

CITY OF SPRINGFIELD, MISSOURI

Comprehensive Annual Financial Report

June 30, 2014

CITY OF SPRINGFIELD, MISSOURI
Comprehensive Annual Financial Report
Fiscal Year July 1, 2013 through June 30, 2014

Mayor

Robert L. Stephens

City Council

<i>Jeff Seifried</i>	<i>Zone 1</i>
<i>Cindy Rushefsky</i>	<i>Zone 2</i>
<i>Jerry Compton</i>	<i>Zone 3</i>
<i>Craig Fishel</i>	<i>Zone 4</i>
<i>Jan Fisk</i>	<i>General (A)</i>
<i>Craig Hosmer</i>	<i>General (B)</i>
<i>Doug Burlison</i>	<i>General (C)</i>
<i>Mike Carroll</i>	<i>General (D)</i>

City Officials

<i>Greg Burris</i>	<i>City Manager</i>
<i>Tim Smith</i>	<i>Deputy City Manager</i>
<i>Collin Quigley</i>	<i>Assistant City Manager</i>
<i>Daniel Wichmer</i>	<i>City Attorney</i>
<i>Brenda Cirtin</i>	<i>City Clerk</i>
<i>Jonathan Gano and Kirk Juranas</i>	<i>Co-interim Directors of Public Works</i>
<i>Steve Meyer</i>	<i>Director of Environmental Services</i>
<i>Kevin Gipson</i>	<i>Director of Public Health and Welfare</i>
<i>Mary Mannix Decker</i>	<i>Director of Finance</i>
<i>Paul Williams</i>	<i>Chief of Police</i>
<i>David Hall</i>	<i>Fire Chief</i>
<i>Bob Belote</i>	<i>Director of Parks and Recreation</i>
<i>Sheila Maerz</i>	<i>Director of Human Resources</i>
<i>Ralph Rognstad</i>	<i>Director of Planning and Development</i>
<i>Mary Lily Smith</i>	<i>Director of Economic Development</i>
<i>Brian Weiler</i>	<i>Director of Aviation</i>
<i>Mary Ann Rojas</i>	<i>Director of Work Force Development</i>
<i>Chris Straw</i>	<i>Director of Building Development</i>
<i>Todd Thornhill</i>	<i>Chief Municipal Judge</i>
<i>Nick Nelson</i>	<i>Director of Art Museum</i>
<i>Zim Schwartz</i>	<i>Director of Emergency Communication</i>
<i>Chet Hunter</i>	<i>Director of Emergency Management</i>
<i>Cora Scott</i>	<i>Director of Public Information</i>
<i>Jeff Coiner</i>	<i>Director of Information Systems</i>
<i>Vacant</i>	<i>Internal Auditor</i>

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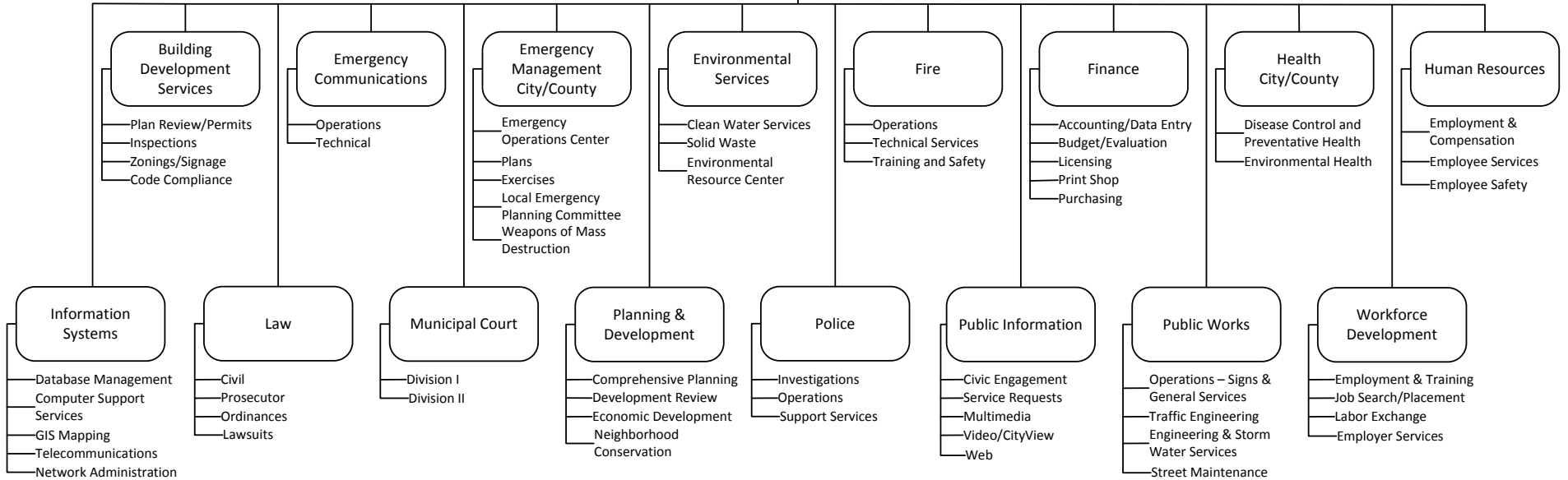
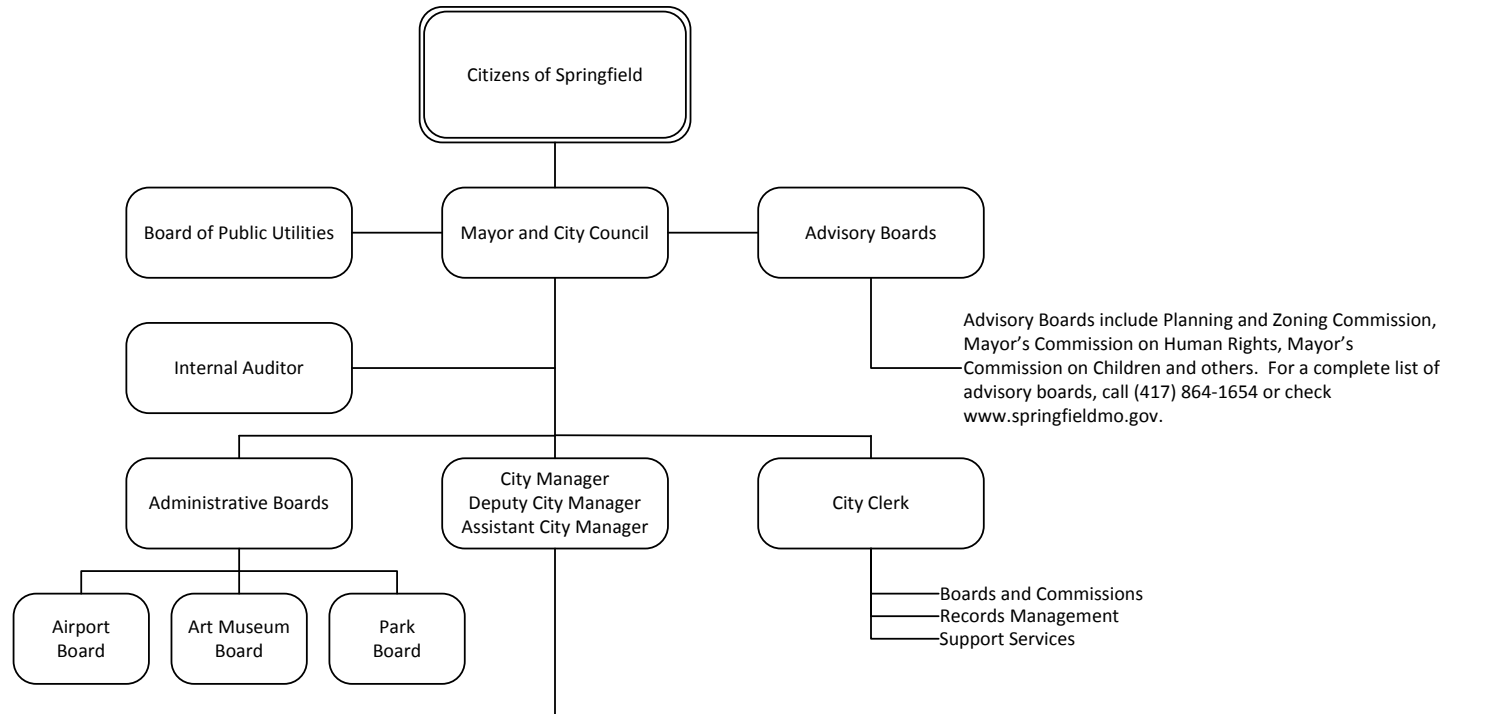
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INTRODUCTORY SECTION



Note: All Departments include an administrative section

City Government's Organization Chart

City of Springfield, Missouri

December 15, 2014

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri

The Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of Springfield, Missouri (the City) for the fiscal year ended June 30, 2014. This report is submitted to you in compliance with the City Charter, Section 5.2, which requires an annual report to the City Council on the financial condition of the City.

Responsibility to report financial data that is complete and accurate rests with the City. It is our belief that the information reported in this document fairly presents the financial position of the City, in all material aspects, on a government-wide and a fund basis. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

To provide a reasonable basis for making these representations, the City's management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements. Additionally, the Finance Department staff has prepared this report in conformity with U.S. generally accepted accounting principles (GAAP), which are standard guidelines for financial reporting, further ensuring that the financial position of the City is presented fairly.

The independent auditing firm of BKD LLP (BKD) has audited the City's financial statements. The purpose of the audit conducted by BKD was to provide reasonable assurance that the City's financial statements for the year ended June 30, 2014 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

In addition to the independent audit of the financial statements, a separate, federally mandated "Single Audit" was performed to meet the needs of specific grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements with special emphasis on the administration of federal awards. These reports are available in the City's separately issued Single Audit Reports.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section is designed to introduce the reader to the report and includes this transmittal letter, the City's organizational chart, a list of principal officials, and the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 2013 CAFR.

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri
December 15, 2014
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The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springfield, Missouri for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the 37th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

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

The financial section begins with the independent auditor's report. The auditor's report discloses the opinion of the independent auditors with regard to the presentation of the financial statements. This section also includes management's discussion and analysis (MD&A), the basic financial statements and notes that provide an overview of the City's financial position and operating results, the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the basic financial statements.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the City and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found in the financial section immediately following the report of the independent auditors.

Profile of the City

The City is a home rule city, which incorporated on February 18, 1838. Springfield is the third largest city in Missouri with approximately 164,122 residents, and it serves as the county seat for Greene County. With an estimated 82.6 square miles of land, the City is at the center of a rapidly growing region in the southwestern corner of the state. It is approximately 170 miles southeast of Kansas City and 220 miles southwest of St. Louis. The City is empowered to levy property taxes on both real and personal property located within its boundaries and has the authority to extend its corporate limits through annexation when deemed appropriate and as approved by City Council.

The City has operated under the Council-Manager form of government since March 17, 1953. As the legislative body, the City Council is responsible for enacting all ordinances, resolutions, and regulations governing the City as well as for appointing the members of various statutory and ordinance boards, the City Manager, and the City Clerk.

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri
December 15, 2014
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The City Council consists of the Mayor and eight Council members who are elected on a nonpartisan basis. The Mayor serves a two-year term and Council members, four at-large and one from each of four zones within the City, each serve staggered four-year terms. As chief administrator, the City Manager is responsible for enforcement of the laws and ordinances as well as for the supervision of all offices and departments created by the Council.

The City provides the full range of services normally associated with a municipality including police and fire protection, an emergency communication center, public works and environmental services, public health services, parks and other recreational facilities, an art museum, and general administrative services. The City also operates the Springfield-Branson National Airport, the sanitary sewerage and solid waste disposal systems, and the municipal golf courses, all of which are accounted for in the financial statements as business-type funds.

This report presents data for the financial reporting entity, which includes all departments, funds, boards, and commissions of the primary government (the City, as legally defined), as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. The component units of the City include the Public Building Corporation of the City of Springfield, Missouri; the Springfield Center City Development Corporation; and the Land Clearance for the Redevelopment Authority of the City of Springfield, Missouri, which are blended component units, and City Utilities of Springfield, Missouri, which is a discretely presented component unit. The financial reporting entity is discussed further in note 1 to the basic financial statements.

The Springfield R-12 School District and the Springfield Housing Authority do not meet the criteria for inclusion in the financial reporting entity and, accordingly, are not presented in this report.

The annual budget serves as the foundation for the City's financial planning and control. During the budget preparation process, each office, department, and agency of the reporting entity provides detailed estimates of revenue and expenditures for evaluation by the City Manager. The City Manager also reviews estimates of all pending capital projects and those recommended for approval in the next budget year and within the succeeding five years. The City Manager may revise the estimates as he deems necessary. At least 60 days prior to the beginning of each budget year, the City Manager submits to City Council a final budget. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within their departments; however, transfers between departments require special approval of the City Council. Budget-to-actual comparisons for the general and special revenue funds are provided in this report.

Factors Affecting Financial Condition

Local Economy – The City is experiencing slight population growth as is reflected in the 0.9% growth rate for the metropolitan area. Springfield's economy is highly diversified with major medical, manufacturing, and educational institutions keeping the City's unemployment rate below the state and national rates. The June 2014 unemployment rate for the metropolitan area was 5.7% as compared to the state rate of 6.6% and the national rate of 6.1%.

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri
December 15, 2014
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Some well-known companies with operations in Springfield are: Kraft Foods; 3M; Bass Pro Shops (Headquarters); O'Reilly Auto Parts (Headquarters); Chase Card Services; Paul Mueller Company (Headquarters); Burlington Northern Santa Fe Railroad; Jack Henry & Associates; BKD (Headquarters); Springfield Remanufacturing Corporation (Headquarters); T-Mobile; Dairy Farmers of America; Prime; and Expedia, Inc. Springfield has what many businesses are looking for – a high quality of life, a well-trained workforce, and a low cost of living.

Missouri State University, with an enrollment of approximately 21,800 students, is located in Springfield along with 13 other colleges and universities including Drury University, Evangel University, Baptist Bible College, and Ozarks Technical Community College (OTC). OTC provides vocational and technical training services to nearly 15,000 students within the region surrounding the City.

Long-Term Financial Planning – The City utilizes a five-year capital improvement program to prioritize public projects that will be scheduled over a number of years, as financial resources are available. When possible, the City looks for creative funding solutions such as cost sharing with other governmental agencies, public-private cooperative efforts, special purpose taxes, and modifications to development regulations as methods of providing needed capital items. The underlying philosophy of the capital improvements program prioritizes needs into three categories: (1) the protection of life, health, and public safety; (2) improvements to the City's existing infrastructure; and (3) construction of new infrastructure to keep up with the community's growth.

The 2013-2018 Capital Improvements Program report contains approximately 200 projects with a total projected cost of \$523,569,075. The report includes projects at the Springfield-Branson National Airport; numerous street, storm water, sanitary sewer, and solid waste disposal improvements; development of new public parks and special facilities and park improvements; and municipal buildings and grounds and traffic management/signal improvements. During the fiscal year, significant capital improvements were completed including the replacement of ozone generators at the Southwest Cleanwater Treatment Plant, the first phase of the Early Action Plan Sanitary Sewer Overflow Control Program, the Kansas Expressway and James River Freeway diverging diamond interchange, improvements to the intersection at National Avenue and Trafficway Street, and improvements on Grand Street between Kimbrough Avenue and National Avenue. The City also continued making improvements to streets, sidewalks, the storm sewer system, the solid waste facilities, streetscapes, and the Springfield-Branson National Airport.

American Recovery and Reinvestment Act (ARRA) – Over the past six years, the City has applied for and received ARRA funding for a variety of projects and programs. Most of those ARRA-funded projects and programs have been completed. During the fiscal year ended June 30, 2014, the following department utilized ARRA funding as indicated:

Planning and Development – Various Brownfields Assessment and Cleanup agreements

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri
December 15, 2014
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Debt Management – Moody’s Investors Service has assigned a rating of Aa1 on the City’s outstanding general obligation bonds. This rating was affirmed in July 2014. Municipal issuers with an Aa rating demonstrate very strong creditworthiness relative to other U.S. municipal or tax-exempt issuers. The City’s rating on leasehold revenue/annual appropriation bonds is one notch below the general obligation rating. This small distinction reflects the essentiality of the bonded projects as well as the risk of annual appropriation.

This strong rating is reflective of the City’s diverse tax base and role as a regional economic hub. Moody’s report recognized the City’s effort toward responsible financial management, saying, “The City’s financial position is expected to remain healthy over the near-term given its current satisfactory reserve levels which provide adequate cushion against fluctuating sales tax revenues and prudent fiscal management.” The report also recognized the City’s efforts to increase the reserve balance, often referred to as the “rainy day fund”. The City’s general fund reserve balance is a solid 20% of the operating revenue.

Acknowledgements

Our appreciation is extended to the various elected officials, agency and department directors, and employees responsible for contributing to the sound financial condition of the City. Furthermore, the preparation of this report would not have been possible without the efficient and dedicated services of several members of the Finance Department. In particular, we would like to express appreciation to David Holtmann, Accounting Manager, and Financial Analysts Justin Dement, Maryjo Kerringer, and Jody Vernon for their unfailing efforts in production of this report.

Sincerely,

A handwritten signature in cursive script that reads "Mary Mannix Decker".

Mary Mannix Decker
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Springfield
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

FINANCIAL SECTION

Independent Auditor's Report

The Honorable Mayor and Members
of the City Council
City of Springfield, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Springfield, Missouri, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Springfield, Missouri, as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in *Note 1(c) p* to the financial statements, in 2014, the City changed its method of accounting for certain items previously reported as assets and liabilities in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary, pension and other postemployment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Springfield, Missouri's basic financial statements. The supplemental information statements and schedules listed in the table of contents, is presented for purposes of additional analysis and is 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. The 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

December 15, 2014
Springfield, Missouri

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2014

As management of the City of Springfield, Missouri (the "City"), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the transmittal letter earlier in this report and the City's financial statements and notes, which follow this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$923 million (net position). Of this amount, \$284 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors (including \$83.4 million net pension asset recognized for the pension trust fund).
- The City's total net position increased approximately \$35.4 million, \$29.7 million from the City's "governmental activities" and \$5.7 from the "business-type activities."
- The City's net investment in capital assets has increased approximately \$4.5 million to over \$580 million.

Overview of the Financial Statements

This discussion and analysis is provided as an introduction to the basic financial statements. The basic financial statements consist of three components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements. The *government-wide financial statements* are a broad overview of the City's finances in a manner similar to a private business.

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

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

Both of the government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for the City included general government, public works, public safety, parks and recreation, public health and planning and development. The business-type activities for the City include the airport, sanitary sewerage system, refuse disposal and golf.

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2014

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. These funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported 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*.

Proprietary Funds. The City uses two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its service center, print shop and self-insurance (health and workers' compensation insurance) activities. Because these services predominately benefit governmental rather than business-type functions, they have been primarily included within the *governmental activities* in the government-wide financial statements.

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 accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also contains certain *required supplementary information* regarding budgetary, pension and postretirement benefits information. The combining statements for the nonmajor funds and internal service funds are presented immediately following the required supplementary information on pensions and postretirement benefits.

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2014

Government-Wide Financial Analysis

Net position may serve as a useful indicator of the City's financial position. As of June 30, 2014, assets plus deferred outflows of resources exceeded liabilities by \$923 million. The largest portion of the City's net position, \$580 million (63%), reflects its investment in capital assets, *e.g.*, land, construction in progress, buildings, improvements, machinery and equipment and infrastructure, less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Net Position

The following table reflects the condensed schedule of net position as of June 30, 2014 and 2013, (in thousands):

	City of Springfield Net Position					
	Government activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 303,876	288,443	126,707	126,663	430,583	415,106
Capital assets	420,468	413,556	467,827	472,800	888,295	886,356
Total assets	<u>724,344</u>	<u>701,999</u>	<u>594,534</u>	<u>599,463</u>	<u>1,318,878</u>	<u>1,301,462</u>
Deferred outflows of resources						
Loss on refunding of bonds	1,607	1,719	—	110	1,607	1,829
Liabilities						
Long-term debt outstanding	152,634	163,936	218,391	229,863	371,025	393,799
Other liabilities	19,955	16,150	6,476	5,805	26,431	21,955
Total liabilities	<u>172,589</u>	<u>180,086</u>	<u>224,867</u>	<u>235,668</u>	<u>397,456</u>	<u>415,754</u>
Net position						
Net investment in capital assets	300,623	285,669	279,503	289,919	580,126	575,588
Restricted	13,601	12,760	45,166	42,742	58,767	55,502
Unrestricted	239,138	225,203	44,998	31,244	284,136	256,447
Total net position	<u>\$ 553,362</u>	<u>523,632</u>	<u>369,667</u>	<u>363,905</u>	<u>923,029</u>	<u>887,537</u>

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The City's combined net position increased to \$923 million from \$888 million as a result of the increase in net position reflected in the next table.

The largest portion of the City's net position, \$580 million (63%), reflects its investment in capital assets, *e.g.*, land, construction in progress, buildings, improvements, machinery and equipment and infrastructure, less any related debt used to acquire those assets that are still outstanding. An additional portion of the City's net position, \$59 million (6%), represents resources that are subject to external

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restrictions on how they may be used. The remaining balance of the City's net position, \$284 million (31%), represents unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors (including the \$83.4 million net pension asset recognized for the pension trust fund).

Change in Net Position

The following table reflects the revenues and expenses from the City's activities (in thousands):

	City of Springfield Changes in Net Position					
	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 22,076	25,665	61,149	58,121	83,225	83,786
Operating grants and contributions	20,722	22,519	128	262	20,850	22,781
Capital grants and contributions	5,121	1,136	3,849	3,283	8,970	4,419
General revenues:						
Property taxes	20,369	20,728	—	—	20,369	20,728
Sales and use taxes	116,227	111,312	—	—	116,227	111,312
Other revenues	33,814	29,117	5,768	5,824	39,582	34,941
Total revenues	<u>218,329</u>	<u>210,477</u>	<u>70,894</u>	<u>67,490</u>	<u>289,223</u>	<u>277,967</u>
Expenses:						
Public works	41,233	36,275	—	—	41,233	36,275
Public safety	77,185	76,025	—	—	77,185	76,025
Parks and recreation	28,025	29,620	—	—	28,025	29,620
Planning and development	5,852	1,982	—	—	5,852	1,982
Public health	9,194	9,107	—	—	9,194	9,107
General government	22,245	21,439	—	—	22,245	21,439
Interest and debt issuance costs	6,216	7,284	—	—	6,216	7,284
Airport	—	—	26,743	26,624	26,743	26,624
Sanitary sewerage system	—	—	28,251	28,017	28,251	28,017
Nonmajor	—	—	8,786	8,425	8,786	8,425
Total expenses	<u>189,950</u>	<u>181,732</u>	<u>63,780</u>	<u>63,066</u>	<u>253,730</u>	<u>244,798</u>
Increase in net position before transfers	28,379	28,745	7,114	4,424	35,493	33,169
Transfers	1,352	1,521	(1,352)	(1,521)	—	—
Increase in net position	<u>29,731</u>	<u>30,266</u>	<u>5,762</u>	<u>2,903</u>	<u>35,493</u>	<u>33,169</u>
Net position, beginning, as restated	523,631	492,895	363,905	361,002	887,536	853,897
Net position, ending	<u>\$ 553,362</u>	<u>523,161</u>	<u>369,667</u>	<u>363,905</u>	<u>923,029</u>	<u>887,066</u>

Governmental Activities

Governmental activities increased the City's net position by \$29.7 million. Sales and use tax revenues, the largest governmental category, were \$116.2 million, or 53%, of total revenues. Revenues from governmental activities total \$218.3 million, or 75%, of the total City revenues. Sales tax was approximately \$4.9 million higher in the current year due to the improved economic conditions.

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Certain revenues are generated that are specific to governmental program activity. These totaled \$48.8 million. The following table shows expenses and program revenues of the governmental activities for the years ended June 30, 2014 and 2013 (in thousands):

Net Cost of City of Springfield's Governmental Activities

	<u>Total cost of service</u>		<u>Net cost of service</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Public works	\$ 41,233	36,275	35,262	33,553
Public safety	77,185	76,025	66,949	64,323
Parks and recreation	28,025	29,620	19,465	20,050
Planning and development	5,852	1,982	3,315	(1,714)
Public health	9,194	9,107	3,448	2,751
General government	22,245	21,439	7,376	6,165
Interest and debt issuance costs	6,216	7,284	6,216	7,284
	<u>\$ 189,950</u>	<u>181,732</u>	<u>142,031</u>	<u>132,412</u>

As previously noted, expenses from governmental activities total \$190 million. However, net costs of these services were \$142 million. The difference represents direct revenues received from charges for services of \$22 million, operating grants and contributions of \$20.7 million and capital grants and contributions of \$5.1 million. Taxes and other revenues of \$170.4 million were collected to cover these net costs.

Business-Type Activities

Business-type activities increased the City's net position by approximately \$5.8 million. Individual fluctuations are as follows:

- The airport recorded a decrease of \$4.6 million in net position for the year, which is attributed to federal grants received for capital improvement projects totaling \$3.2 million and current year activity with an operating loss over \$7.3 million.
- The sewer system recorded an increase of \$9.1 million in net position for the year, which is attributed to current year operations income over \$9.7 million.

Financial Analysis of the City's Funds

As of the end of the fiscal year, the City's governmental funds report a combined fund balance of \$168.5 million. The fund balance of the General Fund increased to \$25.6 million (an increase of \$3.3 million) as a result of the improving economic conditions (sales tax increased \$1.8 million, license and permit revenue increased \$1.2 million and payments in lieu of taxes increased \$928,000) and a continued emphasis on controlling operating expenses.

The fund balance in the Community Development Fund increased to \$46.8 million. Total revenue exceeded expenditures by approximately \$0.76 million.

The Public Safety Pension Sales Tax Fund collected and remitted \$29.3 million to the Pension Trust Fund, an increase of \$1.4 million from last year.

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The Public Parks Fund collected approximately \$1.3 million more in revenue due to increases in sales tax collections (increased \$709,000) and user fees (increased \$902,000).

The National Airport Fund's net position decreased \$4.5 million (4%) in the current year as a result of federal grants received for capital improvement projects totaling \$3.2 million and current year activity with an operating loss over \$7.3 million.

The Sanitary Sewerage System Fund's net position increased \$9.1 million in the current year attributed to the result of current year operating income of over \$9.7 million. Sewer operating revenue increased approximately \$1.8 million (5%) from the previous year as a result of the third year of a six year phased-in rate increase, which began July 1, 2011.

General Fund Budgetary Highlights

Differences between the original and the final amended budget can be summarized as follows:

- Actual revenue totaling \$73.4 million exceeded the revised budget of \$71.6 million (approximately 2.5% of the budget). The largest variance in revenue from budget was the City's payment in lieu of taxes which exceeded budget by over \$1.4 million.
- The total original expenditure budget of \$73.4 million increased to \$76.6 million (an increase of \$3.2 million). Actual expenditures were \$70.3 million.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to \$888 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, collections systems, machinery and equipment and infrastructure. Capital assets increased \$1.9 million during the period.

Major capital events during the current fiscal year included the following:

- Glenstone Avenue widening project from Battlefield Road to James River Freeway totaling \$2.6 million.
- New bridge project on Chestnut Expressway over the railroad crossing near Highway 65 totaling \$2.5 million.
- Street stabilization projects totaling \$2.5 million.
- Early Action Plan Sanitary Sewer Overflow Control Programs totaling \$9.7 million.
- Fassnight Park channel improvements totaling \$2.2 million.

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City of Springfield Capital Assets (amounts expressed in thousands, net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 59,656	58,006	27,957	27,942	87,613	85,948
Construction in progress	51,172	34,386	21,765	35,449	72,937	69,835
Buildings	73,838	76,063	102,490	107,513	176,328	183,576
Improvements	54,978	58,440	78,845	84,307	133,823	142,747
Machinery and equipment	10,575	10,824	9,583	9,826	20,158	20,650
Infrastructure/sewer collection system	170,249	175,837	227,187	207,763	397,436	383,600
Total	\$ 420,468	413,556	467,827	472,800	888,295	886,356

For additional information on capital assets, see *Note 2(c)* to the financial statements.

Debt Administration

The City, at the end of fiscal 2014, had a total of \$334 million of outstanding long-term debt (a reduction of \$24.2 million from the prior year). The City issued \$13.6 million in refunding bonds during the year.

City of Springfield Outstanding Debt (amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds **	\$ 122,095	134,401	—	—	122,095	134,401
Revenue bonds	—	—	175,850	184,955	175,850	184,955
Notes payable	—	—	28,678	31,580	28,678	31,580
Section 108 Loan Program	6,670	6,959	—	—	6,670	6,959
Capital lease obligations	976	676	106	63	1,082	739
Total	\$ 129,741	142,036	204,634	216,598	334,375	358,634

** Including Public Building Corporation bonds, certificates of participation and bond premium.

For additional information on debt administration, see *Note 2(d)* to the financial statements.

Requests for Information

This financial report is designed to provide the reader a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to David Holtmann, Accounting Manager, Finance Department, City of Springfield, P.O. Box 8368, 840 Boonville Avenue, Springfield, Missouri, 65801.

