.0%
Capital Electric	477	4	4.2%	130	7	3.1%
U.S. Farathane	326	5	6.0%	-	-	0.0%
Velociti	300	6	2.6%	-	-	0.0%
NorthPoint Development	256	7	3.9%	-	-	0.0%
Martinrea Riverside	227	8	3.6%	-	-	0.0%
Park Hill School District	160	9	2.5%	160	3	3.8%
Woodbridge	152	10	2.5%	160	3	3.8%
Faurecia/ Riverside Seat Company	-	-	0.0%	235	2	5.6%
Damon Pursell Const.	-	-	0.0%	150	5	3.5%
Knappco/Civacon	-	-	0.0%	135	6	3.2%
Corner Café	-	-	0.0%	125	8	3.0%
Riverside Nursing & Rehab.	-	-	0.0%	111	9	2.6%
Embassy Landscape	-	-	0.0%	100	10	2.4%
Red X	-	-	0.0%	100	10	2.4%
Apria Medical	-	-	0.0%	100	10	2.4%
Total	3,945		57.9%	2,506		59.4%

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									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government	8	8	8	8	8	8	7	7	8	8
Municipal court	1	1	1	1	1	1	1	1	1	1
Public safety										
Public safety administration	2	2	2	2	2	2	3	3	3	3
Police										
Officers	27	27	27	24	24	24	25	25	25	24
Civilians	-	-	-	-	-	-	-	-	-	-
Operations support	10	10	10	10	10	11	11	10	10	10
Fire	16	16	16	16	15	14	14	14	14	14
Public works	9	9	9	9	9	9	9	9	8	8
Engineering	2	2	2	2	2	2	2	2	-	-
Parks & recreation	2	2	2	2	2	2	2	2	2	2
Community development	5	5	5	5	5	5	4	5	5	5
Total	82	82	82	79	78	78	78	78	76	75

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									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police Services										
Calls for service	10,806	11,544	10,465	11,213	11,631	10,247	12,849	10,263	11,784	10,943
Traffic & ordinance citations	1,898	2,279	1,394	2,413	2,898	2,062	2,965	3,225	2,825	2,180
Municipal & state arrests	769	1,208	1,253	1,165	1,044	1,335	1,298	1,328	1,151	1,023
Fire Services										
Structure fires	6	2	12	7	9	8	10	13	5	7
Calls for service	1,444	1,479	1,471	1,267	1,387	1,084	1,048	1,049	1,105	1,075
Inspections conducted	296	508	373	266	533	590	568	535	418	416
Building Codes										
Commercial building permits	2	1	4	6	4	7	34	45	32	19
Residential building permits	18	17	34	48	42	22	40	65	24	15

Source: City of Riverside police, fire and community development departments

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

Function/Program	Fiscal Year											
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police stations	1	1	1	1	1	1	1	1	1	1	1	1
Fire stations	1	1	1	1	1	1	1	1	1	1	1	1
Parks & recreation												
Acreage	73	73	73	73	73	73	73	73	73	73	73	73
Parks	3	3	3	3	3	3	3	3	3	3	3	3
Softball/baseball diamonds	-	-	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	1	1	1	1
Community center	1	1	1	1	1	1	1	1	1	1	1	1
Pools	1	1	1	1	1	1	1	1	1	1	1	1
Lane miles maintained by City	78	78	78	72	69	69	68	65	63	59	59	59

Source: City of Riverside police, fire and public works departments