CITY OF SPRINGFIELD, MISSOURI

Statement of Net Position

June 30, 2014

Assets	Primary government			Component unit
	Governmental activities	Business-type activities	Total	City Utilities
Cash and investments	\$ 117,966,669	50,471,125	168,437,794	32,389,000
Property taxes receivable, net	19,034,232	—	19,034,232	—
Special assessments receivable, net	2,403,728	—	2,403,728	—
Accounts receivable	23,061,396	4,049,332	27,110,728	23,343,000
Unbilled revenue	—	1,729,840	1,729,840	13,029,000
Accrued interest receivable	501,682	184,807	686,489	—
Inventories	2,550,792	1,908,568	4,459,360	40,181,000
Notes and loans receivable, net	39,992,335	—	39,992,335	—
Net pension asset	83,450,296	—	83,450,296	—
Internal balances	(1,959,633)	1,959,633	—	—
Due from other government agencies	4,194,504	8,460	4,202,964	—
Restricted assets:				
Cash and investments	12,679,784	65,358,933	78,038,717	223,745,000
Other	—	1,010,316	1,010,316	—
Prepaid expenses	—	25,754	25,754	16,198,000
Capital assets:				
Nondepreciable	110,828,004	49,722,020	160,550,024	88,016,000
Depreciable, net	309,640,028	418,104,930	727,744,958	1,323,417,000
Total assets	724,343,817	594,533,718	1,318,877,535	1,760,318,000
Deferred Outflows of Resources				
Loss on refunding of bonds	1,607,254	—	1,607,254	—
Liabilities				
Accounts payable and other current liabilities	11,447,493	1,582,354	13,029,847	18,455,000
Unearned revenue	604,678	—	604,678	—
Estimated liability for incurred but unreported claims	2,882,000	—	2,882,000	—
Other liabilities	—	—	—	19,200,000
Due to other governments	—	—	—	1,067,000
Due to pension fund	5,021,411	—	5,021,411	—
Utility customer deposits	—	—	—	5,039,000
Current liabilities payable from restricted assets	—	4,893,333	4,893,333	—
Long-term liabilities:				
Due within one year	11,644,634	12,341,996	23,986,630	30,515,000
Due in more than one year	140,989,071	206,049,003	347,038,074	749,460,000
Total liabilities	172,589,287	224,866,686	397,455,973	823,736,000
Net Position				
Net investment in capital assets	300,622,699	279,503,145	580,125,844	718,725,000
Restricted for:				
Debt service	12,331,709	45,165,696	57,497,405	16,342,000
Perpetual care – nonexpendable	1,269,362	—	1,269,362	—
Unrestricted	239,138,014	44,998,191	284,136,205	201,515,000
Total net position	\$ 553,361,784	369,667,032	923,028,816	936,582,000

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Statement of Activities

Year ended June 30, 2014

Functions/programs	Net revenue (expense) and changes in net position							
	Expenses	Program revenues			Primary government			Component unit
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total	City Utilities
Primary government:								
Governmental activities:								
Public works	\$ 41,233,375	1,629,434	—	4,341,369	(35,262,572)	—	(35,262,572)	—
Public safety	77,185,379	3,404,417	6,832,226	—	(66,948,736)	—	(66,948,736)	—
Parks and recreation	28,024,993	7,790,288	769,746	—	(19,464,959)	—	(19,464,959)	—
Planning and development	5,851,714	65,115	2,115,833	356,000	(3,314,766)	—	(3,314,766)	—
Public health	9,193,588	2,176,914	3,568,517	—	(3,448,157)	—	(3,448,157)	—
General government	22,244,989	7,009,319	7,435,986	423,580	(7,376,104)	—	(7,376,104)	—
Interest and debt issuance costs	6,215,928	—	—	—	(6,215,928)	—	(6,215,928)	—
Total governmental activities	189,949,966	22,075,487	20,722,308	5,120,949	(142,031,222)	—	(142,031,222)	—
Business-type activities:								
National airport	26,743,391	15,448,866	—	3,188,835	—	(8,105,690)	(8,105,690)	—
Sanitary sewerage system	28,250,741	36,305,265	11,827	660,199	—	8,726,550	8,726,550	—
Refuse disposal	5,817,642	6,732,584	116,598	—	—	1,031,540	1,031,540	—
Golf	2,967,873	2,662,596	—	—	—	(305,277)	(305,277)	—
Total business-type activities	63,779,647	61,149,311	128,425	3,849,034	—	1,347,123	1,347,123	—
Total primary government	\$ 253,729,613	83,224,798	20,850,733	8,969,983	(142,031,222)	1,347,123	(140,684,099)	—
Component unit:								
City Utilities	\$ 387,057,000	394,541,000	—	—	—	—	—	7,484,000
General revenues:								
Property taxes					\$ 20,368,798	—	20,368,798	—
Sales and use taxes					116,226,539	—	116,226,539	—
Franchise taxes					6,246,747	—	6,246,747	—
Room taxes					4,202,045	—	4,202,045	—
Payment in lieu of taxes					14,050,489	—	14,050,489	—
Revenues from use of money and property					573,933	2,194,288	2,768,221	(2,478,000)
Other revenue					8,740,579	3,572,819	12,313,398	9,117,000
Transfers					1,352,424	(1,352,424)	—	—
Total general revenues and transfers					171,761,554	4,414,683	176,176,237	6,639,000
Change in net position					29,730,332	5,761,806	35,492,138	14,123,000
Net position – beginning, as restated					523,631,452	363,905,226	887,536,678	922,459,000
Net position – ending					\$ 553,361,784	369,667,032	923,028,816	936,582,000

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Governmental Funds Balance Sheet

June 30, 2014

Assets	General	Community development	Public Safety Pension Sales Tax	Public parks	Nonmajor governmental funds	Total governmental funds
Cash and investments	\$ 15,254,455	5,833,485	—	113,117	80,627,056	101,828,113
Property taxes receivable (net uncollectible amounts)	—	—	—	5,738,206	13,296,026	19,034,232
Special assessments receivable, net	—	—	—	—	2,403,728	2,403,728
Restricted cash and investments	—	—	—	—	12,679,784	12,679,784
Accrued interest receivable	107,562	10,632	—	—	334,284	452,478
Sales tax and other receivables, net	9,462,032	120,248	5,021,411	1,645,944	6,811,761	23,061,396
Inventories	24,928	596,649	—	84,531	1,474,197	2,180,305
Notes and loans receivable, net	—	39,992,335	—	—	—	39,992,335
Due from other funds	2,559,406	—	—	—	102,522	2,661,928
Due from other governments	—	541,666	—	64,305	3,588,533	4,194,504
Total assets	\$ 27,408,383	47,095,015	5,021,411	7,646,103	121,317,891	208,488,803
Liabilities						
Accounts payable and other current liabilities	\$ 1,818,032	118,078	—	616,924	7,477,616	10,030,650
Unearned revenue	10,836	163,637	—	—	430,205	604,678
Due to other funds	—	—	5,021,411	—	2,064,500	7,085,911
Total liabilities	1,828,868	281,715	5,021,411	616,924	9,972,321	17,721,239
Deferred inflows of resources						
Unavailable revenue	—	15,872	—	5,695,009	16,527,712	22,238,593
Fund balances						
Nonspendable	24,928	40,588,984	—	84,531	2,743,559	43,442,002
Restricted	—	6,208,444	—	—	66,933,411	73,141,855
Committed	15,400,000	—	—	—	21,192,650	36,592,650
Assigned	10,154,587	—	—	1,249,639	4,277,082	15,681,308
Unassigned	—	—	—	—	(328,844)	(328,844)
Total fund balances	25,579,515	46,797,428	—	1,334,170	94,817,858	168,528,971
Total liabilities, deferred inflows of resources and fund balances	\$ 27,408,383	47,095,015	5,021,411	7,646,103	121,317,891	208,488,803

See accompanying notes basic to financial statements.

CITY OF SPRINGFIELD, MISSOURI
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2014

Fund balances – total governmental funds	\$ <u>168,528,971</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	723,489,753
Less accumulated depreciation	<u>(303,609,181)</u>
	<u>419,880,572</u>
Net prepaid pension asset	83,450,296
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due	(1,205,520)
Adjustment of unavailable revenue	22,238,593
Internal service funds are used by management to charge the costs of certain activities to individual funds. Certain assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	11,210,703
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds, net of unamortized premiums/discounts and loss on refunding of bonds	<u>(150,741,831)</u>
Net position of governmental activities	<u><u>\$ 553,361,784</u></u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances

Year ended June 30, 2014

	<u>General</u>	<u>Community development</u>	<u>Public Safety Pension Sales Tax</u>	<u>Public parks</u>	<u>Nonmajor governmental funds</u>	<u>Total governmental funds</u>
Revenues:						
Taxes:						
Property	\$ —	—	—	5,549,500	14,580,440	20,129,940
Sales	44,738,425	—	29,315,082	9,451,533	32,721,499	116,226,539
Franchise	6,246,747	—	—	—	—	6,246,747
Room	100,281	—	—	—	4,101,764	4,202,045
Licenses and permits	4,808,605	—	—	—	—	4,808,605
Intergovernmental	—	2,469,152	—	831,418	22,904,220	26,204,790
Charges for services	1,760,616	—	—	7,199,856	2,944,090	11,904,562
Fines and forfeitures	1,471,874	—	—	—	—	1,471,874
Special assessments	—	—	—	—	618,573	618,573
Revenues from use of money and property	84,180	—	—	(3,847)	493,600	573,933
Payments in lieu of taxes	14,050,489	—	—	—	—	14,050,489
Other	159,960	965,476	—	81,838	7,533,305	8,740,579
Total revenues	<u>73,421,177</u>	<u>3,434,628</u>	<u>29,315,082</u>	<u>23,110,298</u>	<u>85,897,491</u>	<u>215,178,676</u>
Expenditures:						
Current:						
Public works	6,498,034	—	—	—	12,871,970	19,370,004
Public safety	46,786,563	—	29,315,082	—	14,124,520	90,226,165
Parks and recreation	—	—	—	22,091,010	4,790,129	26,881,139
Planning and development	1,438,408	2,228,015	—	—	—	3,666,423
Public health	—	—	—	—	9,092,519	9,092,519
General government	15,270,894	—	—	—	7,747,645	23,018,539
Debt service:						
Principal	31,796	289,000	—	155,736	8,965,421	9,441,953
Bond issuance costs	3,049	—	—	3,951	220,097	227,097
Interest and other charges	6,216	156,443	—	8,770	5,906,795	6,078,224
Capital outlay:						
Public works	159,376	—	—	—	31,058,508	31,217,884
Public safety	69,620	—	—	—	6,291	75,911
Parks and recreation	—	—	—	—	686,527	686,527
Planning and development	—	—	—	—	1,180,566	1,180,566
General government	4,798	—	—	—	72,657	77,455
Total expenditures	<u>70,268,754</u>	<u>2,673,458</u>	<u>29,315,082</u>	<u>22,259,467</u>	<u>96,723,645</u>	<u>221,240,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,152,423</u>	<u>761,170</u>	<u>—</u>	<u>850,831</u>	<u>(10,826,154)</u>	<u>(6,061,730)</u>
Other financing sources (uses):						
Bond premium (discount)	—	—	—	—	1,151,278	1,151,278
Capital lease proceeds	260,000	—	—	260,000	—	520,000
Issuance of refunding bonds	—	—	—	—	13,645,000	13,645,000
Payment to bond escrow agent	—	—	—	—	(17,707,066)	(17,707,066)
Transfers in	3,001,914	64,045	—	352,469	21,697,997	25,116,425
Transfers out	(3,079,313)	(249,087)	—	(700,947)	(19,734,654)	(23,764,001)
Total other financing sources (uses)	<u>182,601</u>	<u>(185,042)</u>	<u>—</u>	<u>(88,478)</u>	<u>(947,445)</u>	<u>(1,038,364)</u>
Net change in fund balances	3,335,024	576,128	—	762,353	(11,773,599)	(7,100,094)
Fund balances – beginning	22,244,491	46,221,300	—	571,817	106,591,457	175,629,065
Fund balances – ending	\$ <u>25,579,515</u>	<u>46,797,428</u>	<u>—</u>	<u>1,334,170</u>	<u>94,817,858</u>	<u>168,528,971</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
 Reconciliation of the Change in Fund Balances
 of Governmental Funds to the Statement of Activities
 Year ended June 30, 2014

Net change in fund balances – total governmental funds	\$ <u>(7,100,094)</u>
Amounts reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (in excess of the capitalization threshold) is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays (in excess of the capitalization threshold) exceeded depreciation in the current period:	
Capital outlay	33,503,162
Depreciation	<u>(26,373,417)</u>
	<u>7,129,745</u>
The net effect of various miscellaneous transactions involving capital assets <i>i.e.</i> , sales, trade-ins, donations and disposals, is to decrease net position	<u>(149,365)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	<u>(472,216)</u>
The issuance of long-term debt <i>e.g.</i> , bonds, loan, 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. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:	
Bond and capital lease proceeds	(14,165,000)
Repayment of principal including payment to bond escrow agent (bonds and capitalized lease obligations)	27,149,019
Premiums (discounts) received, net of amortization	(721,293)
Loss on refundings incurred, net of amortization	(111,518)
Accrued interest	<u>(229,074)</u>
	<u>11,922,134</u>
Some expenses reported in the statement of activities (pension, other postemployment benefits, claims and judgments and compensated absences) do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds	
Increase in net pension asset	15,768,644
Increase in accrued claims and judgments	(336,000)
Increase in other postemployment benefits liability	(246,743)
Increase in accrued compensated absences	<u>(407,187)</u>
	<u>14,778,714</u>
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities	<u>3,621,414</u>
Change in net position of governmental activities	\$ <u><u>29,730,332</u></u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Net Position
June 30, 2014

Assets	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current assets:					
Cash and cash equivalents	\$ 290,557	735,208	326,739	1,352,504	404,548
Investments	6,528,052	16,518,188	7,340,998	30,387,238	9,733,845
Accrued interest receivable	39,575	94,126	51,106	184,807	49,204
Accounts receivable	1,180,107	2,848,554	20,671	4,049,332	—
Due from other governments	—	—	8,460	8,460	—
Unbilled revenue	—	1,729,840	—	1,729,840	—
Inventories	654,378	991,645	262,545	1,908,568	370,487
Prepaid expenses	25,754	—	—	25,754	—
Restricted assets:					
Cash and cash equivalents	5,383,165	14,305,010	—	19,688,175	—
Investments	3,911,651	—	—	3,911,651	—
Other	298,489	711,827	—	1,010,316	—
Total current assets	18,311,728	37,934,398	8,010,519	64,256,645	10,558,084
Noncurrent assets:					
Restricted assets:					
Investments	9,935,363	31,823,744	—	41,759,107	—
Investments	4,024,039	10,182,186	4,525,158	18,731,383	6,000,163
Capital assets:					
Land and easements	20,615,736	4,645,812	2,695,080	27,956,628	23,614
Buildings	124,566,107	62,298,653	2,000,065	188,864,825	1,058,097
Collection system	—	367,440,301	—	367,440,301	—
Improvements other than buildings	132,241,702	11,798,444	27,006,291	171,046,437	684,399
Machinery and equipment	18,018,767	9,006,370	10,217,628	37,242,765	283,862
	295,442,312	455,189,580	41,919,064	792,550,956	2,049,972
Less accumulated depreciation	(117,296,648)	(203,509,535)	(25,683,215)	(346,489,398)	(1,462,512)
	178,145,664	251,680,045	16,235,849	446,061,558	587,460
Construction in progress	1,029,848	19,659,627	1,075,917	21,765,392	—
Total capital assets, net	179,175,512	271,339,672	17,311,766	467,826,950	587,460
Total noncurrent assets	193,134,914	313,345,602	21,836,924	528,317,440	6,587,623
Total assets	211,446,642	351,280,000	29,847,443	592,574,085	17,145,707

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Net Position
June 30, 2014

Liabilities	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current liabilities:					
Accounts payable	\$ 376,270	784,583	368,253	1,529,106	211,323
Retainages payable	—	5,500	47,748	53,248	—
Accrued compensated absences	59,799	67,049	22,133	148,981	9,655
Due to other funds	—	—	265,000	265,000	332,428
Accrued interest payable	—	—	—	—	—
Unearned revenue	—	—	—	—	—
Estimated liability for incurred but unreported claims	—	—	—	—	2,882,000
Payables from restricted assets:					
Current maturities of long-term debt	2,585,000	9,569,770	38,245	12,193,015	33,728
Payables from restricted assets	2,369,432	2,523,901	—	4,893,333	—
Total current liabilities	5,390,501	12,950,803	741,379	19,082,683	3,469,134
Long-term liabilities, less current maturities:					
Revenue bonds payable, net	88,147,498	78,732,165	—	166,879,663	—
Notes and capitalized lease obligations payable	—	25,494,090	67,257	25,561,347	71,837
Accrued landfill closure/postclosure care costs	—	—	10,952,594	10,952,594	—
Other postemployment benefits	230,106	207,459	137,437	575,002	—
Accrued compensated absences	436,051	1,044,746	599,600	2,080,397	169,400
Total long-term debt	88,813,655	105,478,460	11,756,888	206,049,003	241,237
Total liabilities	94,204,156	118,429,263	12,498,267	225,131,686	3,710,371
	Net Position				
Net position:					
Net investment in capital assets	93,738,165	168,558,716	17,206,264	279,503,145	481,895
Restricted for debt service	11,864,085	33,301,611	—	45,165,696	—
Unrestricted	11,640,236	30,990,410	142,912	42,773,558	12,953,441
Total net position	\$ 117,242,486	232,850,737	17,349,176	367,442,399	13,435,336
Some of the amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities				2,224,633	
Net position of business-type activities				\$ 369,667,032	

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Position

Year ended June 30, 2014

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Operating revenues:					
Sewer service charges	\$ —	35,897,157	—	35,897,157	—
Sewer connection charges	—	177,700	—	177,700	—
Sale of fuel and oil	3,825,342	—	—	3,825,342	—
Flight fees, airport facility rental and other charges	11,334,182	—	—	11,334,182	—
Golf course fees	—	—	2,615,012	2,615,012	—
Landfill charges	—	—	6,354,781	6,354,781	—
Yardwaste recycling sales	—	—	266,665	266,665	—
Billings to departments	—	—	—	—	9,010,664
Contributions – City and employees	—	—	—	—	12,592,624
Other	51,421	—	18,474	69,895	67,407
Total operating revenues	15,210,945	36,074,857	9,254,932	60,540,734	21,670,695
Operating expenses:					
Personnel services	5,630,001	6,976,108	3,816,968	16,423,077	1,452,057
Other services	2,681,281	5,765,164	1,555,120	10,001,565	13,567,499
Supplies	4,011,927	2,986,129	1,411,827	8,409,883	2,403,535
Other expenses	—	—	—	—	39,227
Depreciation and amortization	10,204,190	10,636,330	1,630,033	22,470,553	68,593
Total operating expenses	22,527,399	26,363,731	8,413,948	57,305,078	17,530,911
Operating income (loss)	(7,316,454)	9,711,126	840,984	3,235,656	4,139,784
Nonoperating revenues (expenses):					
Interest revenue	426,332	1,692,450	34,206	2,152,988	—
Interest on long-term debt	(4,210,901)	(1,543,499)	(80,942)	(5,835,342)	—
Administrative fees and other debt charges	(2,500)	(343,512)	—	(346,012)	—
Gain from disposal of capital assets	13,321	27,651	328	41,300	—
Claims and settlements	(2,590)	2,493	(285,542)	(285,639)	—
Rental car customer facility charge revenue	1,276,191	—	—	1,276,191	—
Rental car customer facility fuel sales	571,338	—	—	571,338	—
Passenger facility charge revenue	1,689,243	—	—	1,689,243	—
Contributions and grants	—	11,827	116,598	128,425	—
Other nonoperating income	—	8,364	20,107	28,471	90,207
Net nonoperating revenues (expenses)	(239,566)	(144,226)	(195,245)	(579,037)	90,207
Income (loss) before capital contributions and transfers	(7,556,020)	9,566,900	645,739	2,656,619	4,229,991
Capital contributions and grants	3,188,835	660,199	—	3,849,034	—
Transfers in	—	126,913	290,848	417,761	—
Transfers out	(206,000)	(1,229,288)	(334,897)	(1,770,185)	—
Change in net position	(4,573,185)	9,124,724	601,690	5,153,229	4,229,991
Net position, beginning of year, as restated	121,815,671	223,726,013	16,747,486	362,289,170	9,205,345
Net position, end of year	\$ <u>117,242,486</u>	<u>232,850,737</u>	<u>17,349,176</u>	<u>367,442,399</u>	<u>13,435,336</u>
Some of the amounts reported for business-type activities in the statement of activities are different because the net revenue of certain internal service funds are reported with business-type activities				608,577	
Change in net position of business-type activities				\$ <u>5,761,806</u>	

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Cash Flows
Year ended June 30, 2014

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 15,122,300	35,761,003	9,274,793	60,158,096	21,670,695
Cash paid to suppliers	(6,707,367)	(8,588,306)	(3,050,824)	(18,346,497)	(15,528,075)
Cash paid to employees	(5,579,749)	(6,873,126)	(3,761,055)	(16,213,930)	(1,448,981)
Net cash provided by operating activities	<u>2,835,184</u>	<u>20,299,571</u>	<u>2,462,914</u>	<u>25,597,669</u>	<u>4,693,639</u>
Cash flows from noncapital financing activities:					
Noncapital contributions and grants	—	11,827	116,598	128,425	—
Transfers in	—	126,913	290,848	417,761	—
Transfers out	(206,000)	(1,229,288)	(334,897)	(1,770,185)	—
Net cash provided by (used in) noncapital financing activities	<u>(206,000)</u>	<u>(1,090,548)</u>	<u>72,549</u>	<u>(1,223,999)</u>	<u>—</u>
Cash flows from capital and related financing activities:					
Principal payments on long-term debt	(2,425,000)	(9,105,989)	(155,742)	(11,686,731)	(32,347)
Proceeds from issuance of long-term debt	—	—	77,000	77,000	—
Administrative fees and other debt charges	—	(343,512)	—	(343,512)	—
Interest paid on long-term debt obligations	(4,358,593)	(3,723,707)	(8,139)	(8,090,439)	(5,489)
Additions to capital assets	(798,533)	(12,568,257)	(2,320,738)	(15,687,528)	—
Decrease in other restricted assets	2,698,484	64,869	—	2,763,353	—
Increase in payables from restricted assets other than interest	282,152	784,786	—	1,066,938	—
Capital contributions	3,188,835	660,199	—	3,849,034	—
Rental car customer facility charge revenue	1,276,191	—	—	1,276,191	—
Rental car customer facility fuel sale revenue	571,338	—	—	571,338	—
Passenger facility charges received	1,689,243	—	—	1,689,243	—
Proceeds from sale of capital assets	13,321	27,651	328	41,300	236
Net cash provided by (used in) capital and related financing activities	<u>2,137,438</u>	<u>(24,203,960)</u>	<u>(2,407,291)</u>	<u>(24,473,813)</u>	<u>(37,600)</u>
Cash flows from investing activities:					
Sale of investments	8,861,345	30,595,449	7,257,004	46,713,798	3,912,987
Purchases of investments	(14,386,730)	(36,838,815)	(7,739,663)	(58,965,208)	(8,827,972)
Interest received	405,765	1,640,427	17,004	2,063,196	88,772
Net cash used in investing activities	<u>(5,119,620)</u>	<u>(4,602,939)</u>	<u>(465,655)</u>	<u>(10,188,214)</u>	<u>(4,826,213)</u>
Net decrease in cash and cash equivalents	(352,998)	(9,597,876)	(337,483)	(10,288,357)	(170,174)
Cash and cash equivalents, beginning of year	6,026,720	24,638,094	664,222	31,329,036	574,722
Cash and cash equivalents, end of year	<u>\$ 5,673,722</u>	<u>15,040,218</u>	<u>326,739</u>	<u>21,040,679</u>	<u>404,548</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (7,316,454)	9,711,126	840,984	3,235,656	4,139,784
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	10,204,190	10,636,330	1,630,033	22,470,553	68,593
Other nonoperating income (expenses)	(5,090)	10,857	(265,435)	(259,668)	—
Decrease (increase) in:					
Inventories	(39,059)	224,539	(14,624)	170,856	(40,054)
Accounts receivable	(83,555)	(156,444)	(1,931)	(241,930)	—
Due from other governments	—	—	1,602	1,602	—
Unbilled revenue	—	(168,267)	—	(168,267)	—
Prepaid expenses	91,687	—	—	91,687	—
Increase (decrease) in:					
Accounts payable	(59,948)	(126)	(56,886)	(116,960)	124,782
Retainage payable	(6,839)	(61,426)	(10,533)	(78,798)	—
Unearned revenue	—	—	—	—	—
Due to other funds	—	—	—	—	(40,542)
Accrued landfill closure/postclosure care costs	—	—	283,791	283,791	—
Estimated liability for incurred but unreported claims	—	—	—	—	438,000
Accrued claims and judgments	—	—	—	—	—
Other postemployment benefits	16,211	15,699	9,556	41,466	—
Accrued compensated absences	34,041	87,283	46,357	167,681	3,076
Total adjustments	<u>10,151,638</u>	<u>10,588,445</u>	<u>1,621,930</u>	<u>22,362,013</u>	<u>553,855</u>
Net cash provided by operating activities	<u>\$ 2,835,184</u>	<u>20,299,571</u>	<u>2,462,914</u>	<u>25,597,669</u>	<u>4,693,639</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Fiduciary Funds Statement of Fiduciary Net Position

June 30, 2014

Assets	Pension Trust	Agency funds
Cash and short-term investments	\$ 4,477,842	6,576,288
Receivables		
Public safety pension sales tax due from City	5,021,411	—
Accrued interest and dividends	286,709	411
Total receivables	5,308,120	411
Investments, at fair value		
Money market mutual funds	633,694	—
U.S. Treasury securities	3,088,329	—
U.S. agency securities	5,235,750	—
Government-sponsored enterprise obligations	12,398,485	—
Corporate bonds	18,058,146	—
Municipal bonds	2,201,651	—
International fixed income fund	41,120,369	—
Index fund - fixed income	12,812,152	—
Index funds - equities	69,174,020	—
Index fund - commodities	17,138,375	—
International equity funds	77,843,195	—
International hedge fund	28,795,566	—
Real estate fund	11,486,313	—
Total investments	299,986,045	—
Total assets	309,772,007	6,576,699
Liabilities		
Accounts payable	118,547	6,473,655
Escrows payable	—	73,691
Municipal court bond deposits	—	29,353
Total liabilities	118,547	6,576,699
Net Position		
Restricted for pensions	\$ 309,653,460	—

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Fiduciary Funds Statement of Changes in Fiduciary Net Position

Year ended June 30, 2014

	<u>Pension Trust</u>
Additions:	
Contributions:	
Employer - public safety pension sales tax	\$ 29,315,082
Employer	7,658,315
Plan members	3,201,170
Total contributions	<u>40,174,567</u>
Investment income:	
Net appreciation in fair value of investments	37,283,139
Interest and dividends	1,577,953
Total investment income	38,861,092
Less investment expense	<u>(1,223,629)</u>
Net investment income	<u>37,637,463</u>
Other revenue	<u>25,926</u>
Total additions	<u>77,837,956</u>
Deductions:	
Benefits	19,227,871
Refunds of contributions	2,959,629
Administrative expenses	354,745
Total deductions	<u>22,542,245</u>
Net increase in net position	55,295,711
Net position – beginning	<u>254,357,749</u>
Net position – ending	<u>\$ 309,653,460</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The City of Springfield, Missouri (the “City”), operates under the Council-Manager form of government with the council consisting of the Mayor and eight council members who are elected on a nonpartisan basis. The City provides a variety of general government services to residents including law enforcement, fire protection, community development, recreation and various social services. Additionally, the City has several business-type operations that offer services associated with the National Airport, sanitary sewerage system, refuse disposal facilities and municipal golf courses.

The financial reporting entity consists of the primary government and its component units, entities for which the government is considered financially accountable. The determination of financial accountability includes consideration of a number of criteria, including: (1) the appointment of a voting majority of an entity’s governing authority and the ability of the primary government to impose its will on the entity; (2) the potential for the entity to provide specific financial benefits to, or impose specific financial burdens on, the primary government; and (3) the entity’s fiscal dependency on the primary government. Two types of component units are included within the government-wide financial statements:

Blended Component Units – The following legally separate entities are component units that are, in substance, a part of the City’s general operations. These component units provide services entirely, or almost entirely, to the primary government or provide services that exclusively, or almost exclusively, benefit the primary government. Data from these units is combined with data of the primary government for financial reporting purposes.

The Public Building Corporation of the City of Springfield, Missouri (PBC) – The PBC, a not-for-profit corporation, was incorporated under the laws of the State of Missouri on October 2, 1989. The PBC was established to promote, acquire, develop, construct and own facilities within the City, which are approved by the City Council for the purpose of promoting the economic, social, industrial, cultural and commercial growth and for the general benefit of the City and its residents.

The board of directors of the PBC consists of nine persons appointed by the Mayor with the advice and consent of the City Council. Financial information for the PBC has been included within the governmental activities and governmental funds. Although it is legally separate from the City, the PBC is reported as if it were part of the primary government, because its sole purpose is to finance the construction of various capital projects within the City. No separately issued financial statements are prepared for the PBC.

The Springfield Center City Development Corporation (SCCDC) – The SCCDC, a not-for-profit corporation, was incorporated under the laws of the State of Missouri on October 26, 1998. The SCCDC was established to consider the feasibility and finance the costs of certain improvements to be located in the center city area which will promote the public welfare by improving and enhancing the ability of the City to provide for the health, safety and welfare of its citizens and quality recreational services to the citizens and visitors of the City.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

The board of directors of the SCCDC consists of nine citizens ultimately approved by the City Council. Financial information for the SCCDC has been included within the governmental activities and governmental funds. Although it is legally separate from the City, the SCCDC is reported as if it were part of the primary government, because its sole purpose is to finance the construction of various improvements located in the center city area. No separately issued financial statements are prepared for the SCCDC.

The Land Clearance for the Redevelopment Authority of the City of Springfield, Missouri (The Authority) – The Authority was created under the laws of the State of Missouri (known as the Land Clearance for Redevelopment Authority Law) on August 21, 1961. The Authority was established to provide incentives to encourage investment and issue bonds to finance redevelopment and blight remediation.

The board of commissioners of the Authority consists of five citizens appointed by the City Council. Financial information for the Authority has been included within the governmental activities and governmental funds. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government, because its sole purpose is to incentivize improvements within the designated blighted/redevelopment areas of the City as defined by state law. No separately issued financial statements are prepared for the Authority.

Discretely Presented Component Unit – The below mentioned discretely presented component unit is reflected separately in the government-wide financial statements to emphasize that it is legally separate from the primary government.

City Utilities of Springfield, Missouri (City Utilities) – City Utilities is a legally separate municipally owned utility controlled by the Board of Public Utilities, which is appointed by the City Council in accordance with the City Charter.

The City Council approves the rates for user charges, the annual budget plan and bond issuance authorizations. Financial information for City Utilities is as of and for the year ended September 30, 2013. City Utilities elected to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, for their proprietary operations, unless these pronouncements conflict with applicable Governmental Accounting Standards Board (GASB) guidance or pronouncements. City Utilities is comprised of Electric, Natural Gas, Water, Transportation and Telecommunications/Broadband.

As required in Section 16.11 of the City Charter, the City Utilities component unit follows, in all significant respects, accounting policies and procedures established for investor-owned gas and electric utilities by the Federal Energy Regulatory Commission (FERC) and for investor-owned water utilities by the National Association of Regulatory Utility Commissioners. The City Utilities' financial statements are reported using the economic resource measurement focus and the accrual basis of accounting.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Complete financial statements for the City Utilities are available from their general offices:

City Utilities of Springfield, Missouri
301 East Central
P. O. Box 551
Springfield, Missouri 65801-0551

No other entities met the criteria for inclusion as component units of the City.

Joint Venture – Both the City and the City Utilities component unit (along with other participants) participate in a joint venture. The City's cumulative investment in the joint venture has been included in the capital assets of the governmental activities, while City Utilities' equity interest in the joint venture is reported within its discrete component unit presentation.

(b) Government-Wide and Fund Financial Statements

The financial statements include both the government-wide (the statement of net position and the statement of activities) and fund financial statements.

Government-Wide Financial Statements – The government-wide financial statements display information about the primary government and its component unit, except for fiduciary activities. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide statement of net position, both the governmental and business-type activities are each consolidated and presented on the full accrual, economic resources basis of accounting. The consolidated presentation incorporates long-term assets and receivables, as well as long-term debt and obligations, and it provides valuable information for greater analysis and comparability.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – Separate fund financial statements report information on the City's governmental, proprietary and fiduciary funds, though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Consequently, the emphasis on near-term inflows and outflows of resources do not present the long-term impact of transactions. 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 City considers revenue 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 pension costs, are recorded only when payment is due. Conversely, the proprietary and pension trust fund statements incorporate the accrual basis of accounting and focus on the change in total economic resources. Agency funds adhere to the accrual basis of accounting and do not have a measurement focus. This presentation records long-term assets and liabilities and recognizes revenues and expenses when transactions occur, regardless of their impact on the flow of cash. Since the accounting differs significantly between the governmental funds and the proprietary funds, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the governmental funds balance sheet and the statement of revenues, expenditures and changes in fund balance identifying categories that required conversion from the fund financial statements.

Property taxes, sales taxes, franchise taxes, grants, payments in lieu of taxes and interest associated with the current fiscal period are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the government.

Operating activities of the proprietary funds include all transactions and other events that are not defined as capital and related financing, noncapital financing or investing activities. More specifically, operating revenues consist of sales and charges for service. Operating expenses of the proprietary funds include personnel services, operating supplies and services incurred in conducting daily business.

The City reports the following major governmental funds:

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

Community Development – This fund accounts for grants received from the Department of Housing and Urban Development (HUD) along with various revolving loans. The purpose of this fund is to improve neighborhoods in low to moderate income areas.

CITY OF SPRINGFIELD, MISSOURI

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Public Safety Pension Sales Tax – This fund accounts for the proceeds from the $\frac{3}{4}$ cent public safety pension sales tax revenue.

Public Parks – The public parks fund was established by City Charter to account for the proceeds of an 18-cent ad valorem tax levy and operating sales tax, which partially funds the activities of the City's parks system. The parks system also receives substantial revenues from concessions, zoo admissions, swimming and softball fees.

The City reports the following major proprietary funds:

National Airport – This fund accounts for all operations and developmental improvements relating to the Springfield-Branson National Airport and the Ozark Airport site.

Sanitary Sewerage System – This fund accounts for the maintenance activities of the existing collection system and capital improvements pertaining to the Southwest Treatment Plant, Northwest Treatment Plant, lift stations and phosphorus treatment facilities.

The City reports the following fund types:

Internal Service Funds – These funds account for the costs of the Service Center Garage, the Print Shop and the Self-Insurance Funds on a cost-reimbursement basis.

Pension Trust Funds – These funds account for moneys held in trust by the City for pension benefits.

Agency Funds – These funds account for moneys held on behalf of the Cooper Tennis Trust, Municipal Court Bond and the Revolving Payroll Fund.

(c) ***Assets, Liabilities and Net Position or Fund Balance***

a. **Deposits and Investments**

The City's investment policies are governed by the City Charter and management policies. City moneys are deposited in Federal Deposit Insurance Corporation (FDIC) – insured banks located within the state. The City is authorized to use demand and time deposits. Permissible investments include obligations of the U.S. government, State of Missouri or City of Springfield; bonds, bills or notes guaranteed by the U.S., state or city governments; certificates of deposit; repurchase agreements; banker's acceptances; and commercial paper. The City purchases investments from Securities and Exchange Commission (SEC)-registered broker-dealers and banks. The City's investments are stated at fair value, which is determined by quoted market prices.

CITY OF SPRINGFIELD, MISSOURI

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Collateral is pledged to secure the City's demand deposits and certificates of deposit. In accordance with the City Charter, collateral pledged must have a market value of at least 102% of deposits not covered by federal deposit insurance and may consist of the same type of obligations in which the City may invest. Obligations pledged to secure deposits are delivered to the bank's joint custody account at the Federal Reserve Bank. Written custodial agreements are required that provide, among other things, that collateral be held separately from the assets of the custodial bank. At least quarterly, the City determines that the fair value of collateral pledged is adequate to cover deposits. The City also utilizes guaranteed investment contracts that have pledged securities backing the investments in excess of 100% of the investments held in the name of the City's trustee bank. The guaranteed investment contracts also contain voluntary liquidation clauses if the investment ratings fall below certain levels.

The City also maintains The Policemen and Firemen's Retirement Fund (the "Plan"), which is managed by a board of trustees. The Plan's investments are recorded at fair value, based on quoted market prices at the valuation date. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the gains and losses on investments bought and sold during the year.

The City Utilities component unit also maintains cash and investment securities, which are carried at fair value plus accrued interest. Bond ordinances permit investments only in direct obligations of the U.S. government, such as bills, notes or bonds, and any other obligations guaranteed as to payment of principal and interest by the U.S. government or any agency or instrumentality thereof. City Utilities is also authorized to invest in repurchase agreements, for which the underlying securities must be U.S. Treasury notes, bonds or bills. City Utilities' investment portfolio includes securities that are either insured or registered, or for which the securities are held by City Utilities' agents in City Utilities' name.

For purposes of the statements of cash flows, the City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition.

b. Receivables and Payables

Activity between funds that are representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for doubtful accounts.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Property taxes are assessed on January 1 and are finalized and levied by September 1 and become delinquent after December 31 each year. The City contracts with Greene County (the "County") to have its taxes billed, collected and remitted each year. A lien attaches to all property on January 1, for which taxes are unpaid. The City pays the County 2% of collections plus \$10,000 per year as a fee for this service.

The City is permitted by state statute to levy taxes up to \$1 per \$100 of assessed valuation for general government services. Specific amounts beyond \$1 may be voted upon by the public to support certain types of operations. The City also has the authority to levy taxes, without limit, to pay the annual principal and interest on general long-term debt as required.

The tax levy, per \$100 assessed valuation, for the City during the fiscal year was as follows:

Parks department	\$	0.1852
Health department		0.1262
Art museum		0.0388
Debt service		<u>0.2642</u>
Total tax levy	\$	<u><u>0.6144</u></u>

Special assessments of \$28,575,114 have been issued since 1980 (\$97,931 issued during the year ended June 30, 2014), and collections have totaled 86%, or \$24,737,903. Special assessments receivable of \$2,403,728 includes delinquent accounts of \$526,935.

The City has issued a variety of loans for residential, rehabilitation and small businesses projects in low to moderate income areas funded by grants received from the Department of Housing and Urban Development (HUD). These notes and loans receivable have different repayment requirements and have provisions to attach liens to properties that go into default. As of June 30, 2014, the notes and loans receivable of \$39,992,335 is net of a \$28,125 reserve for doubtful accounts.

c. Inventories and Prepaid Items

Inventories are stated at cost, which approximates market, using the first-in, first-out (FIFO) method, the last-in, first-out (LIFO) method or the average cost method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Materials, supplies inventories and gas stored underground for the City Utilities component unit are stated at the lower of average cost or market. Coal inventory is stated at the lower of cost using the last-in, first-out (LIFO) method or market. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

d. Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the applicable balance sheets and statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

e. Capital Assets

Capital assets include land, buildings, improvements, equipment and infrastructure assets, *e.g.*, roads, bridges, storm sewers and similar items, and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, excluding land and infrastructure, are defined by the City as assets with a cost of \$5,000 or greater and an estimated useful life of at least one year. All land purchases are capitalized regardless of cost. Infrastructure assets with a cost of \$50,000 or greater and an estimated useful life of at least one year are capitalized. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

In conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, infrastructure assets, such as streets, intersections and storm sewers, completed in the current year have been capitalized. Additionally, the City elected to depreciate its infrastructure assets. Infrastructure assets not completed by year end have been reported as construction in progress.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. Costs for the City Utilities component unit's utility plant additions include the cost of material, labor, vehicle and equipment usage, related overhead items, capitalized interest and administrative and general expenses.

CITY OF SPRINGFIELD, MISSOURI

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Property, plant, equipment and infrastructure are depreciated using the straight-line method over the following estimated lives:

	<u>Years</u>
Primary government (excluding National Airport):	
Buildings	40
Improvements other than buildings	20
Sewer plant and collection system	40
Machinery and equipment	3-10
Infrastructure	20
National Airport	
Buildings	25-40
Improvements other than buildings	10-40
Machinery and equipment	3-20
Infrastructure	15-40
City Utilities component unit:	
Electric utility plant	33
Gas utility plant	33
Transportation plant and equipment	15
Water utility plant	50
Common plant and equipment	27

f. Compensated Absences

All vested or accumulated vacation, scheduled holiday leave and vested accumulated sick leave is accrued when incurred in the government-wide and proprietary financial 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.

g. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and obligations are reported in the statement of net position as liabilities in the applicable governmental and business-type categories. Bond premiums and discounts, as well as amounts deferred on refundings, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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

h. Fund Balances

In the fund financial statements, governmental funds report up to five components of fund balance from most restrictive in nature to least restrictive: nonspendable; restrictive; committed; assigned and unassigned.

The City recognizes the important nature of setting aside funds for use in emergency situations or when significant revenue shortages arise. The City has formally set its stabilization fund as “Committed” funds at the target range of 15-20% of the City’s operating revenues for the General Fund. As such, stabilization funds can only be used when estimated revenue is expected to be 5% or more below budgeted revenues for a major revenue item, or in emergency situations requiring emergency action by City government. Emergency situations are not expected to occur routinely and should not be readily foreseeable by the City. Any amounts expended from stabilization funds should be replenished within a two- to five-year period of time following the end of the event prompting the need for such funds.

The City Council formally established and adopted the “default” spending policy, spending resources in the following manner when available: restricted, committed, assigned and unassigned. The default policy is meant to prioritize the flow of resources from most restrictive to least restrictive for normal business activities. The City Council may, with the passage of an ordinance, commit fund balance for a particular purpose.

The City Council passed an ordinance authorizing the City Manager and the Director of Finance to express assignments on behalf of the City to document the City’s intent to use available resources. The applicable assignments do not require formal City Council approval.

i. Unbilled Revenue

Both the City’s sanitary sewerage system and the City Utilities component unit bill their customers on a cyclical basis and, therefore, record estimated unbilled revenues at year end less allowance for uncollectible accounts.

CITY OF SPRINGFIELD, MISSOURI

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j. Electric Fuel and Purchased Gas Adjustments – City Utilities Component Unit

General Ordinance Numbers 5531 and 57805 require City Utilities to adjust customers' electric and natural gas bills, respectively, for changes between estimated and actual costs of electric fuel, purchased power and purchased natural gas to City Utilities. Such costs includes amounts recognized in connection with financial instruments used to manage the overall costs of natural gas. An over-recovery of \$926,000 for electric fuel and an over-recovery of \$188,000 for purchased natural gas adjustment clauses were recorded at September 30, 2013, as a component of other liabilities.

k. Capitalization of Interest

Net interest costs related to acquisition or construction are capitalized as part of the cost of the related asset for the business-type and proprietary activities of the City and City Utilities component unit. Total interest costs incurred by the City were \$13,497,933, of which \$1,809,599 was capitalized. Total interest costs incurred by the City Utilities component unit were \$33,716,000, of which \$522,000 was capitalized.

l. Designated Improvement Account Investments and Escrow for Bonded Indebtedness – City Utilities Component Unit

Rates enacted by City Ordinance No. 4125, dated June 4, 1990, establish electric, natural gas and water revenue adjustment schedules. The revenues generated will contribute to the funding of major capital projects relating to Clean Air Act Amendments of 1990 requirements and natural gas transmission and supply. Other designated funds include funds set aside for self-insurance reserves and long-range plan for major project funding. In addition, in accordance with City Ordinances, City Utilities maintained funds in escrow for bonded indebtedness.

A summary of the designated improvement account and escrow for bonded indebtedness, which consists of U.S. government obligations, U.S. government agency obligations, repurchase agreements and mortgage-backed securities as of September 30, 2013, is as follows:

Funds for bonded indebtedness	\$	72,694,000
Designated for improvement accounts		151,051,000
Total	\$	<u>223,745,000</u>

m. Interfund and Related-Party Transactions

Transactions between the City's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government. Certain transactions between City Utilities and the City are also treated in this manner. The operations of City Utilities for the year ended September 30, 2013, reflect payments in lieu of taxes to the City of \$12,798,000.

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In addition, City Utilities also provides services such as energy for street lighting and other electric, gas and water services without charge to the City. The cost of providing such services was approximately \$9,086,000 for the year ended September 30, 2013.

n. Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

o. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

p. Implementation of GASB Statement 65, Items Reported as Assets and Liabilities

The City implemented GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, during the current fiscal year. This statement requires deferred outflows and inflows to be reclassified from assets and liabilities. Upon implementation of this statement, all previously reported capitalized debt issuance costs have been written off and new debt issuance costs are recognized as an outflow or resources (expensed) in the reporting period in which they are incurred.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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As a result, the following adjustments have been made:

Government-wide financial statements

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Net position, July 1, 2013, as previously reported	\$ 526,029,192	366,171,979	892,201,171
Issuance costs no longer reported	(2,397,740)	(2,266,753)	(4,664,493)
Net position, July 1, 2013, as restated	\$ <u>523,631,452</u>	<u>363,905,226</u>	<u>887,536,678</u>

Fund financial statements

	<u>National airport</u>	<u>Sanitary sewerage system</u>	<u>Service center</u>
Net position, July 1, 2013, as previously reported	\$ 123,074,168	224,734,269	222,413
Issuance costs no longer reported	(1,258,497)	(1,008,256)	(2,400)
Net position, July 1, 2013, as restated	\$ <u>121,815,671</u>	<u>223,726,013</u>	<u>220,013</u>

q. New Accounting Pronouncements Not Yet Adopted

Pension Plan Benefits Obligation

The City will implement GASB Statement 68, *Accounting and Financial Reporting for Pensions*, in fiscal year 2015. Statement 68 will require the inclusion of long-term obligations for pension benefits as a liability and will expand required disclosures. The amount to be recorded as a liability will be based on an actuarial valuation.

(2) Detailed Notes on All Funds

(a) City Deposits (Excluding Pension Trust and City Utilities)

The City maintains a cash and investment pool that is available for use by all funds. The pool is comprised of deposits, repurchase agreements and other investments with maturities of primarily less than one year. At June 30, 2014, the bank balance of the City's deposits was \$6,546,365, which was covered by federal depository insurance or by collateral held by the City's agent in the City's name. A difference exists between bank and book balances of \$1,617,656 due to deposits in transit and other reconciling items.

(b) Investments

i) City Investments (Excluding Pension Trust and City Utilities)

Statutes authorize the City to invest in investments that are:

- a. Obligations of the U.S. government, the State of Missouri, this city;
- 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;

CITY OF SPRINGFIELD, MISSOURI

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- c. In revenue bonds of the City;
- 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 U.S. banks; state banks; savings and loan associations operating under Chapter 369, Revised Missouri Statutes; or savings and loan associations authorized by the U.S. 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;
- f. Commercial paper issued by domestic corporations that has received the highest rating issued by a nationally recognized rating agency; or
- g. Investments permitted by the City Council that are authorized in the model investment policy prepared by the State of Missouri for political subdivisions.

As of June 30, 2014, the City holds the following investments:

Investment type	Fair Value	Investment maturities			
		1 year	Less than 5 years	10 years	More than 10 years
U.S. Treasury securities	\$ 91,098,804	53,867,851	37,230,953	—	—
Government-sponsored enterprises:					
FHLB	43,246,144	20,014,340	23,231,804	—	—
FHLMC	17,012,911	17,012,911	—	—	—
FNMA	10,057,129	—	10,057,129	—	—
FFCB	6,002,838	6,002,838	—	—	—
PEFCO	1,086,286	—	1,086,286	—	—
Repurchase agreements	16,003,036	16,003,036	—	—	—
Collateralized guaranteed investment contracts:					
AIG Matched Corp Inv. Ag.	1,653,926	—	—	—	1,653,926
AIG MFC I/C	39,167	—	39,167	—	—
AIG MFC Res I/A	137,200	—	137,200	—	—
CDC Funding Corp	26,666,744	—	—	26,666,744	—
FSA Cap Management Repo	5,095,983	—	—	—	5,095,983
Societe Generale Repo	7,524,133	—	—	—	7,524,133
Trinity Plus Funding	93,580	—	93,580	—	—
Westdutsche Landesbank	367,408	—	—	367,408	—
Total	\$ 226,085,289	112,900,976	71,876,119	27,034,152	14,274,042

The following is a listing of cash and investments held by the City as of June 30, 2014, excluding pension trusts and City Utilities:

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Money market funds	\$	24,543,050
Deposits		590,501
Investments		226,085,289
Trustee accounts		1,654,551
Imprest funds		179,408
Total	\$	<u><u>253,052,799</u></u>

The deposits and investments of the City at June 30, 2014, excluding pension trust funds and City Utilities are reflected in the financial statements as follows:

	Government- wide statement of net position	Fiduciary Funds statement of net position (excluding pension trusts)	Total
	<u> </u>	<u> </u>	<u> </u>
Cash and investments	\$ 168,437,794	6,576,288	175,014,082
Restricted cash and investments	78,038,717	—	78,038,717
	\$ <u><u>246,476,511</u></u>	<u><u>6,576,288</u></u>	<u><u>253,052,799</u></u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. According to the City’s policy, all trades, where applicable, will be executed by delivery vs. payment to ensure that fixed income securities are deposited in eligible financial institutions prior to the release of funds. In addition, all fixed income securities shall be perfected in the name or for the account of the City and shall be held by a third-party custodian as evidenced by safekeeping receipts. At June 30, 2014, approximately \$44.8 million of underlying securities were held by the investments’ counterparty, not in the name of the City.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the City’s investments will decrease as a result of increase in interest rates. The City will minimize the risk that the market value of fixed income securities in the portfolio will fall due to changes in the general interest rates by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for ongoing operations and by investing operating funds primarily in shorter term fixed income securities. The City does not have a formal policy relating to a specific investment-related risk.

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Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The City does not have a formal policy relating to foreign currency risk.

Credit Risk

Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill their obligations. The City will minimize credit risk by prequalifying the financial institutions, broker-dealers, intermediaries and advisors with which the City will do business and by diversifying the portfolio so that potential losses on individual fixed income securities will be minimized. As of June 30, 2014, the City's investments were rated by Moody's Investment Service (Moody's) or Standard & Poor's as follows:

<u>Investment Type</u>	<u>Rating</u>
U.S. Treasury securities	AA+
Government-sponsored enterprises obligations	AA+
Collateralized guaranteed investment contracts	Aa3 or Higher
Money market funds	AAA

ii) Police Officers' and Fire Fighters' Retirement Fund – Pension Trust (the “Plan”)

Deposits and Investments

It is the objective of the Plan in managing its investment portfolio as a whole to realize an investment return that, at a minimum equals the Plan's actuarial long-term rate of return assumption on an ongoing basis.

The City has delegated the authority to manage the Plan's investments to the Plan's Board of Trustees. The City approves the investment guidelines and objectives for the Plan. Trustees recommend the appropriate asset types to the City for approval. The Trustees may add, delete or change asset classes within those asset types at their discretion at any time within the parameters established by the City.

The asset type classes, target asset allocation and ranges to be used in the Plan are shown below. All percentages are based on market values. The portfolio shall be reviewed on a quarterly basis and will be rebalanced if any sub-asset class valuation deviates more than 25% from the target. Each investment manager retained by the Trustees, may hold cash under the guidelines set out below; however, that cash shall be considered invested in the asset class assigned. The investment policy allows investment managers to use pooled investments to obtain the targeted percentages below.

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The asset classes and targets at June 30, 2014, were as follows:

<u>Asset type and class</u>	<u>Range</u>	<u>Target</u>
Equities:	25%-75%	
U.S. Equity		16%
Developed Equity		15%
Emerging Market Equity		10%
Fixed Income:	25%-50%	
Core Fixed Income		10%
Inflation Linked Bonds		5%
Developed Fixed Income		9%
Emerging Market Debt		5%
Long-Term Fixed Income		10%
Alternatives:	0%-35%	
Real Estate		5%
Hedge Fund of Funds		10%
Commodities		5%

A portion of the Plan's assets are exposed to risks, including credit risks, concentration of credit risks, custodial risk and interest rate risk that have the potential to result in losses.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation. The Plan's investment policy requires its domestic fixed income investment managers to maintain an average quality of portfolio holdings of A or better as measured by at least one credit rating service, with no more than 20% of the portfolio being invested in securities rated below BBB. The Plan's investment policy limits its international fixed income investment managers to invest only in securities that are rated BBB- or higher by one of the three established rating agencies. However, the Plan's investment policy does not specifically limit the investment choices for any other type of securities based on ratings given by the rating agencies.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

The following table provides information regarding Standard & Poor's credit ratings associated with the Plan's investments as of June 30, 2014:

<u>Investment Type</u>	<u>Rating</u>	<u>Percentage</u>
Domestic		
Money market mutual funds	N/A	0.2%
U.S. Treasury securities	AA+	1.0%
U.S. agency securities	AA+	1.8%
Government-sponsored enterprise obligations	AA+	4.1%
Corporate bonds	AAA to Bb	6.0%
Municipal bonds	AAA to A+	0.7%
International fixed income fund		
Brandywine International Fixed Income Fund	N/A	10.1%
Pyramis Emerging Fixed Income Fund	N/A	3.6%
Index fund - fixed income		
SSgA U.S. TIPS Index Non-Lending Fund	N/A	4.3%
Index fund - equities		
Russell 2000 Index Non-Lending Fund	N/A	8.1%
S&P 500 Flagship Non-Lending Fund	N/A	15.0%
Index fund - commodities		
SSgA Dow Jones-UBS Commodity Index Non-Lending Fund	N/A	5.7%
International equity funds		
Pictet International Equity Fund, LLC	N/A	17.9%
Wells Fargo Emerging Markets Equity Fund	N/A	8.1%
International hedge fund		
EnTrust Capital Diversified Fund QP Ltd.	N/A	5.1%
Blackstone Alternative BPIF Nontax LP	N/A	4.5%
Real estate fund		
Prudential - PRISA SA	N/A	3.8%

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Concentration of Credit Risks

The Plan's investment policy mandates that no managed account may invest more than 3.5% of managed assets in the securities of a single issuer with the exception of issuers guaranteed by the U.S. government. As of June 30, 2014, the Plan was in compliance with its policy.

Investment Concentrations

The fair value of individual investments that represent 5% or more of the Plan's net position restricted for pensions were as follows:

Investment	Fair Value
Pictet International Equity Fund, LLC	\$ 53,749,243
S&P 500 Flagship Non-Lending Fund	45,020,372
Brandywine International Fixed Income Fund	30,229,370
Russell 2000 Index Non-Lending Fund	24,153,648
Wells Fargo Emerging Markets Equity Fund	24,089,940
SSgA Dow Jones-UBS Commodity Index	17,138,375

Custodial Credit Risk

In the event of a failure of a financial institution or counterparty, custodial credit risk is the risk that the Plan would not be able to recover its deposits, investments or collateral securities in the possession of an outside party. The Plan's investment policy requires assets held by a custodian as determined by the board of trustees be held in the name of the City of Springfield Police Officers' and Fire Fighters' Retirement Fund. In addition, the Plan addresses custodial credit risk by diversifying its investment portfolio and requiring all assets to be invested with the care, skill and diligence that a prudent person familiar with such matters acting in a like capacity would use in a similar enterprise.

At June 30, 2014, the bank balances of the Plan's deposits totaled \$4,477,842. The Plan's policy is to pledge collateral of at least 102% of deposits not covered by FDIC insurance. Obligations pledged to secure deposits may consist of the same type of obligations in which the Plan may invest.

Interest Rate Risk

Interest rate risk is the risk that changes in financial market rates of interest will adversely affect the value of an investment. As a means of limiting exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The Plan coordinates its investment maturities to closely match cash flow needs.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

The Plan's investments at June 30, 2014, mature as follows:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			<u>More than 10 years</u>
		<u>1 year</u>	<u>Less than 5 years</u>	<u>10 years</u>	
Money market mutual funds	\$ 633,694	633,694	—	—	—
U.S. Treasury securities	3,088,329	133,893	905,692	2,048,744	—
U.S. agency securities	5,235,750	—	176,149	1,274,253	3,785,348
Government-sponsored enterprise obligations	12,398,485	—	1,555,686	1,318,413	9,524,386
Corporate bonds	18,058,146	672,828	6,071,672	6,502,904	4,810,742
Municipal bonds	2,201,651	110,000	1,051,606	774,780	265,265
International fixed income fund	41,120,369	41,120,369	—	—	—
Index fund - fixed income	12,812,152	12,812,152	—	—	—
		<u>55,482,936</u>	<u>9,760,805</u>	<u>11,919,094</u>	<u>18,385,741</u>
Index funds - equities	69,174,020				
Index funds - commodities	17,138,375				
International equity funds	77,843,195				
International hedge fund	28,795,566				
Real estate fund	11,486,313				
Total	\$ <u>299,986,045</u>				

At June 30, 2014, as reported at fair value, the Plan's U.S. agency securities consisted of \$2,852,745 Small Business Administration (SBA), \$2,383,005 Government National Mortgage Association (GNMA) debt securities and the Plan's government-sponsored enterprises obligations consisted of \$4,219,388 Federal Home Loan Mortgage Corporation (FHLMC) and \$8,179,097 Federal National Mortgage Association (FNMA) debt securities.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan does not have a formal policy relating to foreign currency risk since the Plan does not invest directly in foreign currency.

Annual Money-Weighted Rate of Return

For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 14.49%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

iii) City Utilities Component Unit

City Utilities maintains cash and investment securities. The Utility bond ordinances permit investments only in direct obligations of the U.S. government, such as bills, notes or bonds and any other obligations guaranteed as to payment of principal and interest by the U.S. government or any agency or instrumentality thereof. City Utilities is also authorized to invest in interest-earning investment contracts for which the underlying securities must be U.S. Treasury notes, bonds, bills or other obligations guaranteed by the U.S. government or any agency or instrumentality thereof. Funds in the form of overnight bank deposits and cash on deposit are required to be insured by the FDIC or collateralized by permitted investments held by City Utilities' agents in City Utilities' name.

City Utilities' investment portfolio includes securities that are either insured or registered, or for which the securities are held by the City Utilities' agents in City Utilities' name.

City Utilities investments are all held at market value with readily determinable quoted prices.

Interest Rate Risk

Interest rate risk is the risk that the fair value of City Utilities' fixed income investments will decrease as a result of increases in interest rates. As a means of limiting its exposure to interest rate risk, City Utilities' investment policy prohibits investments that are highly sensitive to interest rate changes. As of September 30, 2013, City Utilities' investment portfolio matures as follows (in thousands):

	Recorded Value	Investment Maturities			
		Less than 1 year	2 - 3 years	4 - 5 years	More than 5 years
U.S. Treasury securities	\$ 34,788	2,059	10,263	12,927	9,539
U.S. government agencies	37,934	8,236	10,978	18,720	—
Mortgage-backed securities	96,956	18,731	22,023	12,676	43,526
Federal agency securities and cash subject to a forward delivery agreement	52,813	—	—	—	52,813
Accrued interest	1,254	1,254	—	—	—
Total investments	223,745	30,280	43,264	44,323	105,878
Cash	32,389	32,389	—	—	—
Total cash and investments	\$ 256,134	62,669	43,264	44,323	105,878

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Credit Risk

Credit risk is the risk that City Utilities will not recover its investment due to the inability of the counterparty to fulfill its obligations. As a means of limiting credit risk, City Utilities' investment policy permits investments in U.S. government-backed securities or in investment contracts collateralized by U.S. government-backed securities. As of September 30, 2013, City Utilities' investments in U.S. government agencies and mortgage-backed securities were all assigned long-term ratings of Aaa by Moody's Investors Service and AA+ by Standard and Poor's.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of City Utilities' investment in a single issuer. As a means of limiting concentration of credit risk, City Utilities' investment policy prohibits concentration of more than 40% in any one U.S. government agency security. No securities held by City Utilities exceeded this threshold at September 30, 2013.

As of September 30, 2013, City Utilities was invested in a forward delivery agreement with The Bank of New York Trust Company, N.A., comprising approximately 24% of City Utilities total investments. Under terms of the forward delivery agreement the counter-party must deliver qualifying securities, primarily U.S. Treasury or federal agency securities, to City Utilities for bonded debt service requirements every six months. The base amount of \$52,813,000 is then reinvested in qualifying securities, which by terms of the agreement guarantees City Utilities a fixed return of approximately 5.2%.

Earnings resulting from investments acquired with the proceeds of the Series 2006 Public Utility Revenue Bonds are limited to the tax-exempt interest rate of such bonds, as defined within the related tax declaration dated September 27, 2006. Any excess investment earnings must be paid to the federal government. A rebate of \$2 million is included in other liabilities in the Statement of Net Position.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

(c) **Capital Assets**

Capital asset activity for the year ended June 30, 2014, was as follows:

Governmental Activities

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deductions/ Transfers</u>	<u>Balance June 30, 2014</u>
Nondepreciable capital assets:				
Land	\$ 58,005,783	1,778,477	(128,140)	59,656,120
Construction in progress	34,385,725	29,497,767	(12,711,608)	51,171,884
Total nondepreciable capital assets	<u>92,391,508</u>	<u>31,276,244</u>	<u>(12,839,748)</u>	<u>110,828,004</u>
Depreciable capital assets:				
Buildings	101,788,101	238,624	—	102,026,725
Improvement other than buildings	96,895,754	661,622	—	97,557,376
Machinery and equipment	47,049,474	3,499,470	(1,897,529)	48,651,415
Infrastructure	<u>355,937,395</u>	<u>10,538,810</u>	<u>—</u>	<u>366,476,205</u>
Total depreciable capital assets	<u>601,670,724</u>	<u>14,938,526</u>	<u>(1,897,529)</u>	<u>614,711,721</u>
Less accumulated depreciation:				
Buildings	(25,724,796)	(2,464,356)	—	(28,189,152)
Improvement other than buildings	(38,456,410)	(4,123,150)	—	(42,579,560)
Machinery and equipment	(36,225,171)	(3,727,713)	1,876,304	(38,076,580)
Infrastructure	<u>(180,099,610)</u>	<u>(16,126,791)</u>	<u>—</u>	<u>(196,226,401)</u>
Total accumulated depreciation	<u>(280,505,987)</u>	<u>(26,442,010)</u>	<u>1,876,304</u>	<u>(305,071,693)</u>
Total depreciable capital assets, net	<u>321,164,737</u>	<u>(11,503,484)</u>	<u>(21,225)</u>	<u>309,640,028</u>
Total governmental activities, capital assets	<u>\$ 413,556,245</u>	<u>19,772,760</u>	<u>(12,860,973)</u>	<u>420,468,032</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Depreciation expense was charged to functions as follows:

General government	\$	1,919,881
Public safety		2,322,961
Public works		17,553,111
Parks and recreation		4,223,109
Planning and development		179,292
Public health		175,063
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>68,593</u>
Total depreciation expense – governmental activities	\$	<u><u>26,442,010</u></u>

Business-Type Activities

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deductions/ Transfers</u>	<u>Balance June 30, 2014</u>
Nondepreciable capital assets:				
Land	\$ 27,941,628	205,000	(190,000)	27,956,628
Construction in progress	<u>35,449,302</u>	<u>15,130,730</u>	<u>(28,814,640)</u>	<u>21,765,392</u>
Total nondepreciable capital assets	<u>63,390,930</u>	<u>15,335,730</u>	<u>(29,004,640)</u>	<u>49,722,020</u>
Depreciable capital assets:				
Buildings	188,764,825	100,000	—	188,864,825
Sewer collection system	339,849,118	27,591,183	—	367,440,301
Improvement other than buildings	169,226,257	1,820,180	—	171,046,437
Machinery and equipment	<u>35,781,860</u>	<u>1,658,716</u>	<u>(197,811)</u>	<u>37,242,765</u>
Total depreciable capital assets	<u>733,622,060</u>	<u>31,170,079</u>	<u>(197,811)</u>	<u>764,594,328</u>
Less accumulated depreciation:				
Buildings	(81,252,449)	(5,122,739)	—	(86,375,188)
Sewer collection system	(132,085,635)	(8,168,268)	—	(140,253,903)
Improvements other than buildings	(84,918,965)	(7,281,642)	—	(92,200,607)
Machinery and equipment	<u>(25,955,565)</u>	<u>(1,897,904)</u>	<u>193,769</u>	<u>(27,659,700)</u>
Total accumulated depreciation	<u>(324,212,614)</u>	<u>(22,470,553)</u>	<u>193,769</u>	<u>(346,489,398)</u>
Total depreciable capital assets, net	<u>409,409,446</u>	<u>8,699,526</u>	<u>(4,042)</u>	<u>418,104,930</u>
Total business-type capital assets	\$ <u><u>472,800,376</u></u>	<u><u>24,035,256</u></u>	<u><u>(29,008,682)</u></u>	<u><u>467,826,950</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Depreciation expense was charged to functions as follows:

National airport	\$ 10,204,190
Sanitary sewerage system	10,636,330
Nonmajor enterprise funds	<u>1,630,033</u>
Total depreciation expense – business-type activities	<u>\$ 22,470,553</u>

Component Unit – City Utilities

	September 30, 2012	Increases	Decreases	September 30, 2013
Public Utility:				
Nondepreciable assets:				
Land	\$ 39,451,000	7,830,000	—	47,281,000
Construction work in progress	34,868,000	66,011,000	(60,144,000)	40,735,000
Depreciable assets				
Electric	1,426,055,000	13,170,000	(10,113,000)	1,429,112,000
Natural gas	199,415,000	6,270,000	(1,067,000)	204,618,000
Transportation	4,738,000	13,848,000	(565,000)	18,021,000
Water	259,912,000	15,439,000	(1,073,000)	274,278,000
Customer service	13,904,000	887,000	(766,000)	14,025,000
Telecommunication	59,589,000	5,014,000	(1,569,000)	63,034,000
Common	<u>59,599,000</u>	<u>1,213,000</u>	<u>(6,337,000)</u>	<u>54,475,000</u>
Total capital assets	2,097,531,000	129,682,000	(81,634,000)	2,145,579,000
Less accumulated depreciation	<u>(695,741,000)</u>	<u>(58,268,000)</u>	<u>19,863,000</u>	<u>(734,146,000)</u>
Net capital assets	<u>\$ 1,401,790,000</u>	<u>71,414,000</u>	<u>(61,771,000)</u>	<u>1,411,433,000</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

(d) Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2014:

<u>Governmental activities</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
Bonds payable:	\$ 133,365,954	13,645,000	(26,672,487)	120,338,467	8,932,000
Plus bond premium					
(discount)	<u>1,034,769</u>	<u>1,151,278</u>	<u>(429,985)</u>	<u>1,756,062</u>	<u>—</u>
Total bonds payable	134,400,723	14,796,278	(27,102,472)	122,094,529	8,932,000
Capital lease obligations	676,012	520,000	(219,879)	976,133	243,140
Section 108 Loan Guarantee					
Assistance Programs	6,959,000	—	(289,000)	6,670,000	393,000
Accrued claims and judgments	464,000	800,000	(464,000)	800,000	800,000
Other postemployment benefits	3,221,897	823,964	(577,221)	3,468,640	—
Accrued compensated absences	<u>18,214,140</u>	<u>2,232,806</u>	<u>(1,822,543)</u>	<u>18,624,403</u>	<u>1,276,494</u>
Total governmental activities long-term liabilities	<u>\$ 163,935,772</u>	<u>19,173,048</u>	<u>(30,475,115)</u>	<u>152,633,705</u>	<u>11,644,634</u>

The general fund and certain special revenue funds have typically been used in prior years to liquidate the compensated absences, pension and other postemployment benefit obligation liabilities for the governmental activities.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$179,055 for compensated absences and \$105,565 for capital lease obligations of internal service funds is included in the above governmental activities amounts.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

<u>Business-type activities</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
National airport fund:					
Revenue bonds	\$ 91,120,000	—	(2,425,000)	88,695,000	2,585,000
Plus bond premium	<u>2,127,192</u>	<u>—</u>	<u>(89,694)</u>	<u>2,037,498</u>	<u>—</u>
Total revenue bonds	93,247,192	—	(2,514,694)	90,732,498	2,585,000
Other postemployment benefits	213,895	54,133	(37,922)	230,106	—
Compensated absences	<u>461,809</u>	<u>121,424</u>	<u>(87,383)</u>	<u>495,850</u>	<u>59,799</u>
Total national airport fund	<u>93,922,896</u>	<u>175,557</u>	<u>(2,639,999)</u>	<u>91,458,454</u>	<u>2,644,799</u>
Sanitary sewerage system fund:					
Revenue bonds	87,882,928	—	(6,204,628)	81,678,300	6,385,600
Plus bond premium	<u>3,704,014</u>	<u>—</u>	<u>(264,550)</u>	<u>3,439,464</u>	<u>—</u>
Total revenue bonds	91,586,942	—	(6,469,178)	85,117,764	6,385,600
Notes payable	31,579,621	—	(2,901,361)	28,678,260	3,184,170
Other postemployment benefits	191,760	52,424	(36,725)	207,459	—
Compensated absences	<u>1,024,512</u>	<u>177,210</u>	<u>(89,926)</u>	<u>1,111,796</u>	<u>67,049</u>
Total sanitary sewerage system fund	<u>124,382,835</u>	<u>229,634</u>	<u>(9,497,190)</u>	<u>115,115,279</u>	<u>9,636,819</u>
Nonmajor enterprise fund:					
Revenue bonds	121,079	—	(121,079)	—	—
Accrued landfill closure/ postclosure care costs	10,668,803	283,791	—	10,952,594	—
Capital lease obligation	63,166	76,999	(34,663)	105,502	38,245
Other postemployment benefits	127,881	31,910	(22,354)	137,437	—
Compensated absences	<u>575,376</u>	<u>91,615</u>	<u>(45,258)</u>	<u>621,733</u>	<u>22,133</u>
Total nonmajor enterprise fund	<u>11,556,305</u>	<u>484,315</u>	<u>(223,354)</u>	<u>11,817,266</u>	<u>60,378</u>
Total business-type activities long-term liabilities	\$ <u>229,862,036</u>	<u>889,506</u>	<u>(12,360,543)</u>	<u>218,390,999</u>	<u>12,341,996</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Debt service requirements on long-term debt at June 30, 2014, are as follows:

Governmental activities		
bonds		
	<u>Principal</u>	<u>Interest</u>
2015	\$ 8,932,000	5,211,653
2016	11,316,000	4,884,636
2017	10,613,000	4,454,578
2018	10,561,000	4,043,897
2019	11,292,000	3,591,277
2020-2024	41,641,430	16,483,725
2025-2029	25,181,600	13,203,619
2030-2034	801,437	2,732,412
	<u>\$ 120,338,467</u>	<u>54,605,797</u>

Enterprise funds		
National airport		
Revenue bonds		
	<u>Principal</u>	<u>Interest</u>
2015	\$ 2,585,000	4,235,220
2016	2,750,000	4,103,395
2017	2,935,000	3,962,320
2018	3,125,000	3,811,195
2019	3,325,000	3,649,570
2020-2024	20,100,000	15,418,423
2025-2029	17,480,000	10,582,517
2030-2034	16,595,000	6,684,730
2035-2039	19,800,000	1,789,600
	<u>\$ 88,695,000</u>	<u>54,236,970</u>

Sanitary sewerage system				
	<u>Revenue bonds</u>		<u>Notes payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 6,385,600	3,429,551	3,184,170	—
2016	5,780,100	3,139,134	2,861,432	—
2017	5,850,000	2,864,180	2,853,052	—
2018	6,032,000	2,587,535	2,924,457	—
2019	6,229,300	2,301,909	3,002,287	—
2020-2024	29,498,500	7,018,477	12,329,556	—
2025-2029	15,308,000	2,616,012	1,523,306	—
2030-2034	6,594,800	539,646	—	—
	<u>\$ 81,678,300</u>	<u>24,496,444</u>	<u>28,678,260</u>	<u>—</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Governmental activities bonds payable at June 30, 2014, are comprised of the following individual issues:

5.300% to 6.125% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series 2000A (Jordan Valley Park Projects), due through June 1, 2021, callable in inverse order of maturity on or after June 1, 2010, at par	\$ 4,081,467
4.1% to 5.0% General Obligation Sewer Improvement Bonds, Series 2001B, due through May 1, 2021, callable in inverse order of maturity on or after May 1, 2011, at premiums beginning at 101% of the principal amount decreasing ratably over the term of the bonds to 100% on May 1, 2013	1,400,000
2.95% to 5.00% Springfield Center City Development Corporation Leasehold Revenue Bonds, Series 2002A (Jordan Valley Park – Exposition Center Project), due through June 1, 2027, callable on or after June 1, 2012, at par	17,000,000
7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002B (Jordan Valley Park – Baseball Stadium Project), due through June 1, 2028, callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	4,740,000
7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002C (Jordan Valley Park Project), due through June 1, 2028, callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	4,165,000
Variable Rate, as determined as the Weekly Rate (2.0% at June 30, 2014) not to exceed 11.00% or the maximum rate permitted by law, Land Clearance for Redevelopment Authority of the City of Springfield, Missouri, Taxable Variable Rate Demand Revenue Bonds, Series 2003 (University Plaza Hotel Redevelopment Project), due through October 1, 2020, callable at the City's direction at par	4,050,000
Variable Rate, as determined as the Weekly Rate (0.25% at June 30, 2014), not to exceed 11.00% or the maximum rate permitted by law, Public Building Corporation of the City of Springfield, Missouri, Taxable Variable Rate Demand Revenue Bonds, Series 2003 (Jordan Valley Ice Park Refunding), due through June 1, 2025, callable at the City's direction at par	7,645,000
2.500% to 4.125% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2003, due through January 1, 2019, callable on or after January 1, 2013, at par	1,200,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

3.0% to 4.0% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2005, due through January 1, 2020, callable on or after January 1, 2014, at par	\$ 1,850,000
3.35% City of Springfield, Missouri, Lone Pine Greenspace Neighborhood Improvement District Bonds, Series 2003, due through March 1, 2024, callable in inverse order of maturity beginning March 1, 2005, at par	390,000
1.7% to 6.5% Land Clearance for Redevelopment Authority (LCRA) of the City of Springfield, Missouri, Taxable Revenue Bonds, Series 2004 (SBD Loan Pool Funding Program), due through October 1, 2022, callable on or after October 1, 2014, at par	1,270,000
3.0% to 4.0% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2005A (LPT Capital Improvement Projects), due through May 1, 2020, callable on or after May 1, 2015, at par	2,710,000
3.000% to 4.375% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2005B (Park Facilities Project), due through May 1, 2025, callable on or after May 1, 2015, at par	1,825,000
3.5% to 4.0% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2005B, due through March 1, 2020, callable on or after March 1, 2015, at par	1,935,000
4.0% to 4.5% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2006 (Stormwater Improvement Projects), due through May 1, 2026, callable on or after May 1, 2016, at par	5,265,000
4.00% to 4.75% City of Springfield, Missouri, Special Obligation Bonds, College Station Garage Project, Series 2007A, due through November 1, 2027, callable on or after November 1, 2017, at par	9,370,000
4.00% to 4.75% City of Springfield, Missouri, Special Obligation Bonds, Heers Garage Project, Series 2007B, due through November 1, 2027, callable on or after November 1, 2017, at par	5,680,000
4.0% to 5.0% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2007 (Stormwater Improvement Projects), due through May 1, 2027, callable on or after May 1, 2017, at par	6,565,000
2.25% to 4.75% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2009 (Stormwater Improvement Projects), due through May 1, 2029, callable on or after May 1, 2017, at par	4,045,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

2.0% to 3.3% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2010, due through March 1, 2025, callable after March 1, 2019, at par	\$ 2,550,000
2.0% to 4.0% Special Obligation Refunding Bonds of the City of Springfield, Missouri, Series 2010, due through June 1, 2021	11,200,000
2.0% to 5.0% Special Obligation Refunding and Improvement Bonds of the Springfield, Missouri, Series 2011A and 2011B, due through June 1, 2031, callable on or after June 1, 2021 (Series 2011A only)	7,260,000
3.75% Special Obligation Bonds of the City of Springfield, Missouri, Ozark Mountain Fairgrounds Project, due through September 1, 2023 callable at the option of the City at par	497,000
2.0% to 4.0% Special Obligation Refunding Bonds of the City of Springfield, Missouri, Series 2014, due through September 1, 2024	<u>13,645,000</u>
Total governmental activities bonds	<u>\$ 120,338,467</u>

Business-type activities revenue bonds payable at June 30, 2014, are comprised of the following individual issues:

National airport fund:

4.0% to 5.0% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Improvement Bonds, Series 2006A&B (Springfield Branson National Airport Terminal Project), due through July 1, 2036, callable on or after July 1, 2016, at par	\$ 82,860,000
2.50% to 6.85% Public Building Corporation of the City of Springfield, Missouri, Taxable Leasehold Revenue Improvement Bonds, Series 2009 (Springfield Branson National Airport Consolidated Rental Car Facility Project), due through March 1, 2029, callable on or after March 1, 2019, at par	5,835,000

Sanitary sewerage system fund:

4.90% to 6.55% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Program – Multiple Participant Series), Series 1992A, due through July 1, 2014, callable on or after June 1, 2004, at par	780,000
5.25% to 7.20% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Program – Multiple Participant Series), Series 1994B, due through January 1, 2016, callable on or after June 1, 2006, at par	196,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

3.45% to 5.25% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Master Trust, Series 1998B, due through January 1, 2019, callable on or after December 1, 2010, at par	\$ 460,000
2.375% to 5.500% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Master Trust Series 2002B, due through July 1, 2022, callable on or after December 1, 2012, at par	31,890,000
3.0% to 5.0% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Series 2005A, due through July 1, 2026, callable on or after June 1, 2015, at par	6,125,000
4.00% to 4.75% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund, Series 2007A, due through January 1, 2028, callable on or after June 1, 2017, at par	6,130,000
1.49% Special Obligation Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010, City of Springfield, Not to Exceed \$13 Million, due through July 1, 2030	11,307,300
3.0% to 5.0% Special Obligation Bonds City of Springfield, Missouri, Series 2012 (Sewer System Improvement Project), due through April 1, 2032, callable on or after April 1, 2022, at par	<u>24,790,000</u>
Total revenue bonds payable	<u>\$ 170,373,300</u>

Notes Payable

Notes payable at June 30, 2014, consisted of the following obligations:

Sanitary sewerage system fund:

Noninterest-bearing State of Missouri Wastewater Revolving Fund Program intergovernmental notes	\$ <u>28,678,260</u>
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Capital Lease Obligations

The City entered into a capital lease through September 1, 2019, to purchase park equipment and vehicles and equipment for the Information Systems Department with an interest rate of 1.69%. The net book value of capital assets under lease obligations was \$208,335 at June 30, 2014. The City entered into a capital lease through June 1, 2017, for the replacement of the fuel tanks at the service center with an interest rate of 4.23%. The net book value of capital

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

assets under lease obligations was \$281,102 at June 30, 2014. In addition, the City entered into a capital lease through September 27, 2017, to purchase park equipment and vehicles with an interest rate of 1.31%. The net book value of capital assets under lease obligations was \$451,968 at June 30, 2014. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2014, were as follows:

	Governmental activities
	<u> </u>
Year ending June 30:	
2015	\$ 259,242
2016	259,242
2017	259,240
2018	123,630
2019	91,038
2020	<u>22,758</u>
Total minimum lease payments	1,015,150
Less amounts representing interest	<u>(39,017)</u>
Present value of minimum lease payments	\$ <u><u>976,133</u></u>

The City entered into a capital lease through September 1, 2019, to purchase equipment for the City's golf courses with an interest rate of 1.69%. The net book value of capital assets under lease obligations was \$67,153 at June 30, 2014. In addition, the City entered into a capital lease through November 21, 2015, to purchase mowers for the City's golf courses with an interest rate of 2.29%. The net book value of capital assets under lease obligations was \$78,380 at June 30, 2014. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2014, were as follows:

	Nonmajor enterprise fund
	<u> </u>
Year ending June 30:	
2015	\$ 39,961
2016	25,671
2017	13,481
2018	13,481
2019	13,481
2020	<u>3,368</u>
Total minimum lease payments	109,443
Less amounts representing interest	<u>(3,941)</u>
Present value of minimum lease payments	\$ <u><u>105,502</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Section 108 Loan Guarantee Assistance Programs

During 2005, the City entered into a contract with the U.S. Department of Housing and Urban Development for Section 108 loan guarantee assistance totaling \$7.8 million. Since that time, the following loans have been issued for the following projects:

- \$2.1 million to 319 N. Main, LLC
- \$3 million to College Station
- \$1.6 million for small business loan pool
- \$1.1 million for Brick City, LP, Nanotechnology Partners, LLC and 28 Properties, LLC

Principal and interest requirements for the combined Section 108 program notes are as follows:

	<u>Principal</u>	<u>Interest</u>
2015	\$ 393,000	142,889
2016	411,000	134,233
2017	435,000	124,886
2018	461,000	114,775
2019	483,000	103,978
2020-2024	2,832,000	332,405
2025-2029	1,655,000	41,528
	<u>\$ 6,670,000</u>	<u>994,694</u>

Other Debt Information

The City has issued two series of variable rate bonds: LCRA Series 2003 University Plaza Hotel and Public Building Corporation Series 2003. The variable rate bonds bear interest at a weekly rate. They are subject to purchase at the option of the owner and are required to be purchased in certain events. The principal and interest payments for the LCRA Series 2003 bonds are by an irrevocable direct pay letter of credit issued by BOKF, N.A. and the PBC Series 2003 bonds are supported by an irrevocable direct pay letter of credit issued by U.S. Bank.

<u>Issuer</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
BOKF, N.A.	Principal balance plus 35 days accrued interest	BOKF national prime rate minus 100 basis points	10/01/2015*
U.S. Bank	\$ 8,474,194	Prime plus 1.50% Maximum rate = 10%	10/15/2015

*Automatically extended for 12 months unless the Bank provides notice

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Under current state statutes, the City's general obligation bonded debt issuances are subject to legal limitation based on total assessed value of real and personal property. General obligation debt issues are secured by the full faith and credit of the City. As of June 30, 2014, the City's net general obligation bonded debt of \$1,451,372 represents .18% of the legal debt limit of \$796,972,422.

The PBC Leasehold Revenue Bonds (Civic Park Projects and Capital Improvement Programs) are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued. These issues were used to finance various capital projects within the City.

At June 30, 2014, a total of \$7,873,628 was available in the debt service funds for retirement of general obligation debt issues. The remainder of these obligations will be repaid from future property tax levies and other general revenue sources.

Principal and interest on the PBC Leasehold Revenue Refunding and Improvement Bonds, Series 1998 (Airport Project) are to be paid from the revenues of the national airport fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Golf Course Improvements are to be paid from revenues of the golf fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Sewer Improvements are to be paid from revenues of the sanitary sewer fund and are recorded therein. The PBC bonds are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued.

The Sewer Improvement issues are payable, as to both principal and interest, first from interest-bearing special assessments levied and assessed against property benefited by sanitary sewer improvements financed with proceeds of the bonds and second from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. At June 30, 2014, \$5,101,299 was available in the debt service funds for retirement of these obligations.

Conduit Debt

The City authorized the issuance of three Industrial Development Revenue Bonds to provide economic financial assistance to private entities. These bonds are secured by the improvements that are to be made. The debt service of these issues are paid solely from the private entities through lease agreements; therefore, the issues do not constitute a debt of the City and, accordingly, are not included in the City's statement of net position. The total principal balances for the Industrial Development Revenue Bonds as of June 30, 2014, are as follows:

<u>Industrial Revenue Bonds by Project</u>	<u>Total Authorized</u>	<u>Total Outstanding</u>
910 Springfield LLC, Series 2009	\$ 21,500,000	17,492,523
Kraft Food Group, Inc., Series 2012	26,000,000	26,000,000
Vandivort Hotel , Series 2013	9,900,000	2,600,124

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

LCRA industrial development revenue bonds of \$1,970,226 were outstanding at June 30, 2014. The debt service on this issue is paid solely from a third party through a lease agreement; therefore, the issue does not constitute a debt of the City and, accordingly, is not included in the City's statement of net position.

Refunding

On March 27, 2014, the City issued \$13.645 million in Special Obligation Refunding Bonds with an average interest rate of 3.7 percent to refund \$17.79 million of outstanding 2002 and 2004 PBC bonds with an average interest rate of 5.0 percent. The net proceeds of \$14.8 million (after payment of \$222,250 of issuance costs and underwriter fees) and reserve funds and cash totaling \$3.8 million were used to refund the applicable 2002 and 2004 PBC bonds.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$171,376. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2024 using the straight-line method. The City completed the refunding to reduce its total debt service payments over the next ten years by \$2,388,315 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$2,687,724.

Debt Defeasance

This past year and in prior years, the City issued refunding bonds to defease the 2002 and 2004 PBC Leasehold Revenue Bonds and the 2000 PBC Leasehold Revenue Bonds. The outstanding balances on the bonds totaled \$23,970,000 as of June 30, 2014. Securities were deposited in an irrevocable trusts with an escrow agent to provide for all future debt service payments. Therefore, these issues are considered defeased, and the liability has been removed from long-term debt.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Pledged Revenues

The City has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of pledged revenue collected during the current fiscal year and the approximate percentage of the revenue stream that has been committed if estimable:

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2014</u>	<u>Recognized for the year ended June 30, 2014</u>
SCCDC Taxable Revenue Bonds Series 2002B Jordan Valley Park-Baseball Stadium Project	Rental payment from developer	\$ 7,828,088	Acquisition of real estate for baseball stadium	Through 2028	100%	\$ 560,736	\$ 561,584
SCCDC Taxable Revenue Bonds Series 2002C Jordan Valley Park Project	Hotel/motel tax	6,876,336	Jordan Valley Park Projects	Through 2028	25	490,616	1,987,881
LCRA Taxable Variable Rate Demand Revenue Bonds, Series 2003, University Plaza Hotel Redevelopment Project	Rental payment from developer	4,820,131	University Plaza Hotel redevelopment	Through 2021	100	617,952	619,427
Lone Pine Greenspace Neighborhood Improvement District Series 2003	NID payments	465,207	Acquisition of greenspace	Through 2024	100	49,237	46,675
LCRA Taxable Revenue Bonds Series 2004 SBD Loan Pool Funding Program	Loan program revenue	1,598,980	Provide proceeds for SBD loan program	Through 2023	84	295,685	352,998

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2014</u>	<u>Recognized for the year ended June 30, 2014</u>
Special Obligation Bonds Series 2007A College Station Garage Project	Sales tax levied by the College Station Transportation Development District and by the College Station Community Improvement District	\$ 12,885,050	College Station Parking Garage	Through 2028	100%	\$ 679,975	\$ 53,431
Special Obligation Bonds Series 2007B Heers Garage Project	Heers Tower Redevelopment Project Revenues	7,897,900	Heers Parking Garage	Through 2028	100	293,275	—
PBC Leasehold/Municipal Facilities Revenue Bonds – Level Property Tax Program Series 2005A, 2006, 2007 and 2009	Level property tax	24,575,867	Level property tax program – capital improvement and stormwater projects	Through 2029	100	20,413,161	7,917,120
PBC Municipal Facility Revenue Bond Series 2005B Park Facilities Project	Park property tax	2,337,025	Cooper Park Indoor Tennis Facility expansion	Through 2025	4	214,213	5,549,500

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2014</u>	<u>Recognized for the year ended June 30, 2014</u>
PBC Leasehold Revenue							
Improvement Bonds, Series 2006A&B and 2009, Springfield Branson National Airport Projects	National airport revenues	\$ 142,931,970	Construction of Midfield Terminal	Through 2037	45%	\$ 6,783,595	\$ 15,210,945
State Environmental Improvement and Energy Resources (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Series 1992A, 1994B, 1998B, 2002B, 2005A and 2007A	Sanitary sewerage system revenues	57,746,895	Finance and construction of sanitary sewerage system	Through 2028	20	7,150,690	36,074,857
Special Obligation Bonds (State of Missouri-Direct Loan Program) Series 2010	Sanitary sewerage system revenues	12,813,728	Extend and improve sanitary sewerage system	Through 2031	2	746,040	36,074,857

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

City Utilities Component Unit

The following is a summary of long-term obligations outstanding for the City Utilities component unit (in thousands):

	Balance September 30, 2013
	<u> </u>
Public Utility Revenue Bonds, Series 2006; 4.00% to 5.00%; due August 1, 2012, to 2036	\$ 603,575
Public Utility obligation under the February 2006 lease financing agreement; 3.25% to 5.00%; due December 1, 2012, to 2021	42,640
Waterworks Refunding and Improvement Revenue Bonds, Series 2003; 2.00% to 5.00%; due May 1, 2018	13,705
Board of Public Utilities obligations under the June 2012 lease financing agreement; 2.00% to 5.00%; due December 1, 2012, to December 1, 2021	<u>55,825</u>
Total City Utilities	715,745
Less current maturities of long-term obligations	<u>(30,515)</u>
Total City Utilities component unit	<u><u>\$ 685,230</u></u>

The Public Utility revenue bonds are collateralized by the revenues of the Public Utility. The Public Utility obligations under the financing agreements are subordinated to the Public Utility revenue bonds as to revenues. The Waterworks Refunding and Improvement Revenue Bonds, Series 2003 are collateralized by the revenues of the Water Utility. Assets financed by the financing agreements are pledged as collateral for those agreements.

Long-term debt activity for the year ended September 30, 2013, was as follows (in thousands):

	Bonds and obligations payable September 30, 2012	Additions	Reductions	Bonds and obligations payable September 30, 2013	Principal due in one year
Revenue bonds - Public Utility	\$ 626,190	—	(8,910)	617,280	20,765
Unamortized debt premium net of debt discount	21,672	—	(1,702)	19,970	—
Other obligations	107,995	—	(9,530)	98,465	9,750
Compensated absences	22,265	10,766	(10,198)	22,833	—
Other	<u>16,938</u>	<u>4,790</u>	<u>(301)</u>	<u>21,427</u>	<u>—</u>
Total City Utilities	<u><u>\$ 795,060</u></u>	<u><u>15,556</u></u>	<u><u>(30,641)</u></u>	<u><u>779,975</u></u>	<u><u>30,515</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

The debt service to maturity on outstanding bonds and obligations as of September 30, 2013, is summarized in the following table (in thousands):

	Bonds and other obligations	
	Principal	Interest
2014	\$ 30,515	\$ 32,859
2015	18,215	31,804
2016	19,725	30,923
2017	21,315	29,948
2018	22,670	28,881
2019-2023	122,000	126,995
2024-2028	117,830	101,202
2029-2033	172,225	69,044
2034-2038	191,250	20,065
	<u>\$ 715,745</u>	<u>\$ 471,721</u>

City Utilities' long-term debt is publicly traded infrequently; therefore, a current market price is not readily available for these bonds and leases. The fair value of long-term debt is estimated based upon market prices for similar issues or on the current rates offered for instruments of the same remaining maturities. The estimated fair value of long-term debt at September 30, 2013, is \$841,103,000.

City Utilities has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount and term of pledge remaining, the current year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year and the approximate percentage of the revenue stream that has been committed if estimable (dollars in thousands):

Issue	Type revenue pledged	Amount of pledge	Term of commitment	Percentage of revenue pledged	Principal and interest for the year ended 2013
City Utilities Debt Obligations	Operating Revenue	\$ 1,187,466	Through 2036	13%	\$ 52,252

Certain of City Utilities' long-term obligations contain restrictions that require the maintenance of coverage ratios as defined in the related agreements. City Utilities' calculations of these ratios are performed in accordance with the long-term obligation agreements and are used solely to determine compliance with such covenants. City Utilities was in compliance with these covenants as of September 30, 2013.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

(e) Components of Fund Balance

The following presents the various components of fund balance within the governmental funds:

	<u>General</u>	<u>Community development</u>	<u>Public Safety Pension Sales Tax</u>	<u>Public parks</u>	<u>Nonmajor governmental funds</u>	<u>Total governmental funds</u>
Fund balances:						
Nonspendable:						
Inventory	\$ 24,928	596,649	—	84,531	1,474,197	2,180,305
Long-term loans	—	39,992,335	—	—	—	39,992,335
Permanent fund principal	—	—	—	—	1,269,362	1,269,362
Restricted:						
Roads and infrastructure	—	—	—	—	48,518,273	48,518,273
Parks and recreation	—	—	—	—	1,960,302	1,960,302
Reserved for loans	—	6,208,444	—	—	—	6,208,444
Telecable	—	—	—	—	1,868,896	1,868,896
Municipal court records management	—	—	—	—	559,020	559,020
Deposits held for services	—	—	—	—	1,347,136	1,347,136
Debt service reserve	—	—	—	—	12,679,784	12,679,784
Committed:						
Roads and infrastructure	—	—	—	—	4,482,292	4,482,292
Law enforcement	—	—	—	—	654,144	654,144
Art museum	—	—	—	—	2,094,033	2,094,033
Economic stabilization	15,400,000	—	—	—	—	15,400,000
Debt service	—	—	—	—	13,962,181	13,962,181
Assigned:						
Parks and recreation	—	—	—	1,249,639	—	1,249,639
Public health	—	—	—	—	4,171,586	4,171,586
Prior service credit	1,200,000	—	—	—	—	1,200,000
Future projects - see detail	7,610,353	—	—	—	—	7,610,353
Debt service	—	—	—	—	105,496	105,496
Encumbrances	1,344,234	—	—	—	—	1,344,234
Unassigned	—	—	—	—	(328,844)	(328,844)
Total fund balances	\$ <u>25,579,515</u>	<u>46,797,428</u>	<u>—</u>	<u>1,334,170</u>	<u>94,817,858</u>	<u>168,528,971</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

General fund future projects detail

New city-wide phone system	\$	950,000
Settlement of Police shooting case		700,000
Set-aside for replacement of Trunked radio system		575,000
Set-aside for self-insurance fund		300,000
Eight new Police vehicles		302,400
Fire self-contained breathing apparatus		185,000
Data Center equipment upgrade		180,000
Public works hazardous tree removal		150,000
COPS Grant- fixed costs		120,200
Fire station alerting		110,000
Trailers for shooting range		44,000
Public works SUV for Construction Inspection Division		26,000
Parking lot expansion Police/Fire facility		20,000
Future projects pending council approval		3,947,753
Total future projects	\$	<u><u>7,610,353</u></u>

(f) Encumbrances and Construction Commitments

City of Springfield

A summary of the City's encumbrances and commitments on uncompleted construction contracts and the amount, which is expected to be funded by federal and state grants, follows:

<u>Fund</u>		<u>Encumbrances excluding construction</u>	<u>Construction contract amounts</u>	<u>Amount funded by grants</u>
General	\$	830,610	513,624	—
Community development		294,465	210,575	505,040
Public parks		746,321	120,975	29,623
National airport		114,066	5,716,612	389,622
Sanitary sewerage system		1,559,391	5,818,872	—
Nonmajor governmental		5,161,745	14,023,457	2,041,963
Nonmajor enterprise		795,348	298,422	—
Internal service		32,858	—	—
Total	\$	<u><u>9,534,804</u></u>	<u><u>26,702,537</u></u>	<u><u>2,966,248</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

City Utilities Component Unit

As of September 30, 2013, anticipated capital expenditures for improvements during the 2014 fiscal year are estimated to be approximately \$63.2 million.

Obligations to Purchase Electric Power and Energy

Southwestern Power Administration – City Utilities has a purchased power agreement with the Southwestern Power Administration (SWPA) effective through June 30, 2015. Under this agreement, City Utilities purchases 50 MW of capacity and must take a minimum of 3,000 MWh of peaking energy each month. City Utilities must also purchase a minimum of 60,000 MWh for the year plus transmission service. For the fiscal year ended September 30, 2013, the cost of peaking capacity was \$2.6 million and the minimum for peaking energy was \$604,000 for the year. The peaking rate is periodically adjusted.

Kansas City Power and Light Company – City Utilities has a purchased power agreement with Kansas City Power and Light Company (KCPL) that ran through May 31, 2013. Under this agreement, City Utilities purchased 17 MW of capacity from three of KCPL's Montrose Power Station turbines (51 MW total). The capacity charge was \$75 per kW per year, which equaled \$319,000 per month. The contract provided that KCPL furnish City Utilities with 380,000 kWh hours of electricity annually (using an 85% availability factor) with the energy charge based on the actual production costs of the Montrose units.

Smoky Hills Wind Project II – City Utilities has a purchased power agreement with Smoky Hills Wind Project II (Smoky Hills) to receive power through December 31, 2028. City Utilities will purchase 33.67% of the total energy output of phase II of the Smoky Hills wind energy project at an average cost during fiscal year 2013 of \$645,000 per month.

Obligations to Purchase Coal

Arch Coal Sales Company, Inc. – On December 17, 2008, City Utilities entered into an agreement with Arch Coal Sales Company, Inc. On December 10, 2010, a Confirmation Letter Agreement was executed for the purchase of coal from the Black Thunder Mine during the period of January 1, 2011, through December 31, 2014. Under the terms of this agreement, City Utilities' coal purchase obligation is \$5,840,000 and \$6,200,000 for the calendar years 2013 and 2014, respectively. As of September 30, 2013, City Utilities had purchased \$6,028,000 of coal for the contract period ended December 31, 2013.

A second Confirmation Letter Agreement was executed with Arch Coal Sales Company, Inc. on May 25, 2012, for the purchase of coal from the Black Thunder Mine during the period of January 1, 2013, through December 31, 2015. Under the terms of this agreement, City Utilities' coal purchase obligation is \$7,128,000, \$7,920,000 and \$8,790,000 for calendar years 2013, 2014, and 2015, respectively. As of September 30, 2013, City Utilities had purchased \$6,655,000 of coal for the contract period ending December 31, 2013. Management believed the minimum tonnage requirement would be met for calendar year 2013.

CITY OF SPRINGFIELD, MISSOURI

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Cloud Peak Energy Resources LLC – On October 18, 2004, City Utilities entered into an agreement with Kennecott Coal Sales Company. On January 12, 2010, the agreement was amended with Cloud Peak Energy Resources LLC, as successor to Kennecott Coal Sales Company. On July 9, 2010, the agreement was extended through December 31, 2014. Under the terms of the extended agreement, City Utilities’ coal purchase obligation is \$3,780,000 and \$4,005,000 for calendar years 2013 and 2014, respectively. As of September 30, 2013, City Utilities had purchased \$3,798,000 of coal for the contract period ended December 31, 2013.

Obligations to Purchase Rail Services

Burlington Northern & Santa Fe Railway Co. – City Utilities has entered into an agreement with Burlington Northern & Santa Fe Railway Co. to purchase rail services for transporting coal to both City Utilities’ power stations. Under the terms of the agreement, the tonnage nomination for calendar year 2013 was 1,200,000 tons. As of September 30, 2013, City Utilities had tendered coal tonnage of 1,296,000 tons.

Obligations for Transportation and Storage Services of Natural Gas

Southern Star Central Gas Pipeline, Inc. and Enable Gas Transmission, LLC

City Utilities has signed agreements with Southern Star Central Gas Pipeline, Inc. and Enable Gas Transmission, LLC (formerly Centerpoint Energy Gas Transmission Company) for transportation and/or storage services of natural gas, with various terms expiring in 1 to 20 years.

(g) **Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of June 30, 2014, is as follows:

<u>Receivable fund</u>	<u>Payable fund</u>		
General fund	Nonmajor governmental	\$	1,961,978
General fund	Internal service		332,428
General fund	Nonmajor enterprise		265,000
Nonmajor governmental	Nonmajor governmental		102,522
Fiduciary fund	Public Safety Pension Sales Tax		5,021,411
Total		\$	<u>7,683,339</u>

Interfund payables and receivables are made for specific purposes for each fund and for overdrafts of cash, both of which are made in the ordinary course of business. Interfund payables and receivables are intended to be repaid in future years.

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Interfund transfers for the year ended June 30, 2014, are as follows:

	Transfers to:						Total
	General fund	Community development	Public parks	Nonmajor governmental	Sanitary sewerage	Nonmajor enterprise	
Transfers from:							
General fund	\$ —	64,045	292,006	2,549,744	—	173,518	3,079,313
Community development	—	—	—	249,087	—	—	249,087
Public parks	373,984	—	60,463	266,000	500	—	700,947
Nonmajor governmental	941,849	—	—	18,600,272	126,413	66,120	19,734,654
Sanitary sewerage system	1,151,184	—	—	26,894	—	51,210	1,229,288
National airport	200,000	—	—	6,000	—	—	206,000
Nonmajor enterprise	334,897	—	—	—	—	—	334,897
Total transfers in	\$ <u>3,001,914</u>	<u>64,045</u>	<u>352,469</u>	<u>21,697,997</u>	<u>126,913</u>	<u>290,848</u>	<u>25,534,186</u>

All interfund transfers provided funding for general operations of each fund. These transfers are permanent in nature and are not intended to be repaid in future years.

(h) Operating Leases

The City has entered into operating leases for computer, copiers, vehicles and other operating equipment. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2014:

Year Ended June 30,	Operating Leases	
	Governmental Activities	Business-Type Activities
2015	\$ 502,827	\$ 216,576
2016	341,387	165,549
2017	136,775	139,877
2018	86,350	114,706
2019	29,225	3,935
	<u>\$ 1,096,564</u>	<u>\$ 640,643</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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(3) Other Information

(a) *Employee Retirement Systems and Plans*

The City maintains the Pension Trust Fund, which covers substantially all employees of the City's police and fire departments that were hired on or before June 1, 2006. Employees of the City's police and fire departments hired after June 1, 2006, participate in the Missouri Local Government Employees Retirement System (LAGERS), a statewide local government retirement system. LAGERS covers substantially all of the City's employees (not covered under the Pension Trust Fund) and the employees of the City Utilities component unit.

I. The Policemen and Firemen's Retirement System

Plan Description

All of the City's police officers and firefighters hired before June 1, 2006, became members in the Pension Trust Fund, a single employer defined benefit pension plan, as a condition of their employment. The Pension Trust Fund provides retirement, disability and death benefits to plan members and beneficiaries. The City closed the Pension Trust Fund on January 31, 2010, to new entrants. Members hired on or after June 1, 2006, thru January 31, 2010, (the plan closing date), have voluntarily left the Pension Trust Fund and are participants in the LAGERS.

A separate publicly available financial report is issued that includes financial statements and required supplementary information. The financial report may be obtained by writing to the City of Springfield, Finance Department, P.O. Box 8368, Springfield, Missouri, 65801-8368 or by calling (417) 864-1625.

Summary of Significant Accounting Policies

Basis of Accounting – The Pension Trust Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Plan is accounted for using the economic resources measurement focus and the accrual basis of accounting. Plan participant contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Expenses are recognized when incurred. Benefits and refunds are recognized when due and payable under the terms of the Plan.

Method Used to Value Investments – Investments are recorded at fair value, based on quoted market prices at the valuation date. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gain and losses on investments bought and sold during the year.

CITY OF SPRINGFIELD, MISSOURI

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Funding Policy

Operations of the Plan are governed by City ordinance and are administered by the Plan's Board of Trustees (the "Trustees"). The Trustees consists of a member of the City Council designated by the Mayor to act as a liaison, one current member of the police department, one current member of the fire department, one former employee who is currently receiving benefits from the system and six citizens recommended by the City Manager and approved by the City Council. The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974. The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

Participants entering the Plan prior to June 1, 2006, were required to contribute 14.63% of their annual salary to the Plan for the year ended June 30, 2014. The City may, at their discretion, contribute the remaining amounts necessary to fund the plan using the entry age normal actuarial method as specified by ordinance. For the year ended June 30, 2014, the City's contribution rate to the Plan was 35% of member salaries.

Annual Pension Cost and Net Pension Asset

For 2014, the Plan's annual pension cost was \$21,204,753. The City contributed \$36,973,397, which did meet the required contribution.

The annual pension cost and net pension asset as of June 30, 2014, is as follows:

Annual required contribution	\$	(19,607,474)
Interest on net pension asset		5,076,124
ARC adjustment		(6,673,403)
Annual pension cost		<u>(21,204,753)</u>
Contributions made		<u>36,973,397</u>
Change in net pension asset		15,768,644
Net pension asset, beginning of year		<u>67,681,652</u>
Net pension asset, end of year	\$	<u><u>83,450,296</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Historical trend information:

Fiscal year ended:	<u>APC</u>	<u>Percentage of APC contributed</u>	<u>Net pension asset</u>
June 30, 2012	\$ 21,616,120	165%	\$ 54,015,135
June 30, 2013	21,949,391	162%	67,681,652
June 30, 2014	21,204,753	174%	83,450,296

Retirees and beneficiaries currently receiving benefits	519
Terminated vested members	18
Fully vested active members	320
Total	<u><u>857</u></u>

Plan Assumptions

The following summarizes the actuarial assumptions of the plan:

Actuarial cost method	Entry age normal costs
Amortizing method	Level dollar, closed
Remaining amortization period	16 years
Asset valuation method	4-year, smoothed market
Inflation	2.5%
Investment rate of return	7%
Salary increases	Range from 7% at hire to 2.5% at 13 years of service, including inflation
Cost of living adjustment	3%
Retirement age	Percentage retiring in the next year
	<u>Age</u>
	<u>25%</u>
	20%
	25%
	50%
	100%
Turnover	Rates based on experience

CITY OF SPRINGFIELD, MISSOURI

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Mortality RP-2000 (Healthy and Disabled) with generational projection per Scale AA for healthy participants

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2009 - July 1, 2013.

Funding status of the plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
June 30, 2014	\$ 296,704,412	430,036,714	133,332,302	69%	18,770,274	710%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

II. Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

The City and City Utilities participate in the LAGERS, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

LAGERS is a defined benefit pension plan that provides retirement, disability and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section RSMo 70.600-70.755. As such, it is 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 it is tax exempt.

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

Funding Policy

The City's and City Utilities' full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate. The rate for City Utilities was 22.0% for the year ended September 30, 2013. The rate for the City was 17.6% for general division employees, 16.1% for police division

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employees and 19.7% for fire division employees for the year ended June 30, 2014. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost

The City's annual pension cost of \$10,026,663 was \$118 less than the actual contributions resulting in a net pension obligation of \$19,382 at the end of the year. City Utilities' annual pension cost of \$15,393,000 was equal to the required and actual contributions.

Prepaid Pension Asset

To reduce future fixed costs, City Utilities made two payments of \$18 million and \$3.4 million to LAGERS in November 1997 and September 1998, respectively. These payments reduced the past unfunded pension liability. The payments were fully amortized in fiscal year 2013.

Historical trend information:

	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation
Fiscal year ended:			
June 30, 2012	\$ 8,917,919	100.0%	\$ —
June 30, 2013	9,750,157	99.8%	19,500
June 30, 2014	10,026,663	100.0%	19,382

Funding status of the City plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2014	\$ 107,729,018	135,097,335	27,368,317	80%	56,714,522	48%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Assumption – City of Springfield

The annual required contribution (ARC) was determined as part of the February 29, 2012, annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014, included: (a) a rate of return on the

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investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) preretirement mortality based on 75% of the RP-2000 Combined Healthy table set back zero years for men and zero years for women and (e) postretirement mortality based on 105% of the 1994 Group Annuity Mortality table set back zero years for men and zero years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 29, 2012, was 18 years for the General division, 29 years for the Police division and 30 years for the Fire division.

Historical trend information:

	City Utilities three-year trend information		
	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation (asset)
Fiscal year ended:			
June 30, 2011	\$ 13,660,000	100%	\$ —
June 30, 2012	14,734,000	100%	—
June 30, 2013	15,230,000	100%	—

Funding status of the City Utilities plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2013	\$ 147,764,000	240,594,000	92,830,000	61%	68,518,000	135%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Assumptions – City Utilities

The required contribution was determined as part of the February 28, 2013, annual actuarial valuation. The actuarial assumptions as of February 28, 2013, included (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually; (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation; (c) the mortality table used to evaluate mortality among active members was 75% of the RP-2000 Combined Healthy Table. It was assumed that 50% of preretirement deaths would be duty related; and (d) the mortality

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table used in evaluating allowances to be paid was 105% of the 1994 Group Annuity Mortality table projected to 2000, setback zero years for men and zero years for women. The disability postretirement rates were equal to the standard rates set forward ten years. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2013, ranged between 15 and 22 years.

III. Postretirement Benefits Other than Pensions

The City of Springfield, Missouri, applies Governmental Accounting Standard Board Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension, (OPEB)*. This statement requires the accounting for the annual cost of other postemployment benefits and the related outstanding liability using an actuarial approach similar to pensions. The City implemented prospectively (zero net obligation at transition).

Plan Description

The City sponsored a single-employer, defined benefit healthcare plan that provided healthcare benefits to retirees and their dependents, including medical and pharmacy coverage from July 1, 2007, through December 31, 2007. During that period, the City required retirees to pay the same medical premium charged to active participants unless they were covered under Medicare in which case they paid a reduced premium. The rates paid by retirees for benefits were lower than the costs of providing coverage. The difference between these amounts is the implicit rate subsidy, which is considered OPEB under GASB Statement No. 45.

Beginning January 1, 2008, the City sponsored a high-deductible healthcare plan for non-Medicare eligible retirees, spouses and dependents. Premiums for this plan are based on total costs of the plan. The City subsidizes the monthly premium by \$300 for the retirees and makes a \$1,000 annual contribution to their health savings account.

Beginning January 1, 2008, the City offered the single-employer, defined healthcare plan for Medicare eligible retirees, spouse and dependents. As an alternative option, the City acted as a paying agent for a Medicare supplement plan offered to this group of retirees at no cost to the City. Effective January 1, 2009, retirees eligible for Medicare are no longer eligible for coverage under the City's health insurance plan.

The plans do not issue stand-alone financial statements.

Funding Policy

GASB Statement No. 45 does not require funding of the OPEB liability, and at this time, the liability for the City is unfunded. Contributions are made to the plan on a pay-as-you-go basis.

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For the year ended June 30, 2014, retirees receiving benefits contributed approximately \$1.0 million for current premiums (approximately 50% of total premiums), through the City for the plan offered. Total premiums paid for the year were approximately \$2.0 million. The City also contributed approximately \$190,000 toward the health savings accounts.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost is calculated on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and change in the City's net OPEB obligation.

Normal cost	\$	1,029,391
Interest on net OPEB obligation		150,217
Adjustment to annual required contribution		(217,177)
Annual OPEB cost		<u>962,431</u>
Contributions made (employer)		<u>(674,222)</u>
Change in net OPEB obligation		288,209
Net OPEB obligation, beginning of year		<u>3,755,433</u>
Net OPEB obligation, end of year	\$	<u><u>4,043,642</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2014 were as follows:

	<u>Annual OPEB cost (AOC)</u>	<u>Percentage of AOC contributed</u>	<u>Net OPEB obligation</u>
Fiscal year ended:			
June 30, 2012	\$ 2,097,400	84%	\$ 3,467,813
June 30, 2013	2,091,286	86%	3,755,433
June 30, 2014	962,431	70%	4,043,642

Funded Status and Funding Progress

As of June 30, 2014, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$10.9 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$10.9 million. The covered payroll (annual payroll of active employees covered by the plan) was \$80.4 million and the ratio of the UAAL to covered payroll was 13.6%.

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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

The actuarial methods and assumptions utilized in the valuation were as follows:

Actuarial cost method	Entry age normal; level dollar
Amortizing method	30 years, open, level dollar
Remaining amortization period	30 years remaining as of June 30, 2014
Discount rate	4%
Inflation rate	3.25%
Healthcare cost trend rate	7.5%, decreasing to 5% in 2020
Retiree contribution increase rate	Assumed increases such that retirees continue to pay 100% of the full cost of coverage before the \$300 per month City subsidy
Mortality	RP - 2000 Combined Healthy White Collar Tables projected generationally with Scale AA from 2000

(b) *Litigation and Contingent Liabilities*

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City and the City Utilities component unit expect such amounts, if any, to be immaterial.

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Notes to Basic Financial Statements

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In the normal course of business, both the City and the City Utilities component unit are involved in various legal proceedings. Although the outcome of these proceedings is not presently determinable, it is the opinion of the City and City Utilities' legal counsel and management that the resolution of these matters will not have a material adverse effect on the financial position of the City or City Utilities.

Smoky Hills Wind Farm LLC (Enel Green Power North America, Inc.)

City Utilities purchases wind-generated electric power pursuant to a contract with the Smoky Hills Wind Farm, LLC, which is owned by Enel Green Power North America, Inc. (Enel). By invoice dated March 26, 2013, Enel asserted the City Utilities owed \$975,366 to Enel for lost production due to curtailments of wind generation in 2012. By invoice dated April 18, 2013, Enel similarly asserted the City Utilities owed it \$366,951 due to curtailments of the wind generation during the first quarter of 2013.

City Utilities is in the process of reviewing and analyzing these claims, but currently disputes them in their entirety, and does not believe that any payment is due to Enel as a result of the referenced curtailments of wind generation in 2012 or 2013. City Utilities has objected to the invoices and will oppose and contest these claims. However, until the matter is fully and finally resolved, we are unable to render an opinion at this time as to the ultimate outcome of the dispute and of the ultimate liability, if any, arising from Enel's claim. No liability has been accrued as of September 30, 2013.

(c) *Air Quality Standards – City Utilities Component Unit*

The Clean Air Act Amendments of 1990 (the "Act") include requirements for reductions in sulfur dioxide (SO₂) and nitrogen dioxide (NO_x) emissions for electric utility sources. The Act established a market-based compliance program that allows the selling and trading of SO₂ allowances. An "allowance" is the authorization to emit one ton of SO₂ in a given year. Management believes that City Utilities is in full compliance with the emissions standards under the Act. No allowances were sold during the fiscal year ended September 30, 2013. City Utilities accounts for its allowances under the inventory method.

In 2005 the Environmental Protection Agency (EPA) promulgated the Clean Air Interstate Rule (CAIR) to further restrict power plant SO₂ and NO_x emissions, and the Clean Air Mercury Rule (CAMR) to impose power plant mercury controls for the first time. Both of these rules were vacated by a federal appeals court in 2008. However, the court allowed CAIR provisions to stand while EPA drafted a replacement rule for regional SO₂ and NO_x emission controls. CAIR required 28 eastern states, including Missouri, to reduce emissions by nearly 70% in two phases, beginning in 2009 and 2015 for NO_x and 2010 and 2015 for SO₂. As recommended by a compliance study, City Utilities successfully installed NO_x controls on JRPS in fiscal year 2007 and 2008 and at JETC in fiscal year 2008. Management believes that City Utilities is in full compliance with current CAIR requirements.

In July 2011 the EPA promulgated the Cross State Air Pollution Rule (CSAPR) to replace CAIR. CSAPR further restricted emissions in the original 28 CAIR states and added three more states to the control region. In August 2012 the federal appeals court vacated and

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remanded the CSAPR rule, this time for being too restrictive. The court yet again ordered EPA to leave the flawed CAIR program in place until replaced with a suitable program. The U.S. Supreme Court has agreed to hear EPA's appeal of the D.C. Circuit *vacatur* during the 2013-14 session.

To replace CAMR, EPA published the Mercury and Air Toxics Standard (MATS) in 2012. City Utilities examined the impacts of this rule along with recently promulgated rules pertaining to industrial boiler emissions and National Ambient Air Quality Standards. City Utility's analysis indicated the need to install new capital control equipment totaling \$33 million spread over fiscal years 2013-16 to comply with these measures. The MATS compliance date is set by rule for April 2015, however, utilities were afforded a one-year compliance extension to allow time for equipment installation. A contract to procure and install this equipment was award in in fiscal 2013. City Utilities expects to be fully compliant with MATS and the industrial boiler standard by the extended compliance date.

(d) *Closure and Postclosure Care Costs*

State and federal laws and regulations require the City's sanitary landfill to place a final cover on each cell of the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions on each cell for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that each cell of the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense of the refuse disposal fund in each period based on landfill capacity used as of each period. As of June 30, 2014, a total of \$10,952,594 is reported as landfill closure and postclosure liability on the statement of net position, included as a component of long-term liabilities in the business-type activities column. This is an increase of \$283,791 to the liability reported as of June 30, 2013. During fiscal year 2003, construction was completed on the North Ravine Area (cell two) and the City received an "authorization to operate" from the MoDNR and began accepting waste in this area. During fiscal year 2007, construction was completed on the Compound Area and the City received an "authorization to operate" from MoDNR and began accepting waste in this area. During fiscal year 2011, construction was completed on the South Ravine Area - Phase One and the City received an "authorization to operate" from MoDNR and began accepting waste in it. During fiscal year 2014, construction was completed on the Cell 2 Phase 1 Area and the City received an "authorization to operate" from MoDNR and began accepting waste in it.

The closure and postclosure liability reported on the statement of net position represents the cumulative amount reported to date, based on the estimated capacity used of the Noble Hill Area (cell one) (99.5%), the North Ravine Area (94.2%), the Compound Area (86.9%), the South Ravine Area - Phase One (79.9%) and the new Cell 2 Phase 1 Area (1.2%) of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$1,202,746 as the remaining capacity of these five currently approved disposal areas are filled. This amount is based on what it would cost to perform all closure and postclosure care in 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The estimated remaining life of the Noble Hill Area (cell one), the North Ravine Area, the Compound Area, the South Ravine Area - Phase One and the Cell 2 Phase 1 Area ranges from 5.1 years to 8.2 years based on average daily refuse received of 800 to 500 tons.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

At June 30, 2014, the City was under a contract of obligation with the MoDNR authorized by City Council on September 23, 2013, for approximately \$11.9 million related to closure and postclosure costs for the five currently approved disposal areas of the landfill. On September 22, 2014, City Council authorized a new contract of obligation with the MoDNR for approximately \$12.2 million related to closure and postclosure costs of the landfill.

The City expects that all closure and postclosure care costs, as well as future inflation costs, will be paid from available operating revenues, reserves and interest earnings on cash and short-term investments held in the refuse disposal fund when the costs are incurred. However, if these resources are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be recovered through charges to future landfill users. Effective July 1, 2007, the City increased landfill charges by \$1.15 per ton and increased its small vehicle fee for waste loads less than 1,396 pounds from \$15 per load to \$20 per load in order to generate additional funds to be reserved for future closure/postclosure costs of the Compound Area.

(e) ***Risk Management***

The City is exposed to various risks, such as property exposures, automobile liability, workers' compensation claims, equipment losses, general liability claims and the costs associated with an employee health plan. The City's risk financing plans consist of insurance and self-insurance for the various risks identified. For property exposures the City purchases an insurance policy with values totaling \$694,000,000. This property insurance presently carries a deductible of \$50,000 per occurrence. While coverage is purchased for City-owned equipment, the comprehensive or collision exposure to City-owned vehicles is self-insured on most of the fleet. Neither liability claims nor property losses have exceeded the limits of coverage that comprise the City's risk financing plans.

The City established a self-insurance program for workers' compensation in fiscal year 1988 and for health insurance in fiscal year 1985. The workers' compensation plan covers all City employees, while the health plan covers retirees and all permanent City employees who work at least 30 hours per week. The self-insurance fund, an internal service fund, was established to account for the premiums received from retirees and employees and the City's share of premiums for both health insurance and workers' compensation. The operating funds are charged a monthly rate per employee for both health insurance coverage and workers' compensation.

The premiums are available to pay claims, claim reserves and administrative costs of the programs. Stop-loss reinsurance coverages are maintained by the City to eliminate the risk of unlimited claim liability and minimize claim fluctuations due to catastrophic losses. Liabilities of the self-insurance fund include an amount for claims that have been incurred but not reported.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

Changes in the City's estimated liability for incurred but unreported claims in its self-insurance fund for fiscal years 2014 and 2013 were as follows:

		Liability balance, beginning of year	Current year claims, changes in estimates	Claims payments	Liability balance, end of year
Fiscal year ended:					
June 30, 2014	\$	2,444,000	13,634,466	(13,196,466)	2,882,000
June 30, 2013		1,919,000	13,955,283	(13,430,283)	2,444,000

Changes in the City's estimated liability for general government claims and judgments for fiscal years 2014 and 2013 were as follows:

		Liability balance, beginning of year	Current year claims, changes in estimates	Claims payments	Liability balance, end of year
Fiscal year ended:					
June 30, 2014	\$	464,000	800,000	(464,000)	800,000
June 30, 2013		310,000	464,000	(310,000)	464,000

The estimated liability for general government claims and judgments that are not expected to be liquidated with available expendable financial resources is recorded in the governmental activities column of the statement of net position when it is probable that a loss has occurred and the amount can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, incremental costs, recent claim settlement trends (including frequency and amount of payouts) and other factors. Other nonincremental costs are not included in the basis of estimating the liability. Liabilities incurred for such losses or claims by a proprietary fund are recorded within the respective fund likewise when it is probable that a loss has occurred and the amount can be reasonably estimated.

(f) Joint Ventures

On June 28, 1993, the City Council approved a partnership agreement among the City, the City Utilities component unit, the Springfield Area Chamber of Commerce and the Springfield Business and Industrial Development Corporation to form a public/private joint venture for purposes of developing an industrial park.

Under this agreement, the City is to provide appropriate municipal improvements, such as streets, sanitary and storm sewers and infrastructure engineering. City Utilities is responsible for utility services, such as natural gas, water, electricity and fiber optic telecommunication. In addition, City Utilities will pay for consulting services to prepare a design and overall

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

concept plan for the industrial park, including parcel division, appropriate land use, transportation access and all related matters. At the request of the City Council, City Utilities has also acquired the land for the industrial center. The Chamber of Commerce, under terms of the agreement, will provide general marketing guidance, services and expertise. The Springfield Business and Industrial Development Corporation will be responsible for acquiring, from private sources, funds to construct a shell facility or facilities suitable for general manufacturing or industrial purposes.

The net profits or net losses of the partnership, as well as gains and losses realized upon the sale, lease, exchange or other conversion of any part or all of the real estate controlled by the partnership, are to be allocated based upon each partner's percentage of the partnership's capital accounts.

Financial accountability for the industrial park is vested in a nine-member Administrative Council. The Council consists of one City Council member appointed by the Mayor, one member from the Board of Public Utilities appointed by the Chairman of its Board, one member of the Springfield Business and Industrial Development Corporation appointed by its president, one member from the board of directors of the Springfield Area Chamber of Commerce appointed by its chairman, the City Manager of the City of Springfield or a designee selected from senior City staff, the General Manager of City Utilities or a designee selected from senior Utility staff officials, the President of the Springfield Area Chamber of Commerce or designee selected from senior Chamber staff, one member of the Greene County Commission appointed by the Presiding Commissioner and the Chairman of the City Utilities' Citizens' Advisory Council or a designee selected from the membership of the Citizens' Advisory Council.

For the year ended June 30, 2014, the City did not expend any funds toward development of the industrial park. The City had outstanding encumbrances of \$29,716 at June 30, 2014. These expenditures and encumbrances are included in the financial statements within the public works improvement fund.

The partnership has developed a second industrial park on the west side of Springfield, Missouri. City Utilities' participation in the second industrial park will be in the same capacity as the first industrial park, with the exception that land acquisitions will be made by the Springfield Business and Industrial Development Corporation. As of September 30, 2013, City Utilities had incurred \$2,081,000 for land and improvements and recognized losses of \$225,000, for a net equity balance of \$1,856,000.

The City received a distribution of \$160,318 from the partnership for the year ended June 30, 2004. The City's cumulative investment in the joint venture, net of distributions received or receivable, is included within the capital assets section. City Utilities' equity interest is reported within its discrete component unit presentation.

Separate financial statements for the partnership are prepared and distributed to each partner on a quarterly basis. Copies of the statements are available from the Partnership Industrial Center Administrative Council, 320 North Jefferson Avenue, Springfield, Missouri 65802.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

The City and City Utilities agreed to a joint venture to develop a landfill gas project of the City's Noble Hill Landfill. The project included an Electric Generation System (EGS) and a Gas Collection and Condensate Treatment System (GCCTS). City Utilities constructed and owns the EGS that includes power generation equipment with a target capacity of 3.2 MW with a total project cost of \$3.7 million. City Utilities also constructed transmission lines with a total costs of \$1.1 million. City Utilities paid the City \$1.5 million for the initial construction of the GCCTS. The City will retain ownership of all assets associated with the GCCTS.

(g) *Equity Interest in the Energy Authority – City Utilities Component Unit*

City Utilities is an equity member of The Energy Authority (TEA), a power marketing joint venture based in Jacksonville, Florida, and incorporated in Georgia. As of September 30, 2013, TEA was comprised of seven municipal utilities with equity interests, including four large partners with ownership interests of 20% each. The large partners are JEA (formerly the Jacksonville Energy Authority) of Florida, the Municipal Energy Authority of Georgia (MEAG Power), the South Carolina Public Service Authority (a.k.a. Santee Cooper) and the Nebraska Public Power District. City Utilities and Gainesville Regional Utilities (Florida), and the Cowlitz County Public Utility District (Washington) are medium equity partners with ownership interests of 6.67% each. As a member of TEA, City Utilities benefits from the risk management strategies maintained by TEA that seek to avoid financial losses by limiting financial exposure as a result of unexpected unit outages and volatile market prices. City Utilities also receives resource management services from TEA. City Utilities uses the equity method of accounting to record its investments in TEA. The investment is recorded within the deferred charges and other assets on the statement of net position. In accordance with its membership agreement between City Utilities and its joint venture members, City Utilities has provided TEA with guarantees that result in a maximum exposure of \$8.6 million to secure power-marketing transactions. Total guarantees including a letter of credit are \$9.6 million. City Utilities guarantees are effective until its participation in the joint venture ends.

For the year ended September 30, 2013, total assets of TEA were approximately \$34 million, a decrease of \$12 million from the prior year.

Complete separate financial statements for TEA may be obtained at The Energy Authority, 301 W. Bay St., Suite 2600, Jacksonville, Florida 32202.

(h) *Subsequent Events*

On August 6, 2014, the City issued \$6,960,000 General Obligation Sewer Improvement and Refunding Bonds. These bonds were issued to refund three series of general obligation bonds previously issued by the City and to provide additional funding for the City's sanitary sewage improvement projects.

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

City Utilities

In October 2013 City Utilities experienced a brief upset in a device that controls emissions of particulate matter (primarily ash) from the John Twitty Energy Center Unit 2. The event was reported to local and state air authorities as a particulate matter exceedance and a chemical release. The latter notice was triggered by certain trace metal constituents having very low reporting values. Fallout from the particulate settled thinly over an area extending three miles north of the plant. City Utilities took immediate measures to clean automobiles affected by the ash and received claims for assorted structural cleanup costs as well. City Utilities will conduct soil sampling to allay neighbor's concerns over trace metal fallout. It is unknown whether the event will result in compliance penalties or any extenuating civil claims.

During October 2013, City Utilities redeemed the Water Revenue Bonds Outstanding – Refunding Series of 2003. This election reduced debt by \$13,705,000 and will improve debt service coverage.

(i) Deficits

The accumulated deficit in the nonmajor fund in the amounts of \$86,069 in the WIC program fund (special revenue); \$20,198 in the Crime Lab Project fund and \$222,577 in the Tourism Tax Community Improvement fund (capital projects) will be eliminated by future revenues.

(j) Works of Art

The Springfield Art Museum is a general museum of fine art. The museum wishes to form and maintain collections of the highest possible aesthetic quality and significance, covering the entire range of the history of art. The collection consists of glass, metalwork, manuscripts, musical instruments, paintings, prints, silver, ceramics and sculptures. In recognition of the museum's existing collections and limited acquisition funds, acquisitions of new collections generally focus on American art of all periods. It is assumed that all objects that become the property of the Springfield Art Museum, whether donated or purchased, are to remain in the museum's collection on a permanent basis. If an object or group of objects is sold, the moneys derived from the sale shall be added to the museum's acquisition fund and expended in the appropriate fiscal year or deposited in the museum's endowment fund to be utilized at a future date. Since the collection is not held for financial gain, but is protected, preserved and disposed only in order to acquire other works of art, the collections are excluded from the government-wide financial statements.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2014

(k) Other Liabilities – City Utilities

Other liabilities as of September 30, 2013, consist of the following:

Accruals		
Interest	\$	6,470,000
Salaries and wages		1,236,000
Pension contributions and other		1,853,000
Electric purchased power		2,687,000
Natural gas, coal and other fuels		6,099,000
Electric fuel and natural gas adjustment		855,000
	\$	<u>19,200,000</u>

CITY OF SPRINGFIELD, MISSOURI
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – General Fund
Year ended June 30, 2014

	Budgeted amounts		Actual	Variance with final budget – positive (negative)
	Original	Final		
Revenues:				
Taxes:				
Sales	\$ 44,016,500	44,016,500	44,738,425	721,925
Franchise	6,607,000	6,607,000	6,246,747	(360,253)
Room	96,000	96,000	100,281	4,281
Licenses and permits	4,767,000	4,667,000	4,808,605	141,605
Intergovernmental	—	—	—	—
Charges for services	767,446	1,169,151	1,760,616	591,465
Fines and forfeitures	1,555,000	1,555,000	1,471,874	(83,126)
Revenues from use of money and property	200,000	200,000	84,180	(115,820)
Payments in lieu of taxes	12,650,000	12,650,000	14,050,489	1,400,489
Other	520,425	668,233	159,960	(508,273)
Total revenues	<u>71,179,371</u>	<u>71,628,884</u>	<u>73,421,177</u>	<u>1,792,293</u>
Expenditures:				
Current:				
General government:				
Public records	457,391	474,244	455,863	18,381
Council	148,122	148,122	34,672	113,450
Public information office	511,762	483,595	475,825	7,770
City manager	2,641,676	2,126,417	1,235,440	890,977
Finance	2,981,055	3,067,516	2,639,748	427,768
Counsel, legal advice and prosecution	2,252,561	2,580,430	2,377,904	202,526
Human resources	1,515,113	1,621,925	1,593,645	28,280
Zoning and subdivision services	510,651	502,810	452,964	49,846
Municipal court operations	1,742,051	1,772,165	1,719,454	52,711
Information systems	3,479,590	3,942,134	4,049,830	(107,696)
Other – unclassified	276,266	324,023	235,549	88,474
Total general government	<u>16,516,238</u>	<u>17,043,381</u>	<u>15,270,894</u>	<u>1,772,487</u>
Public works:				
Engineering	1,258,915	1,293,097	979,773	313,324
Maintenance	5,678,694	6,184,982	5,518,261	666,721
Total public works	<u>6,937,609</u>	<u>7,478,079</u>	<u>6,498,034</u>	<u>980,045</u>
Public safety:				
Police	25,385,178	25,646,413	25,446,814	199,599
Fire	18,492,388	19,116,839	19,056,901	59,938
Emergency communications	—	—	—	—
Inspection	2,393,514	2,399,766	2,282,848	116,918
Total public safety	<u>46,271,080</u>	<u>47,163,018</u>	<u>46,786,563</u>	<u>376,455</u>
Planning and development services:				
Economic development and assistance	491,567	664,274	522,546	141,728
Housing and redevelopment services	722,722	993,634	915,862	77,772
Total planning and development services	<u>1,214,289</u>	<u>1,657,908</u>	<u>1,438,408</u>	<u>219,500</u>
Debt service:				
Principal	—	—	31,796	(31,796)
Interest and other charges	—	—	9,265	(9,265)
Total debt service	<u>—</u>	<u>—</u>	<u>41,061</u>	<u>(41,061)</u>
Capital outlay:				
Maintenance	204,266	230,847	159,376	71,471
Engineering	18,581	—	—	—
Fire	530,000	872,441	—	872,441
Police	—	325,469	69,620	255,849
General government	1,688,794	1,868,170	4,798	1,863,372
Total capital outlay	<u>2,441,641</u>	<u>3,296,927</u>	<u>233,794</u>	<u>3,063,133</u>
Total expenditures	<u>73,380,857</u>	<u>76,639,313</u>	<u>70,268,754</u>	<u>6,370,559</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,201,486)</u>	<u>(5,010,429)</u>	<u>3,152,423</u>	<u>8,162,852</u>
Other financing sources (uses):				
Capital lease proceeds	—	—	260,000	260,000
Transfers in	3,100,000	3,100,000	3,001,914	(98,086)
Transfers out	(3,608,514)	(3,871,169)	(3,079,313)	791,856
Total other financing sources (uses)	<u>(508,514)</u>	<u>(771,169)</u>	<u>182,601</u>	<u>953,770</u>
Net change in fund balances	<u>(2,710,000)</u>	<u>(5,781,598)</u>	<u>3,335,024</u>	<u>9,116,622</u>
Fund balances – beginning	<u>22,244,491</u>	<u>22,244,491</u>	<u>22,244,491</u>	<u>—</u>
Fund balances – ending	<u>\$ 19,534,491</u>	<u>16,462,893</u>	<u>25,579,515</u>	<u>9,116,622</u>

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Community Development Fund Special Revenue Fund

Year ended June 30, 2014

	Budgeted amounts		Actual	Variance with final budget – positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,153,790	8,156,242	2,469,152	(5,687,090)
Revenues from use of money and property	—	—	—	—
Other	4,602,000	4,602,000	965,476	(3,636,524)
Total revenues	6,755,790	12,758,242	3,434,628	(9,323,614)
Expenditures:				
Planning and development	6,824,000	12,544,025	2,673,458	9,870,567
Excess (deficiency) of revenues over (under) expenditures	(68,210)	214,217	761,170	546,953
Other financing sources (uses):				
Transfers in	64,045	64,045	64,045	—
Transfers out	—	(325,000)	(249,087)	75,913
Total other financing sources (uses)	64,045	(260,955)	(185,042)	75,913
Net change in fund balance	(4,165)	(46,738)	576,128	622,866
Fund balances – beginning	46,221,300	46,221,300	46,221,300	—
Fund balances – ending	\$ 46,217,135	46,174,562	46,797,428	622,866

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Public Safety Pension Sales Tax Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales tax	\$ 29,325,000	29,325,000	29,315,082	(9,918)
Intergovernmental	—	—	—	—
Revenues from use of money – interest	—	—	—	—
Other	—	—	—	—
Total revenues	<u>29,325,000</u>	<u>29,325,000</u>	<u>29,315,082</u>	<u>(9,918)</u>
Expenditures:				
Public safety	<u>29,325,000</u>	<u>29,325,000</u>	<u>29,315,082</u>	<u>9,918</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Other financing sources (uses)				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	—	—	—	—
Fund balances – beginning	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances – ending	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>—</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Parks Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Sales taxes	\$ 9,031,161	9,031,161	9,451,533	420,372
Property taxes	5,700,000	5,700,000	5,549,500	(150,500)
Charges for services	7,763,277	8,023,277	7,199,856	(823,421)
Intergovernmental	860,296	870,552	831,418	(39,134)
Other	106,430	106,430	77,991	(28,439)
Total revenues	<u>23,461,164</u>	<u>23,731,420</u>	<u>23,110,298</u>	<u>(621,122)</u>
Expenditures:				
Parks and recreation	<u>23,711,164</u>	<u>24,538,128</u>	<u>22,259,467</u>	<u>2,278,661</u>
Total expenditures	<u>23,711,164</u>	<u>24,538,128</u>	<u>22,259,467</u>	<u>2,278,661</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(250,000)</u>	<u>(806,708)</u>	<u>850,831</u>	<u>1,657,539</u>
Other financing sources (uses):				
Capital lease proceeds	—	—	260,000	260,000
Transfers in	250,000	250,000	352,469	102,469
Transfers out	—	—	(700,947)	(700,947)
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>(88,478)</u>	<u>(338,478)</u>
Net change in fund balance	—	(556,708)	762,353	1,319,061
Fund balances – beginning	<u>571,817</u>	<u>571,817</u>	<u>571,817</u>	—
Fund balances – ending	<u><u>\$ 571,817</u></u>	<u><u>15,109</u></u>	<u><u>1,334,170</u></u>	<u><u>1,319,061</u></u>

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Notes to Budgetary Comparison Schedules

Year ended June 30, 2014

(1) Budgets and Budgetary Accounting

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

1. By May 1 of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditure plans for all fund types (except fiduciary funds, which are not subject to budgetary considerations) and the proposed means of financing them.
2. One public hearing is conducted by the City Council in late May or early June to obtain taxpayers' comments on the proposed budget and tax levy.
3. Prior to July 1, ordinances are passed by City Council that provide for legally adopted budgets in the City's general and special revenue funds. Plans approved for capital projects, debt service and proprietary fund types provide operating guidance subject to actual activity during the fiscal year.
4. The City operates on a program performance budget system, with legally adopted budgets prepared by fund, program and department. The legal level of budgetary control is at the department level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council.
5. Formal budgetary integration is employed as a management control device in the general and special revenue funds. Formal budgetary integration is not employed for debt service funds, since budgetary control is achieved through general obligation bond indenture provisions.
6. Budgets for the general and special revenue funds are adopted on a basis consistent with GAAP, except that encumbrances are included with expenditures when the annual budget is established. Budgeted amounts may be amended by the City Council on approved budget adjustment forms.

CITY OF SPRINGFIELD, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Funding Progress
 Year ended June 30, 2014

Police and Firemen's Retirement Fund
 City of Springfield, Missouri

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
June 30, 2009	\$ 147,197,520	316,680,863	169,483,343	46%	\$ 23,825,564	711%
June 30, 2010	160,365,244	328,042,790	167,677,546	49%	20,970,392	800%
June 30, 2011	183,459,812	340,162,627	156,702,815	54%	20,498,113	764%
June 30, 2012	211,406,045	356,339,821	144,933,776	59%	19,976,162	726%
June 30, 2013	251,103,602	375,635,753	124,532,151	67%	20,060,038	621%
June 30, 2014	296,704,412	430,036,714	133,332,302	69%	18,770,274	710%

Missouri Local Government Employees Retirement System (LAGERS)

City of Springfield, Missouri

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2009	\$ 75,419,350	118,747,306	43,327,956	64%	\$ 45,342,284	96%
February 28, 2010	81,650,914	119,897,053	38,246,139	68%	45,573,139	84%
February 28, 2011	84,166,038	122,998,859	38,832,821	68%	47,674,292	81%
February 29, 2012	91,766,700	126,235,604	34,468,904	73%	49,271,969	70%
February 28, 2013	96,512,033	133,697,203	37,185,170	72%	54,786,630	68%
February 28, 2014	107,729,018	135,097,335	27,368,317	80%	56,714,522	48%

CITY OF SPRINGFIELD, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Funding Progress
 Year ended June 30, 2014

Missouri Local Government Employees Retirement System (LAGERS)

City Utilities

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2008	\$ 141,230,000	207,979,000	66,749,000	68%	\$ 62,553,000	107%
February 28, 2009	116,903,000	213,273,000	96,370,000	55%	65,570,000	147%
February 28, 2010	126,709,000	218,282,000	91,573,000	58%	65,637,000	140%
February 28, 2011	132,919,000	231,605,000	98,686,000	57%	68,100,000	145%
February 29, 2012	140,402,000	237,273,000	96,871,000	59%	68,981,000	140%
February 28, 2013	147,764,000	240,594,000	92,830,000	61%	68,518,000	135%

Postretirement Benefits Other than Pensions

Schedule of Funding Progress

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
June 30, 2010	\$ —	16,097,621	16,097,621	0%	\$ 71,493,354	23%
June 30, 2012	—	21,196,454	21,196,454	0%	74,375,829	28%
June 30, 2014	—	10,877,557	10,877,557	0%	81,339,707	13%

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2014

Assets	Special revenue	Debt service	Capital projects	Permanent	Total nonmajor governmental funds
Cash and investments	\$ 20,261,681	13,948,411	45,060,274	1,356,690	80,627,056
Accrued interest receivable	57,827	61,937	209,004	5,516	334,284
Special assessments receivable	—	2,403,728	—	—	2,403,728
Property taxes receivable:					
Current	4,929,315	7,892,861	—	—	12,822,176
Delinquent	204,045	327,170	—	—	531,215
	<u>5,133,360</u>	<u>8,220,031</u>	<u>—</u>	<u>—</u>	<u>13,353,391</u>
Less allowance for uncollectible amounts	(22,050)	(35,315)	—	—	(57,365)
Net property taxes receivable	5,111,310	8,184,716	—	—	13,296,026
Restricted cash and investments	—	12,679,784	—	—	12,679,784
Accounts receivable	4,294,666	—	2,517,095	—	6,811,761
Inventories	1,474,197	—	—	—	1,474,197
Due from other funds	—	—	102,522	—	102,522
Due from other governments	1,818,859	—	1,769,674	—	3,588,533
Total assets	<u>\$ 33,018,540</u>	<u>37,278,576</u>	<u>49,658,569</u>	<u>1,362,206</u>	<u>121,317,891</u>
Liabilities					
Accounts payable and other accrued liabilities	\$ 2,543,013	4,293	4,930,310	—	7,477,616
Unearned revenue	177,690	—	252,515	—	430,205
Due to other funds	1,716,832	—	347,668	—	2,064,500
Total liabilities	<u>4,437,535</u>	<u>4,293</u>	<u>5,530,493</u>	<u>—</u>	<u>9,972,321</u>
Deferred inflows of resources					
Unavailable revenue	<u>5,334,118</u>	<u>10,526,822</u>	<u>666,772</u>	<u>—</u>	<u>16,527,712</u>
Fund balances					
Nonspendable	1,474,197	—	—	1,269,362	2,743,559
Restricted	11,507,798	12,679,784	42,745,829	—	66,933,411
Committed	6,272,219	13,962,181	958,250	—	21,192,650
Assigned	4,078,742	105,496	—	92,844	4,277,082
Unassigned	(86,069)	—	(242,775)	—	(328,844)
Total fund balances	<u>23,246,887</u>	<u>26,747,461</u>	<u>43,461,304</u>	<u>1,362,206</u>	<u>94,817,858</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 33,018,540</u>	<u>37,278,576</u>	<u>49,658,569</u>	<u>1,362,206</u>	<u>121,317,891</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds

Year ended June 30, 2014

	<u>Special revenue</u>	<u>Debt service</u>	<u>Capital projects</u>	<u>Permanent</u>	<u>Total nonmajor governmental funds</u>
Revenues:					
Property taxes	\$ 6,663,320	7,917,120	—	—	14,580,440
Sales taxes	16,962,070	—	15,759,429	—	32,721,499
Room taxes	4,101,764	—	—	—	4,101,764
Intergovernmental	17,838,019	—	5,066,201	—	22,904,220
Charges for current services	2,927,242	—	—	16,848	2,944,090
Special assessments	—	618,573	—	—	618,573
Revenues from use of money and property	66,114	285,874	138,033	3,579	493,600
Other	1,055,011	1,360,542	5,117,752	—	7,533,305
Total revenues	49,613,540	10,182,109	26,081,415	20,427	85,897,491
Expenditures:					
Current:					
Public works	12,871,970	—	—	—	12,871,970
Public safety	14,124,520	—	—	—	14,124,520
Parks and recreation	4,790,129	—	—	—	4,790,129
Planning and development	—	—	—	—	—
Public health	9,092,519	—	—	—	9,092,519
General government	7,747,645	—	—	—	7,747,645
Debt service:					
Principal	—	8,965,421	—	—	8,965,421
Bond issuance costs	—	220,097	—	—	220,097
Interest and other charges	—	5,906,795	—	—	5,906,795
Capital outlay:					
Public works	—	—	31,058,508	—	31,058,508
Public safety	—	—	6,291	—	6,291
Parks and recreation	—	—	686,527	—	686,527
Planning and development	—	—	1,180,566	—	1,180,566
General government	—	—	72,657	—	72,657
Total expenditures	48,626,783	15,092,313	33,004,549	—	96,723,645
Excess (deficiency) of revenues over (under) expenditures	986,757	(4,910,204)	(6,923,134)	20,427	(10,826,154)
Other financing sources (uses):					
Issuance of debt	—	—	—	—	—
Capital lease proceeds	—	—	—	—	—
Bond premium (discount)	—	1,151,278	—	—	1,151,278
Issuance of refunding bonds	—	13,645,000	—	—	13,645,000
Payment to bond escrow agent	—	(17,707,066)	—	—	(17,707,066)
Transfers in	1,766,601	12,915,887	6,950,277	65,232	21,697,997
Transfers out	(2,742,724)	(7,611,405)	(9,380,525)	—	(19,734,654)
Total other financing sources (uses)	(976,123)	2,393,694	(2,430,248)	65,232	(947,445)
Net change in fund balance	10,634	(2,516,510)	(9,353,382)	85,659	(11,773,599)
Fund balance - beginning	23,236,253	29,263,971	52,814,686	1,276,547	106,591,457
Fund balance - ending	\$ 23,246,887	26,747,461	43,461,304	1,362,206	94,817,858

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Special Revenue Funds

Art Museum – The art museum fund was established by City Charter to account for the proceeds of a four-cent ad valorem tax levy and contributions, which represent the primary sources of funding for the activities of the art museum.

Public Health Services – The public health services fund was established by City Charter to account for the proceeds of an 11-cent ad valorem tax levy, which partially funds the operation of the Springfield-Greene County Health Department. Substantial revenues are received from the federal, state and Greene County governments to augment the tax levy to support the varied activities of the Health Department.

Public Works Transportation – The public works transportation fund was established to account for the City's street maintenance and traffic signalization activities. Operating revenues in this fund come primarily from state gasoline taxes and utility cut charges.

Tourism/Convention Promotion – The tourism/convention fund accounts for the proceeds of the City's 2% hotel/motel tax. These funds are used exclusively by the tourism/convention board to promote the Springfield area throughout the Midwest as a convention center and family vacation area.

Miscellaneous Special Revenue – This fund was established to account for miscellaneous grants and special activities of the City that are designated for a specific purpose or period of time.

Law Enforcement – This fund accounts for the proceeds from the law enforcement sales tax revenue.

WIC Program – The WIC program fund accounts for federal grants from the United States Department of Agriculture for the Women, Infant's and Children's Supplemental Food Program.

Workforce Development – The workforce development fund accounts for federal grants from the United States Department of Labor in support of adult and youth jobs training under the Workforce Investment Act of 1998, as well as miscellaneous state grants.

Road and Bridge Maintenance – The road and bridge maintenance fund accounts for the City's portion of the Greene County road and bridge tax. The funds are expended for local street repair and resurfacing.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2014

Assets	Art museum	Public health services	Public works transportation	Tourism/ convention promotion	Miscellaneous special revenue	Law enforcement	WIC program	Workforce development	Road and bridge maintenance	Total
Cash and investments	\$ 2,105,658	4,194,299	4,825,520	1,172,615	3,608,072	—	—	115,638	4,239,879	20,261,681
Accrued interest receivable	7,307	—	22,131	9,729	5,021	—	—	—	13,639	57,827
Property taxes receivable:										
Current	1,158,612	3,770,703	—	—	—	—	—	—	—	4,929,315
Delinquent	47,953	156,092	—	—	—	—	—	—	—	204,045
	<u>1,206,565</u>	<u>3,926,795</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,133,360</u>
Less allowance for uncollectible amounts	(5,185)	(16,865)	—	—	—	—	—	—	—	(22,050)
Net property taxes receivable	<u>1,201,380</u>	<u>3,909,930</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,111,310</u>
Accounts receivable	—	1,921	1,710,461	440,277	106,691	2,035,316	—	—	—	4,294,666
Inventories	—	—	1,474,197	—	—	—	—	—	—	1,474,197
Due from other governments	—	291,705	—	—	138,786	102,318	354,464	931,586	—	1,818,859
Total assets	\$ <u>3,314,345</u>	<u>8,397,855</u>	<u>8,032,309</u>	<u>1,622,621</u>	<u>3,858,570</u>	<u>2,137,634</u>	<u>354,464</u>	<u>1,047,224</u>	<u>4,253,518</u>	<u>33,018,540</u>
Liabilities										
Due to other funds	\$ —	—	—	—	—	1,448,984	267,848	—	—	1,716,832
Accounts payable	27,982	410,933	182,361	265,626	76,711	23,346	13,384	813,194	729,476	2,543,013
Unearned revenue	—	27,685	—	—	—	9,975	—	140,030	—	177,690
Total liabilities	<u>27,982</u>	<u>438,618</u>	<u>182,361</u>	<u>265,626</u>	<u>76,711</u>	<u>1,482,305</u>	<u>281,232</u>	<u>953,224</u>	<u>729,476</u>	<u>4,437,535</u>
Deferred inflows of resources										
Unavailable revenue	<u>1,192,330</u>	<u>3,880,495</u>	<u>—</u>	<u>—</u>	<u>6,807</u>	<u>1,185</u>	<u>159,301</u>	<u>94,000</u>	<u>—</u>	<u>5,334,118</u>
Fund balances										
Nonspendable	—	—	1,474,197	—	—	—	—	—	—	1,474,197
Restricted	—	—	6,375,751	1,356,995	3,775,052	—	—	—	—	11,507,798
Committed	2,094,033	—	—	—	—	654,144	—	—	3,524,042	6,272,219
Assigned	—	4,078,742	—	—	—	—	—	—	—	4,078,742
Unassigned	—	—	—	—	—	—	(86,069)	—	—	(86,069)
Total fund balances	<u>2,094,033</u>	<u>4,078,742</u>	<u>7,849,948</u>	<u>1,356,995</u>	<u>3,775,052</u>	<u>654,144</u>	<u>(86,069)</u>	<u>—</u>	<u>3,524,042</u>	<u>23,246,887</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>3,314,345</u>	<u>8,397,855</u>	<u>8,032,309</u>	<u>1,622,621</u>	<u>3,858,570</u>	<u>2,137,634</u>	<u>354,464</u>	<u>1,047,224</u>	<u>4,253,518</u>	<u>33,018,540</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Special Revenue Funds

Year ended June 30, 2014

	<u>Art museum</u>	<u>Public health services</u>	<u>Public works transportation</u>	<u>Tourism/ convention promotion</u>	<u>Miscellaneous special revenue</u>	<u>Law enforcement</u>	<u>WIC program</u>	<u>Workforce development</u>	<u>Road and bridge maintenance</u>	<u>Total</u>
Revenues:										
Sales taxes	\$ —	—	9,382,736	—	632,909	6,946,425	—	—	—	16,962,070
Property taxes	1,162,633	3,781,589	—	—	—	—	—	—	1,719,098	6,663,320
Room taxes	—	—	—	4,101,764	—	—	—	—	—	4,101,764
Interest	3,118	—	13,796	11,299	—	—	—	—	7,036	35,249
Rent	9,214	—	—	—	21,651	—	—	—	—	30,865
Charges for services	54,483	1,806,122	620,728	—	175,906	74,252	142,888	—	52,863	2,927,242
Intergovernmental	—	2,348,194	—	597,350	579,912	6,316,751	1,239,675	6,756,137	—	17,838,019
Other	354,743	29,215	84,761	433,838	151,566	888	—	—	—	1,055,011
Total revenues	1,584,191	7,965,120	10,102,021	5,144,251	1,561,944	13,338,316	1,382,563	6,756,137	1,778,997	49,613,540
Expenditures:										
Current:										
Public works	—	—	10,883,398	—	—	—	—	—	1,988,572	12,871,970
Public safety	—	—	—	—	610,461	13,514,059	—	—	—	14,124,520
Parks and recreation	1,384,790	—	—	3,405,339	—	—	—	—	—	4,790,129
Planning and development	—	—	—	—	—	—	—	—	—	—
Public health	—	7,729,082	—	—	—	—	1,363,437	—	—	9,092,519
General government	—	89,679	—	—	901,829	—	—	6,756,137	—	7,747,645
Debt service:										
Principal	—	—	—	—	—	—	—	—	—	—
Interest and other charges	—	—	—	—	—	—	—	—	—	—
Total expenditures	1,384,790	7,818,761	10,883,398	3,405,339	1,512,290	13,514,059	1,363,437	6,756,137	1,988,572	48,626,783
Excess (deficiency) of revenues over (under) expenditures	199,401	146,359	(781,377)	1,738,912	49,654	(175,743)	19,126	—	(209,575)	986,757
Other financing sources (uses):										
Capital lease proceeds	—	—	—	—	—	—	—	—	—	—
Transfers in	—	620,929	13,000	—	34,850	861,743	114	—	235,965	1,766,601
Transfers out	(28,320)	(84,940)	(118,542)	(1,749,335)	(97,738)	(444,750)	—	—	(219,099)	(2,742,724)
Total other financing sources (uses)	(28,320)	535,989	(105,542)	(1,749,335)	(62,888)	416,993	114	—	16,866	(976,123)
Net change in fund balance	171,081	682,348	(886,919)	(10,423)	(13,234)	241,250	19,240	—	(192,709)	10,634
Fund balance - beginning	1,922,952	3,396,394	8,736,867	1,367,418	3,788,286	412,894	(105,309)	—	3,716,751	23,236,253
Fund balance - ending	\$ 2,094,033	4,078,742	7,849,948	1,356,995	3,775,052	654,144	(86,069)	—	3,524,042	23,246,887

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Art Museum Special Revenue Fund

Year ended June 30, 2014

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Property taxes	\$ 1,126,072	1,209,570	1,162,633	(46,937)
Interest	10,000	10,000	3,118	(6,882)
Charges for services	45,900	76,965	54,483	(22,482)
Other	9,500	9,500	363,957	354,457
Total revenues	<u>1,191,472</u>	<u>1,306,035</u>	<u>1,584,191</u>	<u>278,156</u>
Expenditures:				
Parks and recreation	<u>1,441,472</u>	<u>1,609,284</u>	<u>1,384,790</u>	<u>224,494</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(250,000)</u>	<u>(303,249)</u>	<u>199,401</u>	<u>502,650</u>
Other financing sources (uses):				
Transfers in	—	—	—	—
Transfers out	<u>—</u>	<u>—</u>	<u>(28,320)</u>	<u>(28,320)</u>
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>(28,320)</u>	<u>(28,320)</u>
Net change in fund balance	(250,000)	(303,249)	171,081	474,330
Fund balances – beginning	<u>1,922,952</u>	<u>1,922,952</u>	<u>1,922,952</u>	<u>—</u>
Fund balances – ending	<u><u>\$ 1,672,952</u></u>	<u><u>1,619,703</u></u>	<u><u>2,094,033</u></u>	<u><u>474,330</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Health Services Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Property taxes	\$ 3,653,539	3,653,539	3,781,589	128,050
Charges for services	1,386,000	1,386,000	1,806,122	420,122
Intergovernmental	2,585,205	4,401,021	2,348,194	(2,052,827)
Other	438,262	564,292	29,215	(535,077)
Total revenues	<u>8,063,006</u>	<u>10,004,852</u>	<u>7,965,120</u>	<u>(2,039,732)</u>
Expenditures:				
Public health	8,844,197	10,929,380	7,729,082	3,200,298
General government	—	—	89,679	(89,679)
Total expenditures	<u>8,844,197</u>	<u>10,929,380</u>	<u>7,818,761</u>	<u>3,110,619</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(781,191)</u>	<u>(924,528)</u>	<u>146,359</u>	<u>1,070,887</u>
Other financing sources (uses):				
Transfers in	609,018	609,018	620,929	11,911
Transfers out	<u>(54,720)</u>	<u>(54,720)</u>	<u>(84,940)</u>	<u>(30,220)</u>
Total other financing sources (uses)	<u>554,298</u>	<u>554,298</u>	<u>535,989</u>	<u>(18,309)</u>
Net change in fund balance	(226,893)	(370,230)	682,348	1,052,578
Fund balances – beginning	<u>3,396,394</u>	<u>3,396,394</u>	<u>3,396,394</u>	<u>—</u>
Fund balances – ending	\$ <u><u>3,169,501</u></u>	<u><u>3,026,164</u></u>	<u><u>4,078,742</u></u>	<u><u>1,052,578</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Works Transportation Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Sales taxes	\$ 9,175,000	9,175,000	9,382,736	207,736
Charges for services	773,000	773,000	620,728	(152,272)
Interest	30,000	30,000	13,796	(16,204)
Intergovernmental	—	—	—	—
Other	22,000	22,000	84,761	62,761
Total revenues	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,102,021</u>	<u>102,021</u>
Expenditures:				
Public works	<u>11,165,000</u>	<u>11,982,711</u>	<u>10,883,398</u>	<u>1,099,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,165,000)</u>	<u>(1,982,711)</u>	<u>(781,377)</u>	<u>1,201,334</u>
Other financing sources (uses):				
Transfers in	—	—	13,000	13,000
Transfers out	<u>(135,000)</u>	<u>(135,000)</u>	<u>(118,542)</u>	<u>16,458</u>
Total other financing sources (uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>(105,542)</u>	<u>29,458</u>
Net change in fund balance	(1,300,000)	(2,117,711)	(886,919)	1,230,792
Fund balances – beginning	<u>8,736,867</u>	<u>8,736,867</u>	<u>8,736,867</u>	—
Fund balances – ending	<u>\$ 7,436,867</u>	<u>6,619,156</u>	<u>7,849,948</u>	<u>1,230,792</u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Tourism/Convention Promotion Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Room taxes	\$ 3,794,900	3,821,573	4,101,764	280,191
Interest	4,350	2,850	11,299	8,449
Intergovernmental	—	600	597,350	596,750
Other	<u>1,045,250</u>	<u>1,039,739</u>	<u>433,838</u>	<u>(605,901)</u>
Total revenues	4,844,500	4,864,762	5,144,251	279,489
Expenditures:				
Parks and recreation	<u>3,391,612</u>	<u>3,727,691</u>	<u>3,405,339</u>	<u>322,352</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,452,888</u>	<u>1,137,071</u>	<u>1,738,912</u>	<u>601,841</u>
Other financing sources (uses):				
Transfers in	—	—	—	—
Transfers out	<u>(1,452,888)</u>	<u>(1,452,888)</u>	<u>(1,749,335)</u>	<u>(296,447)</u>
Total other financing sources (uses)	<u>(1,452,888)</u>	<u>(1,452,888)</u>	<u>(1,749,335)</u>	<u>(296,447)</u>
Net change in fund balance	—	(315,817)	(10,423)	305,394
Fund balances – beginning	<u>1,367,418</u>	<u>1,367,418</u>	<u>1,367,418</u>	—
Fund balances – ending	<u>\$ 1,367,418</u>	<u>1,051,601</u>	<u>1,356,995</u>	<u>305,394</u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Miscellaneous Special Revenue Fund

Year ended June 30, 2014

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 756,654	756,654	632,909	(123,745)
Interest	200	200	—	(200)
Charges for services	168,000	168,000	175,906	7,906
Intergovernmental	—	1,172,695	579,912	(592,783)
Other	—	14,175	173,217	159,042
Total revenues	924,854	2,111,724	1,561,944	(549,780)
Expenditures:				
Public works	—	—	—	—
Public safety	964,204	2,327,403	610,461	1,716,942
Parks and recreation	—	—	—	—
Planning and development	—	—	—	—
Public health	—	—	—	—
General government	—	—	901,829	(901,829)
Total expenditures	964,204	2,327,403	1,512,290	815,113
Excess (deficiency) of revenues over (under) expenditures	(39,350)	(215,679)	49,654	265,333
Other financing sources (uses):				
Transfers in	—	36,026	34,850	(1,176)
Transfers out	(203,650)	(205,350)	(97,738)	107,612
Total other financing sources (uses)	(203,650)	(169,324)	(62,888)	106,436
Net change in fund balance	(243,000)	(385,003)	(13,234)	371,769
Fund balances – beginning	3,788,286	3,788,286	3,788,286	—
Fund balances – ending	\$ 3,545,286	3,403,283	3,775,052	371,769

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Law Enforcement Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 11,113,257	11,281,573	6,946,425	(4,335,148)
Intergovernmental	1,909,541	2,900,386	6,316,751	3,416,365
Revenues for use of money – interest	—	—	—	—
Charges for services	<u>917,079</u>	<u>885,699</u>	<u>75,140</u>	<u>(810,559)</u>
Total revenues	<u>13,939,877</u>	<u>15,067,658</u>	<u>13,338,316</u>	<u>(1,729,342)</u>
Expenditures:				
Public safety	<u>14,293,455</u>	<u>15,715,363</u>	<u>13,514,059</u>	<u>2,201,304</u>
Total expenditures	<u>14,293,455</u>	<u>15,715,363</u>	<u>13,514,059</u>	<u>2,201,304</u>
Excess (deficiency) of revenues (over) under expenditures	<u>(353,578)</u>	<u>(647,705)</u>	<u>(175,743)</u>	<u>471,962</u>
Other financing sources (uses):				
Transfers in	866,328	855,000	861,743	6,743
Transfers out	<u>(512,750)</u>	<u>(532,625)</u>	<u>(444,750)</u>	<u>87,875</u>
Total other financing sources (uses)	<u>353,578</u>	<u>322,375</u>	<u>416,993</u>	<u>94,618</u>
Net change in fund balance	—	(325,330)	241,250	566,580
Fund balances – beginning	<u>412,894</u>	<u>412,894</u>	<u>412,894</u>	<u>—</u>
Fund balances – ending	\$ <u><u>412,894</u></u>	<u><u>87,564</u></u>	<u><u>654,144</u></u>	<u><u>566,580</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – WIC Program Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental	\$ 1,500,000	2,207,091	1,239,675	(967,416)
Charges for services	145,000	145,000	142,888	(2,112)
Revenues from use of money – interest	—	—	—	—
Total revenues	<u>1,645,000</u>	<u>2,352,091</u>	<u>1,382,563</u>	<u>(969,528)</u>
Expenditures:				
Public health	<u>1,683,000</u>	<u>2,263,681</u>	<u>1,363,437</u>	<u>900,244</u>
Excess (deficiency) of revenues over (under) expenditures	(38,000)	88,410	19,126	(69,284)
Other financing uses:				
Transfers in	—	—	114	114
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	(38,000)	88,410	19,240	(69,170)
Fund balances – beginning	<u>(105,309)</u>	<u>(105,309)</u>	<u>(105,309)</u>	<u>—</u>
Fund balances – ending	<u><u>\$ (143,309)</u></u>	<u><u>(16,899)</u></u>	<u><u>(86,069)</u></u>	<u><u>(69,170)</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Workforce Development Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental	\$ 7,347,288	10,765,343	6,756,137	(4,009,206)
Revenues from use of money – interest	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues	7,347,288	10,765,343	6,756,137	(4,009,206)
Expenditures:				
General government	<u>7,347,288</u>	<u>10,837,510</u>	<u>6,756,137</u>	<u>4,081,373</u>
(Excess) deficiency of revenues over (under) expenditures	<u>—</u>	<u>(72,167)</u>	<u>—</u>	<u>72,167</u>
Other financing uses:				
Transfers in	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>—</u>	<u>(72,167)</u>	<u>—</u>	<u>72,167</u>
Fund balances – beginning	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances – ending	\$ <u><u>—</u></u>	<u><u>(72,167)</u></u>	<u><u>—</u></u>	<u><u>72,167</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Road and Bridge Maintenance Special Revenue Fund

Year ended June 30, 2014

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Property taxes	\$ 1,725,000	1,725,000	1,719,098	(5,902)
Charges for services	—	—	52,863	52,863
Interest	25,000	25,000	7,036	(17,964)
Other	—	—	—	—
Total revenues	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,778,997</u>	<u>28,997</u>
Expenditures:				
Public works	<u>2,105,000</u>	<u>5,466,816</u>	<u>1,988,572</u>	<u>3,478,244</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(355,000)</u>	<u>(3,716,816)</u>	<u>(209,575)</u>	<u>3,507,241</u>
Other financing sources (uses):				
Transfers in	355,000	355,000	235,965	(119,035)
Transfers out	—	—	(219,099)	(219,099)
Total other financing sources (uses)	<u>355,000</u>	<u>355,000</u>	<u>16,866</u>	<u>(338,134)</u>
Net change in fund balance	—	(3,361,816)	(192,709)	3,169,107
Fund balances – beginning	<u>3,716,751</u>	<u>3,716,751</u>	<u>3,716,751</u>	<u>—</u>
Fund balances – ending	\$ <u><u>3,716,751</u></u>	<u><u>354,935</u></u>	<u><u>3,524,042</u></u>	<u><u>3,169,107</u></u>

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Debt Service Funds

Jordan Valley Park Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds issued on behalf of the Jordan Valley Park and the Springfield Recreational Ice Project. The Park will be owned by the City and operated by its Park Board.

Heers/College Station – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bonds used for the Heers/College Station Projects.

LEST Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the 800 Megahertz Trunked Radio System Project.

Level Property Tax Issues – This fund accounts for the debt service and refunding transactions on the City's level property tax bond issues. Debt service on these issues is funded by general property taxes.

Special Assessment Issues – This fund accounts for the combined activity in the various special assessment districts established from the City's special assessment bond issues, as well as for the City's neighborhood improvement districts. Proceeds from debt issuances are used to construct sanitary sewer districts and neighborhood improvement projects, with the cost of these improvements billed to the benefited property owners upon completion. Proceeds from these special tax bills are then used for debt service purposes.

Fairgrounds – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bond issue related to the Ozarks Empire Fairground. Debt service for the Fairground is funded by lease payments made by the Ozarks Empire Fairground.

Parks Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds used for the Cooper Park Indoor Tennis Facility and park improvements at Cooper Park, Killian Park and Dickerson Park Zoo. Debt service for this issue is funded by transfers from the Public Parks Fund.

SBD Loan Program – This debt service fund accounts for the resources accumulated and payments made for principal and interest on loans that provide funding for small business developments in the community.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2014

Assets	Jordan Valley Park issues	Heers/ College station	LEST issues	Level property tax issues	Special assessments	Fairgrounds	Parks issues	SBD loan program	Total
Cash and investments	\$ 983,421	10,101	1,435	7,775,628	5,076,536	2,696	1,592	97,002	13,948,411
Accrued interest receivable	—	—	—	36,378	24,763	9	—	787	61,937
Accounts receivable	—	—	—	—	—	—	—	—	—
Special assessments receivable	—	—	—	—	2,403,728	—	—	—	2,403,728
Property taxes receivable:									
Current	—	—	—	7,892,861	—	—	—	—	7,892,861
Delinquent	—	—	—	327,170	—	—	—	—	327,170
	—	—	—	8,220,031	—	—	—	—	8,220,031
Less allowance for uncollectible amounts	—	—	—	(35,315)	—	—	—	—	(35,315)
Net property taxes receivable	—	—	—	8,184,716	—	—	—	—	8,184,716
Restricted cash and investments	5,391,311	1,736,905	284,504	4,547,742	—	—	214,522	504,800	12,679,784
Total assets	\$ 6,374,732	1,747,006	285,939	20,544,464	7,505,027	2,705	216,114	602,589	37,278,576
Liabilities									
Due to other funds	\$ —	—	—	—	—	—	—	—	—
Accounts payable	—	—	—	—	—	—	—	—	—
Accrued interest payable	1,197	2,394	341	—	—	—	361	—	4,293
Total liabilities	1,197	2,394	341	—	—	—	361	—	4,293
Deferred inflows of resources									
Unavailable revenue	—	—	—	8,123,094	2,403,728	—	—	—	10,526,822
Fund balances									
Restricted	5,391,311	1,736,905	284,504	4,547,742	—	—	214,522	504,800	12,679,784
Committed	982,224	—	1,094	7,873,628	5,101,299	2,705	1,231	—	13,962,181
Assigned	—	7,707	—	—	—	—	—	97,789	105,496
Total fund balances	6,373,535	1,744,612	285,598	12,421,370	5,101,299	2,705	215,753	602,589	26,747,461
Total liabilities, deferred inflows of resources and fund balances	\$ 6,374,732	1,747,006	285,939	20,544,464	7,505,027	2,705	216,114	602,589	37,278,576

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

Year ended June 30, 2014

	<u>Jordan Valley Park issues</u>	<u>Heers/ College station</u>	<u>LEST issues</u>	<u>Level property tax issues</u>	<u>Special assessments</u>	<u>Fairgrounds</u>	<u>Parks issues</u>	<u>SBD loan program</u>	<u>Total</u>
Revenues:									
Property taxes	\$ —	—	—	7,917,120	—	—	—	—	7,917,120
Intergovernmental	—	—	—	—	—	—	—	—	—
Interest	18,818	75,983	—	88,692	97,422	—	778	4,181	285,874
Special assessments	—	149,195	—	—	469,378	—	—	—	618,573
Other	1,331,011	—	—	14,000	—	15,531	—	—	1,360,542
Total revenues	<u>1,349,829</u>	<u>225,178</u>	<u>—</u>	<u>8,019,812</u>	<u>566,800</u>	<u>15,531</u>	<u>778</u>	<u>4,181</u>	<u>10,182,109</u>
Expenditures:									
Debt service:									
Principal	2,675,000	285,000	326,667	4,133,326	1,160,000	—	175,428	210,000	8,965,421
Bond issuance costs	—	—	—	220,097	—	—	—	—	220,097
Interest and other charges	1,979,804	693,642	154,824	2,433,885	442,092	17,404	88,701	96,443	5,906,795
Total expenditures	<u>4,654,804</u>	<u>978,642</u>	<u>481,491</u>	<u>6,787,308</u>	<u>1,602,092</u>	<u>17,404</u>	<u>264,129</u>	<u>306,443</u>	<u>15,092,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,304,975)</u>	<u>(753,464)</u>	<u>(481,491)</u>	<u>1,232,504</u>	<u>(1,035,292)</u>	<u>(1,873)</u>	<u>(263,351)</u>	<u>(302,262)</u>	<u>(4,910,204)</u>
Other financing sources (uses):									
Issuance of debt	—	—	—	—	—	—	—	—	—
Bond premium (discount)	—	—	—	1,151,278	—	—	—	—	1,151,278
Issuance of refunding bonds	—	—	—	13,645,000	—	—	—	—	13,645,000
Payment to bond escrow agent	—	—	(1,393,334)	(16,271,673)	—	—	(42,059)	—	(17,707,066)
Transfers in	3,065,047	797,781	1,802,702	6,677,107	—	—	303,162	270,088	12,915,887
Transfers out	—	—	—	(7,611,405)	—	—	—	—	(7,611,405)
Total other financing sources (uses)	<u>3,065,047</u>	<u>797,781</u>	<u>409,368</u>	<u>(2,409,693)</u>	<u>—</u>	<u>—</u>	<u>261,103</u>	<u>270,088</u>	<u>2,393,694</u>
Net change in fund balance	<u>(239,928)</u>	<u>44,317</u>	<u>(72,123)</u>	<u>(1,177,189)</u>	<u>(1,035,292)</u>	<u>(1,873)</u>	<u>(2,248)</u>	<u>(32,174)</u>	<u>(2,516,510)</u>
Fund balance - beginning	6,613,463	1,700,295	357,721	13,598,559	6,136,591	4,578	218,001	634,763	29,263,971
Fund balance - ending	<u>\$ 6,373,535</u>	<u>1,744,612</u>	<u>285,598</u>	<u>12,421,370</u>	<u>5,101,299</u>	<u>2,705</u>	<u>215,753</u>	<u>602,589</u>	<u>26,747,461</u>

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Capital Project Funds

Transportation Sales Tax – This fund accounts for the proceeds of the City’s one-eighth cent transportation sales tax, which was initially approved by voters in November 1996 and took effect April 1, 1997, with a four-year sunset. With voter approval, this tax has been renewed for additional four-year programs in 2001, 2005 and 2009. Proceeds are used to construct transportation improvements.

Public Parks Improvement – This fund accounts for the proceeds of the Parks capital improvement sales tax. Proceeds are used to construct various capital improvement projects throughout the Parks system.

Public Works Improvement – This fund accounts for various public works improvement projects constructed from various federal and state grants and other revenues. This fund also accounts for the City’s joint venture expenditures related to the development of an industrial park.

Capital Improvements Sales Tax – This fund accounts for the proceeds of the City’s one-quarter cent capital improvements sales tax, which was initially approved by voters in August 1989, and first went into effect October 1, 1989. Proceeds are used to construct various capital improvement projects throughout the City.

Property Tax Projects – This fund accounts for the City’s capital improvement projects funded by property tax revenues.

Sanitary and Storm Sewer Projects – This fund accounts for the City’s sanitary and storm sewer construction projects.

Crime Lab Project – This fund accounts for the resources accumulated for the Crime Lab facility.

Heers/College Station – This fund accounts for the resources accumulated for the Heers/College Station Projects.

Miscellaneous Capital Projects – These funds account for the City’s LEST Radios Bond Issue 2000 and 2004 and the proceeds of the capital leases. Construction of an 800 Megahertz Trunked Radio System to provide improved law enforcement and public safety communications that will allow for encryption of messages and facilitate in-building coverage. This project is a combined effort between the City of Springfield, City Utilities and Greene County. The capital lease proceeds are used to finance various equipment purchases and capital improvement projects.

Tourism Tax Community Improvement – This fund accounts for the proceeds of the tourism (hotel/motel) tax approved by the citizens of Springfield on February 3, 1998, which are to be used to finance community improvements for a Civic Park, the American National Fish and Wildlife Living Museum and Aquarium, a Recreational Ice Complex, Dickerson Park Zoo and not-for-profit local attractions such as Discovery Center and Gillioz and Landers Theaters.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Capital Project Funds

June 30, 2014

Assets	Transportation sales tax	Public parks improvement	Public works improvement	Capital improvement sales tax	Property tax projects	Sanitary and storm sewer projects	Crime Lab project	Heers/ College station	Miscellaneous capital projects	Tourism Tax community improvement	Total
Cash and investments	\$ 14,446,193	3,751,209	4,936,727	19,170,228	957,091	992,566	—	285,890	520,370	—	45,060,274
Accrued interest receivable	64,755	24,843	25,109	81,189	1,159	7,294	—	1,235	942	2,478	209,004
Accounts receivable	838,473	—	—	1,678,622	—	—	—	—	—	—	2,517,095
Due from other funds	—	—	—	102,522	—	—	—	—	—	—	102,522
Due from other governments	—	3,993	1,765,681	—	—	—	—	—	—	—	1,769,674
Total assets	\$ 15,349,421	3,780,045	6,727,517	21,032,561	958,250	999,860	—	287,125	521,312	2,478	49,658,569
Liabilities											
Due to other funds	\$ —	—	102,522	—	—	—	20,091	—	—	225,055	347,668
Accounts payable	1,320,767	629,149	1,179,203	1,438,001	—	12,904	107	—	—	—	4,580,131
Retainages payable	62,102	66,157	—	191,101	—	—	—	—	30,819	—	350,179
Unearned revenue	—	—	252,515	—	—	—	—	—	—	—	252,515
Total liabilities	1,382,869	695,306	1,534,240	1,629,102	—	12,904	20,198	—	30,819	225,055	5,530,493
Deferred inflows of resources											
Unavailable revenue	—	3,993	662,779	—	—	—	—	—	—	—	666,772
Fund balances											
Restricted	13,966,552	3,080,746	4,530,498	19,403,459	—	986,956	—	287,125	490,493	—	42,745,829
Committed	—	—	—	—	958,250	—	—	—	—	—	958,250
Unassigned	—	—	—	—	—	—	(20,198)	—	—	(222,577)	(242,775)
Total fund balances	13,966,552	3,080,746	4,530,498	19,403,459	958,250	986,956	(20,198)	287,125	490,493	(222,577)	43,461,304
Total liabilities, deferred inflows of resources and fund balances	\$ 15,349,421	3,780,045	6,727,517	21,032,561	958,250	999,860	—	287,125	521,312	2,478	49,658,569

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Project Funds

Year ended June 30, 2014

	<u>Transportation sales tax</u>	<u>Public parks improvement</u>	<u>Public works improvement</u>	<u>Capital improvement sales tax</u>	<u>Property tax projects</u>	<u>Sanitary and storm sewer projects</u>	<u>Crime lab project</u>	<u>Heers/ College station</u>	<u>Miscellaneous capital projects</u>	<u>Tourism tax community improvement</u>	<u>Total</u>
Revenues:											
Sales taxes	\$ 4,888,957	—	—	9,777,951	—	—	—	—	—	1,092,521	15,759,429
Interest	53,931	10,537	19,020	46,365	106	3,888	—	804	556	2,826	138,033
Intergovernmental	—	166,021	4,465,627	—	—	—	—	—	434,553	—	5,066,201
Other	2,226,921	147,665	1,827,804	308,468	157,572	410,716	—	—	—	38,606	5,117,752
Total revenues	<u>7,169,809</u>	<u>324,223</u>	<u>6,312,451</u>	<u>10,132,784</u>	<u>157,678</u>	<u>414,604</u>	<u>—</u>	<u>804</u>	<u>435,109</u>	<u>1,133,953</u>	<u>26,081,415</u>
Expenditures:											
Capital outlay:											
Public works	7,857,138	2,818,558	7,191,684	10,496,167	—	2,449,658	—	—	245,303	—	31,058,508
Public safety	—	—	—	—	—	—	1,060	—	5,231	—	6,291
Parks and recreation	—	686,377	—	150	—	—	—	—	—	—	686,527
Planning and development	—	—	—	774,741	—	—	—	—	6,629	399,196	1,180,566
General government	—	—	—	2,006	—	70,591	60	—	—	—	72,657
Total expenditures	<u>7,857,138</u>	<u>3,504,935</u>	<u>7,191,684</u>	<u>11,273,064</u>	<u>—</u>	<u>2,520,249</u>	<u>1,120</u>	<u>—</u>	<u>257,163</u>	<u>399,196</u>	<u>33,004,549</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(687,329)</u>	<u>(3,180,712)</u>	<u>(879,233)</u>	<u>(1,140,280)</u>	<u>157,678</u>	<u>(2,105,645)</u>	<u>(1,120)</u>	<u>804</u>	<u>177,946</u>	<u>734,757</u>	<u>(6,923,134)</u>
Other financing sources (uses):											
Bond proceeds	—	—	—	—	—	—	—	—	—	—	—
Transfers in	80,000	236,593	6,017,836	25,560	—	—	—	—	391,500	198,788	6,950,277
Transfers out	(174,794)	(209,506)	(5,879,442)	(372,227)	(1,316,288)	—	—	(43,281)	(291,022)	(1,093,965)	(9,380,525)
Total other financing sources (uses)	<u>(94,794)</u>	<u>27,087</u>	<u>138,394</u>	<u>(346,667)</u>	<u>(1,316,288)</u>	<u>—</u>	<u>—</u>	<u>(43,281)</u>	<u>100,478</u>	<u>(895,177)</u>	<u>(2,430,248)</u>
Net change in fund balance	<u>(782,123)</u>	<u>(3,153,625)</u>	<u>(740,839)</u>	<u>(1,486,947)</u>	<u>(1,158,610)</u>	<u>(2,105,645)</u>	<u>(1,120)</u>	<u>(42,477)</u>	<u>278,424</u>	<u>(160,420)</u>	<u>(9,353,382)</u>
Fund balance - beginning	14,748,675	6,234,371	5,271,337	20,890,406	2,116,860	3,092,601	(19,078)	329,602	212,069	(62,157)	52,814,686
Fund balance - ending	<u>\$ 13,966,552</u>	<u>3,080,746</u>	<u>4,530,498</u>	<u>19,403,459</u>	<u>958,250</u>	<u>986,956</u>	<u>(20,198)</u>	<u>287,125</u>	<u>490,493</u>	<u>(222,577)</u>	<u>43,461,304</u>

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Permanent Funds

Perpetual Care – The Perpetual Care Fund was established to account for the activities of maintaining the City-owned cemetery.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet
Nonmajor Permanent Funds
June 30, 2014

	Assets	Perpetual care
Cash and investments		\$ 1,356,690
Accrued interest receivable		<u>5,516</u>
Total assets		<u>\$ 1,362,206</u>
	Liabilities	
Accounts payable		\$ <u>—</u>
Total liabilities		<u>—</u>
	Fund Balance	
Nonspendable		1,269,362
Assigned		<u>92,844</u>
Total liabilities and fund balance		<u>\$ 1,362,206</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds

Year ended June 30, 2014

	Perpetual care
Revenues:	
Interest	\$ 3,579
Perpetual care	16,848
Contributions	—
Total revenues	<u>20,427</u>
Expenditures:	
Current:	
General government	—
Excess (deficiency) of revenues over (under) expenditures	<u>20,427</u>
Other financing sources (uses) – transfers in	<u>65,232</u>
Net change in fund balance	85,659
Fund balance - beginning	<u>1,276,547</u>
Fund balance - ending	<u><u>\$ 1,362,206</u></u>

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Enterprise Funds

Refuse Disposal – This fund reports the activities and capital improvements for the Landfill, the Recycling Centers and the Yardwaste Recycling Center.

Golf – This fund accounts for all operating revenues and expenses associated with the operation of the City's municipal golf courses, including all golf course capital improvements and related debt service.

CITY OF SPRINGFIELD, MISSOURI

Statement of Net Position
Nonmajor Enterprise Funds

June 30, 2014

Assets	Refuse disposal	Golf	Total
Current assets:			
Cash and cash equivalents	\$ 324,356	2,383	326,739
Investments	7,287,427	53,571	7,340,998
Inventories	98,650	163,895	262,545
Accounts receivable	20,671	—	20,671
Due from other governments	8,460	—	8,460
Accrued interest receivable	50,550	556	51,106
Total current assets	<u>7,790,114</u>	<u>220,405</u>	<u>8,010,519</u>
Investments	<u>4,492,136</u>	<u>33,022</u>	<u>4,525,158</u>
Capital assets:			
Land	2,314,419	380,661	2,695,080
Buildings	1,341,581	658,484	2,000,065
Improvements other than buildings	18,743,796	8,262,495	27,006,291
Machinery and equipment	8,946,976	1,270,652	10,217,628
	<u>31,346,772</u>	<u>10,572,292</u>	<u>41,919,064</u>
Less accumulated depreciation	<u>(17,467,722)</u>	<u>(8,215,493)</u>	<u>(25,683,215)</u>
	13,879,050	2,356,799	16,235,849
Construction in progress	<u>1,075,917</u>	<u>—</u>	<u>1,075,917</u>
Total capital assets (net of accumulated depreciation)	<u>14,954,967</u>	<u>2,356,799</u>	<u>17,311,766</u>
Total assets	<u>27,237,217</u>	<u>2,610,226</u>	<u>29,847,443</u>
Liabilities			
Current liabilities:			
Accounts payable	270,592	97,661	368,253
Retainages payable	47,748	—	47,748
Accrued compensated absences and other accrued costs	19,118	3,015	22,133
Due to other funds	—	265,000	265,000
Current maturities of long-term debt	—	38,245	38,245
Total current liabilities	<u>337,458</u>	<u>403,921</u>	<u>741,379</u>
Long-term debt, less current maturities:			
Capitalized lease obligations payable	—	67,257	67,257
Accrued landfill closure/postclosure care costs	10,952,594	—	10,952,594
Other postemployment benefits	81,178	56,259	137,437
Accrued compensated absences	462,497	137,103	599,600
Total long-term liabilities	<u>11,496,269</u>	<u>260,619</u>	<u>11,756,888</u>
Total liabilities	<u>11,833,727</u>	<u>664,540</u>	<u>12,498,267</u>
Net Position			
Net position:			
Net investment in capital assets	14,954,967	2,251,297	17,206,264
Unrestricted	448,523	(305,611)	142,912
Total net position	<u>\$ 15,403,490</u>	<u>1,945,686</u>	<u>17,349,176</u>

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenses and
Changes in Net Position
Nonmajor Enterprise Funds
Year ended June 30, 2014

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Operating revenues:			
Landfill charges	\$ 6,354,781	—	6,354,781
Yardwaste recycling sales	266,665	—	266,665
Golf course fees	—	2,615,012	2,615,012
Other	18,474	—	18,474
Total operating revenues	<u>6,639,920</u>	<u>2,615,012</u>	<u>9,254,932</u>
Operating expenses:			
Personnel services	2,305,475	1,511,493	3,816,968
Other services	1,103,559	451,561	1,555,120
Supplies	855,479	556,348	1,411,827
Depreciation and amortization	1,267,504	362,529	1,630,033
Total operating expenses	<u>5,532,017</u>	<u>2,881,931</u>	<u>8,413,948</u>
Operating income (loss)	<u>1,107,903</u>	<u>(266,919)</u>	<u>840,984</u>
Nonoperating revenues (expenses):			
Interest revenue	33,487	719	34,206
Interest on long-term debt	—	(80,942)	(80,942)
Gain from disposal of capital assets	—	328	328
Claims and settlements	(285,625)	83	(285,542)
Contributions and grants	116,598	—	116,598
Other nonoperating income (expense)	25,107	(5,000)	20,107
Net nonoperating revenues (expenses)	<u>(110,433)</u>	<u>(84,812)</u>	<u>(195,245)</u>
Income (loss) before transfers	997,470	(351,731)	645,739
Transfers in	229,728	61,120	290,848
Transfers out	(334,897)	—	(334,897)
Change in net position	892,301	(290,611)	601,690
Total net position – beginning	14,511,189	2,236,297	16,747,486
Total net position – ending	<u>\$ 15,403,490</u>	<u>1,945,686</u>	<u>17,349,176</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year ended June 30, 2014

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from users	\$ 6,664,698	2,610,095	9,274,793
Cash paid to suppliers	(2,092,349)	(958,475)	(3,050,824)
Cash paid to employees	(2,258,366)	(1,502,689)	(3,761,055)
Net cash provided by operating activities	<u>2,313,983</u>	<u>148,931</u>	<u>2,462,914</u>
Cash flows from noncapital financing activities:			
Noncapital contributions and grants	116,598	—	116,598
Transfers in	229,728	61,120	290,848
Transfers out	(334,897)	—	(334,897)
Net cash provided by noncapital financing activities	<u>11,429</u>	<u>61,120</u>	<u>72,549</u>
Cash flows from capital and related financing activities:			
Interest paid on long-term debt obligations	—	(8,139)	(8,139)
Principal payments made on long-term capital lease	—	(155,742)	(155,742)
Proceeds from issuance of long-term debt	—	77,000	77,000
Additions to capital assets	(2,247,564)	(73,174)	(2,320,738)
Proceeds from sale of capital assets	—	328	328
Net cash used in capital and related financing activities	<u>(2,247,564)</u>	<u>(159,727)</u>	<u>(2,407,291)</u>
Cash flows provided by investing activities:			
Sale of investments	7,257,004	—	7,257,004
Purchase of investments	(7,688,983)	(50,680)	(7,739,663)
Interest received	16,361	643	17,004
Net cash used in investing activities	<u>(415,618)</u>	<u>(50,037)</u>	<u>(465,655)</u>
Net increase (decrease) in cash and cash equivalents	<u>(337,770)</u>	<u>287</u>	<u>(337,483)</u>
Cash and cash equivalents, beginning of year	<u>662,126</u>	<u>2,096</u>	<u>664,222</u>
Cash and cash equivalents, end of year	\$ <u>324,356</u>	<u>2,383</u>	<u>326,739</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 1,107,903	(266,919)	840,984
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,267,504	362,529	1,630,033
Other nonoperating expenses	(260,518)	(4,917)	(265,435)
Decrease (increase) in:			
Accounts receivable	(1,931)	—	(1,931)
Due from other governments	1,602	—	1,602
Inventories	5,966	(20,590)	(14,624)
Increase (decrease) in:			
Accounts payable	(126,910)	70,024	(56,886)
Retainage payable	(10,533)	—	(10,533)
Accrued landfill closure/postclosure care costs	283,791	—	283,791
Other postemployment benefits	6,314	3,242	9,556
Accrued compensated absences	40,795	5,562	46,357
Total adjustments	<u>1,206,080</u>	<u>415,850</u>	<u>1,621,930</u>
Net cash provided by operating activities	\$ <u>2,313,983</u>	<u>148,931</u>	<u>2,462,914</u>

CITY OF SPRINGFIELD, MISSOURI

Internal Service Funds

Service Center – This fund accounts for the operations of the City’s central garage. Revenues are generated almost exclusively from billings to other City departments.

Print Shop – This fund accounts for the operations of the City’s print shop. Revenues are generated almost exclusively from billings to other City departments.

Self-Insurance – The Self-Insurance Fund was established to account for the City’s employee medical and workers’ compensation insurance programs. All contributions, both City and employee, are held by this fund to pay medical expenses of the participants, as well as medical and indemnity claims related to workers’ compensation.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Net Position

Internal Service Funds

June 30, 2014

Assets	Service center	Print shop	Self- insurance	Total
Current assets:				
Cash and cash equivalents	\$ —	—	404,548	404,548
Investments	—	—	9,733,845	9,733,845
Inventories	323,897	46,590	—	370,487
Accrued interest receivable	—	—	49,204	49,204
Total current assets	<u>323,897</u>	<u>46,590</u>	<u>10,187,597</u>	<u>10,558,084</u>
Investments	—	—	6,000,163	6,000,163
Capital assets:				
Land	23,614	—	—	23,614
Buildings	1,058,097	—	—	1,058,097
Improvements other than buildings	684,399	—	—	684,399
Machinery and equipment	235,973	47,889	—	283,862
	<u>2,002,083</u>	<u>47,889</u>	<u>—</u>	<u>2,049,972</u>
Less accumulated depreciation	(1,414,623)	(47,889)	—	(1,462,512)
	<u>587,460</u>	<u>—</u>	<u>—</u>	<u>587,460</u>
Construction in progress	—	—	—	—
Total capital assets (net of accumulated depreciation)	<u>587,460</u>	<u>—</u>	<u>—</u>	<u>587,460</u>
Total assets	<u>911,357</u>	<u>46,590</u>	<u>16,187,760</u>	<u>17,145,707</u>
Liabilities				
Current liabilities:				
Accounts payable	201,031	9,808	484	211,323
Accrued compensated absences and other accrued costs	7,177	1,022	1,456	9,655
Due to other funds	328,047	4,381	—	332,428
Current maturities of long-term debt	33,728	—	—	33,728
Estimated liability for incurred but unreported claims	—	—	2,882,000	2,882,000
Total current liabilities	<u>569,983</u>	<u>15,211</u>	<u>2,883,940</u>	<u>3,469,134</u>
Long-term debt, less current maturities:				
Capitalized lease obligations payable	71,837	—	—	71,837
Accrued compensated absences	151,492	2,384	15,524	169,400
Total long-term liabilities	<u>223,329</u>	<u>2,384</u>	<u>15,524</u>	<u>241,237</u>
Total liabilities	<u>793,312</u>	<u>17,595</u>	<u>2,899,464</u>	<u>3,710,371</u>
Net Position				
Net position:				
Net investment in capital assets	481,895	—	—	481,895
Unrestricted	(363,850)	28,995	13,288,296	12,953,441
Total net position	<u>\$ 118,045</u>	<u>28,995</u>	<u>13,288,296</u>	<u>13,435,336</u>

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
Year ended June 30, 2014

	<u>Service center</u>	<u>Print shop</u>	<u>Self- insurance</u>	<u>Total</u>
Operating revenues:				
Billings to departments	\$ 3,684,363	209,098	5,117,203	9,010,664
Contributions – City	—	—	9,488,692	9,488,692
Contributions – employees	—	—	3,103,932	3,103,932
Miscellaneous	67,407	—	—	67,407
Total operating revenues	<u>3,751,770</u>	<u>209,098</u>	<u>17,709,827</u>	<u>21,670,695</u>
Operating expenses:				
Cost of materials used:				
Beginning inventory	281,453	48,980	—	330,433
Net purchases	2,381,092	62,497	—	2,443,589
	<u>2,662,545</u>	<u>111,477</u>	<u>—</u>	<u>2,774,022</u>
Ending inventory	(323,897)	(46,590)	—	(370,487)
Total cost of materials used	<u>2,338,648</u>	<u>64,887</u>	<u>—</u>	<u>2,403,535</u>
Other operating expenses:				
Personnel services	1,070,716	90,911	290,430	1,452,057
Charges for services	370,436	597	13,196,466	13,567,499
Rent	—	39,227	—	39,227
Depreciation	67,870	723	—	68,593
Total other operating expenses	<u>1,509,022</u>	<u>131,458</u>	<u>13,486,896</u>	<u>15,127,376</u>
Total operating expenses	<u>3,847,670</u>	<u>196,345</u>	<u>13,486,896</u>	<u>17,530,911</u>
Operating income (loss)	(95,900)	12,753	4,222,931	4,139,784
Nonoperating revenues (expenses)	(6,068)	66	96,209	90,207
Income (loss) before transfers	(101,968)	12,819	4,319,140	4,229,991
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Change in net position	(101,968)	12,819	4,319,140	4,229,991
Total net position – beginning, as restated	220,013	16,176	8,969,156	9,205,345
Total net position – ending	<u>\$ 118,045</u>	<u>28,995</u>	<u>13,288,296</u>	<u>13,435,336</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Internal Service Funds

Year ended June 30, 2014

	<u>Service center</u>	<u>Print shop</u>	<u>Self- insurance</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from users	\$ 3,751,770	209,098	17,709,827	21,670,695
Cash paid to suppliers	(2,641,880)	(117,483)	(12,768,712)	(15,528,075)
Cash paid to employees	(1,071,475)	(91,681)	(285,825)	(1,448,981)
Net cash provided by (used in) operating activities	<u>38,415</u>	<u>(66)</u>	<u>4,655,290</u>	<u>4,693,639</u>
Cash flows from noncapital financing activities:				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Net cash provided by noncapital financing activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Cash flows from capital and related financing activities:				
Interest paid on long-term debt obligations	(5,489)	—	—	(5,489)
Principal payments made on long-term capital lease	(32,347)	—	—	(32,347)
Proceeds from sale of capital assets	236	—	—	236
Net cash used in capital and related financing activities	<u>(37,600)</u>	<u>—</u>	<u>—</u>	<u>(37,600)</u>
Cash flows provided by investing activities:				
Sale of investments	—	—	3,912,987	3,912,987
Purchase of investments	—	—	(8,827,972)	(8,827,972)
Interest received	(815)	66	89,521	88,772
Net cash provided by (used in) investing activities	<u>(815)</u>	<u>66</u>	<u>(4,825,464)</u>	<u>(4,826,213)</u>
Net decrease in cash and cash equivalents	—	—	(170,174)	(170,174)
Cash and cash equivalents, beginning of year	—	—	574,722	574,722
Cash and cash equivalents, end of year	\$ <u>—</u>	\$ <u>—</u>	\$ <u>404,548</u>	\$ <u>404,548</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (95,900)	12,753	4,222,931	4,139,784
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	67,870	723	—	68,593
Decrease (increase) in:				
Inventories	(42,444)	2,390	—	(40,054)
Increase (decrease) in:				
Accounts payable	129,869	5,159	(10,246)	124,782
Due to other fund	(20,221)	(20,321)	—	(40,542)
Estimated liability for incurred but unreported claims	—	—	438,000	438,000
Accrued compensated absences	(759)	(770)	4,605	3,076
Total adjustments	<u>134,315</u>	<u>(12,819)</u>	<u>432,359</u>	<u>553,855</u>
Net cash provided by (used in) operating activities	\$ <u>38,415</u>	\$ <u>(66)</u>	\$ <u>4,655,290</u>	\$ <u>4,693,639</u>

CITY OF SPRINGFIELD, MISSOURI

Agency Funds

Cooper Tennis Trust – This agency fund accounts for the assets and liabilities of the Cooper Tennis Trust Fund, which provides for the maintenance of Cooper Park.

Municipal Court Bond – This agency fund was created to account for cash bonds received at the Municipal Court.

Revolving Payroll Fund – This agency fund accounts for the liability transactions of the City's payroll system.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Fiduciary Assets and Liabilities

Agency Funds

Year ended June 30, 2014

	June 30, 2013	Additions	Deductions	June 30, 2014
Cooper Tennis Trust				
Assets:				
Cash and short-term investments	\$ 82,186	406	712	81,880
Accrued interest receivable	399	418	406	411
	<u>\$ 82,585</u>	<u>824</u>	<u>1,118</u>	<u>82,291</u>
Liabilities:				
Accounts payable	\$ —	9,275	675	8,600
Escrows payable	82,585	381	9,275	73,691
	<u>\$ 82,585</u>	<u>9,656</u>	<u>9,950</u>	<u>82,291</u>
Municipal Court Bond				
Assets:				
Cash and short-term investments	\$ 42,295	145,097	158,039	29,353
Liabilities:				
Municipal court bond deposits	\$ 42,295	145,097	158,039	29,353
Revolving Payroll				
Assets:				
Cash and short-term investments	\$ 5,715,281	96,798,126	96,048,352	6,465,055
Liabilities:				
Accounts payable	\$ 5,715,281	96,798,126	96,048,352	6,465,055
Total				
Assets				
Cash and short-term investments	\$ 5,839,762	96,943,629	96,207,103	6,576,288
Accrued interest receivable	399	418	406	411
Total assets	<u>\$ 5,840,161</u>	<u>96,944,047</u>	<u>96,207,509</u>	<u>6,576,699</u>
Liabilities				
Accounts payable	\$ 5,715,281	96,807,401	96,049,027	6,473,655
Escrows payable	82,585	381	9,275	73,691
Municipal court bond deposits	42,295	145,097	158,039	29,353
Total liabilities	<u>\$ 5,840,161</u>	<u>96,952,879</u>	<u>96,216,341</u>	<u>6,576,699</u>

STATISTICAL SECTION

CITY OF SPRINGFIELD, MISSOURI

Statistical Section (Unaudited)

June 30, 2014

This part of the City'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 City's overall financial health.

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	133
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source: sales tax and property tax.	138
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	147
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities takes place.	152
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	154

Sources: Unless otherwise noted, the information in these pages are derived from the comprehensive financial reports for the relevant year.

CITY OF SPRINGFIELD, MISSOURI

Net Position by Component

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
Net investment in capital assets	\$ 300,622,699	285,669,060	268,253,358	242,388,274	225,399,885	213,844,995	195,800,846	174,876,106	164,639,133	86,131,536
Restricted	13,601,071	12,759,802	11,311,526	11,201,533	29,676,471	11,186,124	13,089,397	24,108,442	17,070,634	1,951,935
Unrestricted	239,138,014	227,600,330	215,963,384	204,731,421	156,671,464	142,996,539	136,417,853	109,257,747	106,730,542	104,090,927
Total governmental activities net position	\$ 553,361,784	526,029,192	495,528,268	458,321,228	411,747,820	368,027,658	345,308,096	308,242,295	288,440,309	192,174,398
Business-type activities:										
Net investment in capital assets	\$ 279,503,145	289,918,876	288,316,613	287,230,156	277,015,252	269,076,772	252,226,189	232,573,119	227,393,436	210,991,194
Restricted	45,165,696	42,741,949	51,628,033	51,157,918	60,829,311	67,216,747	78,587,252	72,750,045	60,565,783	68,224,833
Unrestricted	44,998,191	33,511,154	23,456,183	20,856,957	19,433,461	20,121,775	25,544,359	26,345,242	28,509,364	30,597,545
Total business-type activities net position	\$ 369,667,032	366,171,979	363,400,829	359,245,031	357,278,024	356,415,294	356,357,800	331,668,406	316,468,583	309,813,572
Primary government:										
Net investment in capital assets	\$ 580,125,844	575,587,936	556,569,971	529,618,430	502,415,137	482,921,767	448,027,035	407,449,225	392,032,569	297,122,730
Restricted	58,766,767	55,501,751	62,939,559	62,359,451	90,505,782	78,402,871	91,676,649	96,858,487	77,636,417	70,176,768
Unrestricted	284,136,205	261,111,484	239,419,567	225,588,378	176,104,925	163,118,314	161,962,212	135,602,989	135,239,906	134,688,472
Total primary government net position	\$ 923,028,816	892,201,171	858,929,097	817,566,259	769,025,844	724,442,952	701,665,896	639,910,701	604,908,892	501,987,970

Note: The City implemented GASB 65 in fiscal year 2014. Amounts reported for fiscal year 2013 and prior have not been restated for the impact for GASB 65.

CITY OF SPRINGFIELD, MISSOURI

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental activities:										
Public works	\$ 41,233,375	36,275,215	44,250,868	45,400,527	34,859,486	27,969,820	31,916,652	49,326,110	37,050,496	24,009,499
Public safety	77,185,379	76,025,254	62,258,803	62,112,431	46,497,285	57,549,207	58,530,161	57,624,424	52,175,803	55,760,655
Parks and recreation	28,024,993	29,620,403	26,636,615	22,464,529	26,248,432	33,143,708	25,376,473	28,603,613	27,533,355	23,094,617
Planning and development	5,851,714	1,982,132	3,488,471	4,622,684	4,906,319	4,075,654	11,105,763	9,021,386	8,415,927	7,416,310
Public health	9,193,588	9,106,989	8,871,778	9,777,957	9,830,580	9,171,894	8,738,418	8,519,006	8,166,374	7,989,157
General government	22,244,989	21,438,543	20,666,186	19,855,484	33,827,629	32,918,321	26,066,803	20,065,380	11,551,473	19,810,593
Interest on long-term debt	6,215,928	7,048,600	6,907,856	7,078,207	7,793,051	9,660,983	9,548,847	9,205,652	9,937,801	9,398,355
Total governmental activities expenses	189,949,966	181,497,136	173,080,577	171,311,819	163,962,782	174,489,587	171,283,117	182,365,571	154,831,229	147,479,186
Business-type activities:										
Airport	26,743,391	26,679,940	27,431,629	26,299,309	24,484,185	21,894,134	20,141,544	16,936,734	14,451,683	13,729,355
Sanitary sewerage system	28,250,741	28,092,930	28,201,357	28,584,451	27,946,870	28,115,438	26,179,452	25,926,532	23,172,598	22,730,934
Refuse disposal	5,817,642	5,557,048	5,343,805	4,956,859	4,884,107	4,788,815	4,274,538	4,089,109	3,921,758	4,098,788
Golf	2,967,873	2,867,487	2,845,568	2,954,961	3,040,537	3,148,843	3,133,182	3,200,689	3,149,073	3,134,021
Total business-type activities expenses	63,779,647	63,197,405	63,822,359	62,795,580	60,355,699	57,947,230	53,728,716	50,153,064	44,695,112	43,693,098
Total primary government expenses	\$ 253,729,613	236,902,936	234,107,399	224,318,481	232,436,817	225,011,833	232,518,635	199,526,341	191,172,284	188,774,856
Program revenues:										
Governmental activities:										
Charges for services:										
Public works	\$ 1,629,434	2,688,949	2,053,209	2,063,706	1,924,708	2,852,717	2,762,320	2,769,883	3,233,278	530,291
Public safety	3,404,417	3,993,876	3,618,514	2,967,779	3,250,564	3,123,677	3,144,073	3,244,951	2,127,471	3,177,231
Parks and recreation	7,790,288	8,518,100	6,142,569	5,992,855	5,257,938	5,195,191	6,246,333	4,929,347	3,976,469	3,871,740
Planning and development	65,115	75,603	52,246	34,479	1,210,144	2,375,998	6,213,016	9,668,116	3,157,028	—
Public health	2,176,914	2,109,987	1,563,174	1,446,226	1,258,571	1,451,688	828,248	692,394	933,014	1,070,553
General government	7,009,319	8,278,245	6,730,789	5,754,324	3,835,684	3,483,610	3,578,849	3,509,216	3,421,680	—
Operating grants and contributions	20,722,308	22,519,031	21,388,523	23,649,885	25,335,833	18,683,731	22,525,678	35,735,348	18,430,104	19,726,506
Capital grants and contributions	5,120,949	1,136,546	9,136,015	15,437,871	12,119,232	10,569,721	5,807,856	2,517,362	352,258	3,434,202
Total governmental activities program revenues	47,918,744	49,320,337	50,685,039	57,347,125	54,192,674	47,736,333	51,106,373	63,066,617	35,631,302	31,810,523
Business-type activities:										
Charges for services:										
Airport	15,448,866	14,299,805	14,145,418	13,905,661	12,611,539	13,240,073	15,356,997	13,910,213	12,654,174	11,047,454
Sanitary sewerage system	36,305,265	34,516,955	28,103,578	23,774,979	22,964,286	21,683,467	22,274,324	21,641,771	20,555,838	20,741,080
Refuse disposal	6,732,584	6,615,140	6,205,418	5,974,016	5,435,569	4,446,305	3,626,185	3,574,639	3,077,639	2,868,621
Golf	2,662,596	2,689,535	2,893,383	2,785,881	2,806,819	2,986,258	2,934,824	2,993,216	3,033,107	3,077,923
Operating grants and contributions	128,425	261,509	44,132	55,077	438,822	14,548	49,957	216,824	5,107	76,253
Capital grants and contributions	3,849,034	3,282,689	12,872,206	12,896,784	11,400,117	6,378,642	23,912,399	12,959,428	7,706,384	16,359,032
Total business-type activities program revenues	65,126,770	61,665,633	64,264,135	59,392,398	55,657,152	48,749,293	68,154,686	55,296,091	47,032,249	54,170,363
Total primary government program revenues	\$ 113,045,514	110,985,970	114,949,174	116,739,523	109,849,826	96,485,626	119,261,059	118,362,708	82,663,551	85,980,886

Note: The City implemented GASB 65 in fiscal year 2014. Amounts reported for fiscal year 2013 and prior have not been restated for the impact for GASB 65.

CITY OF SPRINGFIELD, MISSOURI
 Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net (expense) revenue:										
Governmental activities	\$ (142,031,222)	(132,176,799)	(122,395,538)	(113,964,694)	(109,770,108)	(126,753,254)	(120,176,744)	(119,298,954)	(119,199,927)	(115,668,663)
Business-type activities	1,347,123	(1,531,772)	441,776	(3,403,182)	(4,698,547)	(9,197,937)	14,425,970	5,143,027	2,337,137	10,477,265
Total primary government expenses	\$ (140,684,099)	(133,708,571)	(121,953,762)	(117,367,876)	(114,468,655)	(135,951,191)	(105,750,774)	(114,155,927)	(116,862,790)	(105,191,398)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	\$ 20,368,798	20,727,916	20,306,635	19,805,808	19,295,218	18,623,987	18,182,658	19,960,727	18,464,584	18,897,464
Sales and use taxes	116,226,539	111,312,248	116,281,248	110,891,582	86,626,144	92,047,390	90,375,991	87,156,142	86,381,607	81,612,470
Franchise taxes	6,246,747	6,517,592	6,869,352	6,484,584	20,655,067	14,933,165	5,950,662	3,773,589	3,190,339	3,095,096
Room taxes	4,202,045	3,871,806	3,835,365	3,541,560	3,349,131	3,594,155	3,630,542	3,690,534	3,215,623	3,058,211
Payments in lieu of taxes	14,050,489	13,122,468	12,421,954	12,482,703	10,813,817	11,281,344	12,333,596	11,760,900	12,071,385	—
Revenues from use of money and property	573,933	569,156	995,738	1,756,765	4,452,530	5,249,935	6,224,393	6,010,603	3,589,052	3,108,056
Other revenue	8,740,579	5,035,910	4,459,691	4,302,874	6,990,946	4,538,216	10,249,051	5,623,944	13,569,544	23,615,618
Transfers	1,352,424	1,520,627	1,619,449	1,272,226	1,307,417	(795,377)	1,415,347	1,124,501	1,044,270	1,055,761
Total governmental activities revenues	171,761,354	162,677,723	166,789,432	160,538,102	153,490,270	149,472,815	148,362,240	139,100,940	141,526,404	134,442,676
Business-type activities:										
Revenues from use of money and property	2,194,288	2,571,111	2,014,623	3,467,004	4,131,898	6,025,949	9,597,139	7,136,715	4,175,718	3,939,945
Other revenue	3,572,819	3,252,438	3,318,848	3,175,411	2,736,796	2,434,105	2,081,632	4,044,582	1,186,426	2,567,816
Transfers	(1,352,424)	(1,520,627)	(1,619,449)	(1,272,226)	(1,307,417)	795,377	(1,415,347)	(1,124,501)	(1,044,270)	(1,055,761)
Total business-type activities revenues	4,414,683	4,302,922	3,714,022	5,370,189	5,561,277	9,255,431	10,263,424	10,056,796	4,317,874	5,452,000
Total primary government revenues	176,176,237	166,980,645	170,503,454	165,908,291	159,051,547	158,728,246	158,625,664	149,157,736	145,844,278	139,894,676
Changes in net position:										
Governmental activities	29,730,332	30,500,924	44,393,894	46,573,408	43,720,162	22,719,561	28,185,496	19,801,986	22,326,477	18,774,013
Business-type activities	5,761,806	2,771,150	4,155,798	1,967,007	862,730	57,494	24,689,394	15,199,823	6,655,011	15,929,265
Total primary government	\$ 35,492,138	33,272,074	48,549,692	48,540,415	44,582,892	22,777,055	52,874,890	35,001,809	28,981,488	34,703,278

Note: The City implemented GASB 65 in fiscal year 2014. Amounts reported for fiscal year 2013 and prior have not been restated for the impact for GASB 65.

CITY OF SPRINGFIELD, MISSOURI

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	<u>Fiscal year</u> <u>2011</u>	<u>Fiscal year</u> <u>2012</u>	<u>Fiscal year</u> <u>2013</u>	<u>Fiscal year</u> <u>2014</u>
General fund:				
Nonspendable	\$ 17,309	24,128	23,175	24,928
Restricted	—	—	—	—
Committed	14,000,000	14,600,000	14,800,000	15,400,000
Assigned	2,788,666	5,732,605	7,421,316	10,154,587
Unassigned	—	—	—	—
Total general fund	<u>\$ 16,805,975</u>	<u>20,356,733</u>	<u>22,244,491</u>	<u>25,579,515</u>
All other governmental funds:				
Nonspendable	\$ 44,429,578	46,175,698	44,929,431	43,417,074
Restricted	85,736,829	86,310,911	82,836,496	73,141,855
Committed	26,103,063	23,617,145	22,065,506	21,192,650
Assigned	3,051,612	2,633,940	3,739,685	5,526,721
Unassigned	(501,428)	(206,659)	(186,544)	(328,844)
Total all other governmental funds	<u>\$ 158,819,654</u>	<u>158,531,035</u>	<u>153,384,574</u>	<u>142,949,456</u>

Note: The City implemented GASB 54 Fund Balance Reporting and Governmental Fund Type Definition in fiscal year 2011.

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Fiscal year</u>	
					<u>2009</u>	<u>2010</u>
General fund:						
Reserved	\$ 1,290,886	1,252,700	2,032,245	271,656	949,192	235,761
Unreserved	7,939,189	11,347,936	11,106,497	20,017,372	11,444,477	12,504,609
Total general fund	<u>\$ 9,230,075</u>	<u>12,600,636</u>	<u>13,138,742</u>	<u>20,289,028</u>	<u>12,393,669</u>	<u>12,740,370</u>
All other governmental funds:						
Reserved	\$ 23,801,620	32,244,961	60,312,382	75,046,316	73,604,239	81,330,348
Unreserved, reported in:						
Special revenue funds	14,314,779	16,531,043	10,140,390	13,589,177	14,805,266	18,126,584
Debt service funds	37,410,504	17,424,713	16,327,800	20,627,966	21,251,808	19,603,637
Capital projects funds	25,768,809	31,756,019	20,686,732	34,778,584	41,299,865	42,825,262
Permanent funds	1,629,747	71,962	118,248	55,190	56,737	45,746
Total all other governmental funds	<u>\$ 102,925,459</u>	<u>98,028,698</u>	<u>107,585,552</u>	<u>144,097,233</u>	<u>151,017,915</u>	<u>161,931,577</u>

CITY OF SPRINGFIELD, MISSOURI
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes (see schedule 5)	\$ 100,258,445	107,065,863	111,848,117	116,652,030	121,616,029	129,341,041	140,013,422	147,322,333	142,190,633	146,805,271
Licenses and permits	3,144,633	3,421,680	3,467,686	3,518,631	3,429,113	3,326,835	3,366,361	3,395,849	3,617,633	4,808,605
Intergovernmental	23,160,702	18,782,362	38,252,710	28,333,534	35,722,964	37,455,065	34,859,729	31,371,296	29,338,794	26,204,790
Charges for services	8,649,815	9,170,031	8,894,450	11,102,281	11,306,221	10,471,421	10,402,016	11,790,000	11,519,006	11,904,562
Fines and forfeitures	1,987,547	1,925,595	1,836,831	2,179,581	2,204,090	1,983,650	1,603,992	1,563,100	1,539,713	1,471,874
Special assessments	1,507,152	2,331,634	2,098,697	1,309,265	1,543,457	1,216,033	830,239	1,433,729	919,225	618,573
Revenues from use of money and property	3,108,056	3,589,052	6,010,603	6,224,393	5,249,935	4,452,530	1,756,765	945,068	569,156	573,933
Payments in lieu of taxes	9,847,279	12,071,385	11,760,900	12,333,596	11,281,344	10,813,817	12,388,406	12,428,289	13,122,468	14,050,489
Other	7,129,008	10,138,029	9,521,360	13,020,661	15,044,757	7,107,171	4,521,485	6,127,679	6,000,109	8,740,579
Total revenues	158,792,637	168,495,631	193,691,354	194,673,972	207,397,910	206,167,563	209,742,415	216,377,343	208,816,737	215,178,676
Expenditures:										
Public works	14,926,330	21,550,644	32,003,539	17,918,943	18,711,949	16,194,816	16,199,038	17,757,303	17,648,506	19,370,004
Public safety	50,164,194	48,056,652	50,722,025	53,920,346	60,283,541	62,914,318	81,833,993	85,374,301	87,970,286	90,226,165
Parks and recreation	14,351,498	15,123,942	19,560,236	22,122,692	21,850,274	21,525,095	22,180,338	23,371,235	26,055,206	26,881,139
Planning and development	7,375,018	7,772,186	7,550,961	8,983,094	3,647,771	4,347,363	4,605,601	3,364,281	4,665,659	3,666,423
Public health	7,971,289	7,985,907	8,378,475	8,829,840	9,515,085	9,699,677	9,710,923	9,044,293	8,920,858	9,092,519
General government	18,788,712	18,803,721	20,745,433	23,913,882	30,145,811	33,394,353	19,018,548	21,040,608	22,676,059	23,018,539
Debt service:										
Principal	10,207,174	16,631,779	12,855,994	9,181,993	18,238,145	6,732,441	12,203,120	11,620,180	9,589,514	9,441,953
Advance bond refunding	—	—	—	—	—	4,291,747	—	—	—	227,097
Interest and other charges	8,968,007	10,100,744	9,323,149	9,421,255	9,632,411	8,492,826	6,906,682	6,847,507	6,752,525	6,078,224
Capital outlay	43,039,434	37,464,372	49,371,023	48,799,593	42,378,279	32,240,726	37,175,462	39,585,139	30,444,454	33,238,343
Total expenditures	175,791,656	183,489,947	210,510,835	203,091,638	214,403,266	199,833,362	209,833,705	218,004,847	214,723,067	221,240,406
Excess of revenues over (under) expenditures	(16,999,019)	(14,994,316)	(16,819,481)	(8,417,666)	(7,005,356)	6,334,201	(91,290)	(1,627,504)	(5,906,330)	(6,061,730)
Other financing sources (uses):										
Bond proceeds	3,966,614	12,505,000	25,895,000	10,953,000	5,005,000	3,335,000	—	2,480,000	497,000	—
Bond premium (discount)	—	(81,154)	(30,060)	129,326	(18,745)	410,361	—	438,280	—	1,151,278
Issuance of refunding bonds	—	—	—	—	—	18,335,000	—	7,260,000	—	13,645,000
Loan proceeds	—	—	—	—	—	—	—	—	—	—
Capital lease proceeds	715,000	—	—	—	—	—	—	—	630,000	520,000
Payment to escrow agent	—	—	—	—	—	(18,393,616)	—	(7,335,000)	—	(17,707,066)
Transfers in	19,102,873	21,700,332	31,204,740	36,082,858	29,507,083	27,185,293	25,172,496	21,879,950	22,171,624	25,116,425
Transfers out	(18,047,112)	(20,656,062)	(30,155,239)	(34,877,511)	(28,462,659)	(25,945,876)	(24,127,524)	(20,170,343)	(20,650,997)	(23,764,001)
Total other financing sources	5,737,375	13,468,116	26,914,441	12,287,673	6,030,679	4,926,162	1,044,972	4,552,887	2,647,627	(1,038,364)
Net change in fund balances	\$ (11,261,644)	(1,526,200)	10,094,960	3,870,007	(974,677)	11,260,363	953,682	2,925,383	(3,258,703)	(7,100,094)
Debt service as a percentage of noncapital expenditures	14.4%	18.3%	13.8%	12.1%	16.2%	9.1%	11.1%	10.4%	8.9%	8.3%

Schedule 5

CITY OF SPRINGFIELD, MISSOURI
 Tax Revenues by Source, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

<u>Fiscal year</u>	<u>Sales</u>	<u>Use</u>	<u>Property</u>	<u>Franchise</u>	<u>Cigarette</u>	<u>Room</u>	<u>Total</u>
2005	\$ 52,150,223	2,048,961	15,457,530	3,095,096	970,337	3,133,413	76,855,560
2006	55,681,447	2,244,616	16,568,231	3,190,339	999,955	3,215,623	81,900,211
2007	57,847,933	2,643,994	16,256,783	3,773,589	1,021,008	3,690,534	85,233,841
2008	85,484,019	2,471,617	18,120,933	5,950,662	994,257	3,630,542	116,652,030
2009	87,474,100	2,534,494	18,251,608	14,933,165	953,882	3,594,155	127,741,404
2010	83,583,607	2,164,286	18,710,699	20,655,067	878,252	3,349,130	129,341,041
2011	106,459,699	2,862,923	19,338,095	6,951,168	859,977	3,541,560	140,013,422
2012	112,526,787	3,220,884	20,018,747	6,900,026	820,524	3,835,365	147,322,333
2013	107,000,763	3,504,354	20,488,987	6,517,592	807,131	3,871,806	142,190,633
2014	111,983,975	3,449,893	20,129,940	6,246,747	792,671	4,202,045	146,805,271

Change:							
2005 – 2014	114.73%	68.37%	30.23%	101.83%	-18.31%	34.10%	91.01%

Notes:
 (a) Includes General, Special Revenue, and Debt Service Funds.

CITY OF SPRINGFIELD, MISSOURI

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(In thousands of dollars)

Fiscal year	Real property	Personal property	Total taxable assessed property	Total direct tax rate	Estimated actual taxable value	Taxable assessed value as a percentage of actual taxable value
2005	1,765,691	456,127	2,221,818	0.6258	8,882,190	0.250
2006	1,764,920	463,584	2,228,504	0.6086	9,036,367	0.247
2007	1,804,415	494,013	2,298,428	0.6116	9,693,363	0.237
2008	1,923,933	513,677	2,437,610	0.6072	9,765,426	0.250
2009	1,969,016	526,354	2,495,370	0.6072	9,993,140	0.250
2010	2,066,429	510,448	2,580,538	0.6016	10,317,063	0.250
2011	2,117,976	501,174	2,619,150	0.6016	10,465,680	0.250
2012	2,225,110	497,276	2,722,386	0.6009	10,846,541	0.251
2013	2,245,061	492,290	2,737,351	0.6083	10,900,210	0.251
2014	2,188,816	467,758	2,656,574	0.6144	10,605,017	0.251

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of assessed value)

Fiscal year	City direct rates					Total direct rate
	Art Museum	Parks	Health	Combined debt service		
2005	\$ 0.0394	0.1880	0.1284	0.2700	0.6258	
2006	0.0383	0.1830	0.1248	0.2625	0.6086	
2007	0.0378	0.1809	0.1234	0.2595	0.6016	
2008	0.0382	0.1826	0.1245	0.2619	0.6072	
2009	0.0382	0.1826	0.1245	0.2619	0.6072	
2010	0.0378	0.1809	0.1234	0.2595	0.6016	
2011	0.0378	0.1809	0.1234	0.2595	0.6016	
2012	0.0378	0.1807	0.1232	0.2592	0.6009	
2013	0.0383	0.1829	0.1247	0.2624	0.6083	
2014	0.0388	0.1852	0.1262	0.2642	0.6144	

CITY OF SPRINGFIELD, MISSOURI
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (Rate per \$100 of assessed value)

Fiscal year	Overlapping rates							
	Springfield R-12 School District	Greene County	Greene County Road and Bridge	Senior Citizens' Services	Sheltered Workshop	Springfield-Greene Count Library	Vocational College District	State of Missouri
2005	\$ 3.3735	0.1010	0.1010	—	0.0488	0.2547	0.1458	0.0300
2006	3.3330	0.1099	0.1099	0.0500	0.0470	0.2455	0.1406	0.0300
2007	3.5556	0.0961	0.0961	0.0500	0.0470	0.2455	0.1406	0.0300
2008	3.6187	0.1074	0.1074	0.0492	0.0462	0.2414	0.1412	0.0300
2009	3.6192	0.1074	0.1074	0.0492	0.0462	0.2414	0.1398	0.0300
2010	3.6223	0.1262	0.1262	0.0492	0.0462	0.2142	0.1396	0.0300
2011	3.6226	0.1321	0.1321	0.0492	0.0462	0.2412	0.1396	0.0300
2012	3.6369	0.1307	0.1307	0.0493	0.0463	0.2418	0.1405	0.0300
2013	3.6990	0.1206	0.1206	0.0496	0.0466	0.2433	0.1408	0.0300
2014	3.9095	0.1370	0.1370	0.0500	0.0473	0.2469	0.1479	0.0300

Schedule 8

**CITY OF SPRINGFIELD, MISSOURI
Principal Property Tax Payors
Current Year and Nine Years Ago**

Taxpayer	2014		2005	
	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value
St Johns Health Systems	\$ 19,660,630	0.72%	\$ 12,933,510	0.58%
Hammons, John Q	19,530,860	0.71%	2,334,750	0.10%
Hermel, Inc	14,930,920	0.55%	10,279,100	0.46%
Jones, Jerral W Et al	10,605,591	0.39%	6,186,640	0.28%
Lester E Cox Medical Center	9,333,170	0.34%	6,694,980	0.30%
Ferrell-Duncan Building Co. LLC	9,105,920	0.33%	5,532,580	0.25%
Battlefield Plaza LLC	7,028,290	0.26%	—	0.00%
James River Office Ctr LLC	5,637,920	0.21%	5,124,260	0.23%
Bass Pro Inc.	5,542,810	0.20%	4,875,040	0.22%
New Prime	5,106,800	0.19%	—	0.00%
Lowes Home Centers	4,973,120	0.18%	5,303,800	0.24%
Bass Pro Outdoor World LLC	4,927,260	0.18%	—	0.00%
	<u>\$ 116,383,291</u>	<u>4.26%</u>	<u>\$ 59,264,660</u>	<u>2.66%</u>

Source: Greene County Assessor. (Beacon website)

CITY OF SPRINGFIELD, MISSOURI

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal year ended June 30	Taxes levied for the fiscal year	Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
		Amount	Percentage of levy		Amount	Percentage of levy
2004	\$ 13,969,589	13,422,584	96%	396,152	13,818,736	99%
2005	15,017,406	14,300,872	95%	500,500	14,801,372	99%
2006	15,507,915	15,060,667	97%	413,834	15,474,501	100%
2007	16,225,988	15,697,796	97%	516,389	16,214,185	100%
2008	16,770,060	16,138,392	96%	532,288	16,670,680	99%
2009	17,208,783	16,491,028	96%	626,594	17,117,622	99%
2010	17,138,916	16,491,028	96%	540,316	17,031,344	99%
2011	18,215,453	17,505,606	96%	477,955	17,983,561	99%
2012	18,499,698	18,060,443	98%	367,684	18,428,127	100%
2013	18,415,587	17,835,012	97%	—	17,835,012	97%

CITY OF SPRINGFIELD, MISSOURI

Taxable Sales by Category

Last Nine Fiscal Years

(Dollars are in thousands)

	2014	2013	2012	2011	Calendar year 2010	2009	2008	2007	2006
Apparel stores	\$ 171,893	174,861	172,720	166,508	163,050	155,170	146,246	63,670	252,152
General merchandise	884,637	866,731	845,434	829,383	832,515	821,033	849,356	853,678	860,249
Food stores	369,686	344,548	355,545	321,988	312,089	323,268	319,481	238,419	260,620
Eating and drinking establishments	489,906	474,811	458,395	433,926	420,717	424,668	419,757	395,061	361,963
Home furnishings and appliances	245,791	236,709	220,000	183,188	185,505	259,922	314,205	245,444	239,828
Building materials and farm tools	307,168	299,922	305,726	275,621	291,156	333,298	456,034	465,446	576,128
Auto dealers and supplies	105,495	106,436	115,648	112,263	109,716	128,079	160,187	101,307	49,557
Service stations	75,782	72,372	74,163	69,324	68,690	65,758	60,684	92,260	53,717
Other retail stores	454,774	470,024	453,490	410,691	418,556	394,890	521,096	521,238	465,810
All other outlets	994,741	936,038	928,573	904,543	878,546	602,101	617,503	1,078,485	832,345
Total	\$ 4,099,873	3,982,452	3,929,694	3,707,435	3,680,540	3,508,187	3,864,549	4,055,008	3,952,369
City direct sales tax rate	2.125%	2.125%	2.125%	2.125%	1.375%	1.375%	1.375%	1.375%	1.375%

Source: Missouri Department of Revenue.

Note: Data not available prior to 2006.

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

Fiscal year	City direct rate	Greene County
2005	1.375%	6.600%
2006	1.375	6.600
2007	1.375	6.600
2008	1.375	6.850
2009	1.375	6.850
2010	1.375	6.850
2011	2.125	7.600
2012	2.125	7.600
2013	2.125	7.600
2014	2.125	7.600

CITY OF SPRINGFIELD, MISSOURI

Principal Sales Taxpayers

June 30, 2014

The City of Springfield, Missouri's largest own-source revenue is sales taxes. According to Missouri State Statutes, the City is required to keep the identity of individual taxpayers confidential. Therefore, the City of Springfield, Missouri is not able to identify the top 10 taxpayers.

For the fiscal year ended June 30, 2014, the City of Springfield's one cent general sales tax generated approximately \$39.2 million in revenue.

Springfield Top Ten Taxpayers by Industry	Tax Collected	% of Total
Department Stores	\$ 7,762,567	19.78%
Eating Establishments	3,948,316	10.06%
Lumber and other Building Materials	2,415,197	6.15%
Grocery Stores	2,190,527	5.58%
Personal Credit Institutions	1,636,223	4.17%
Clothing Stores	1,521,964	3.88%
Motor Vehicle Sales	1,622,497	4.13%
Sporting Goods, Hobby and Specialty Shops	1,050,188	2.68%
Home Furnishing Stores	964,254	2.46%
Convenience Stores	919,439	2.34%
	<u>\$ 24,031,172</u>	<u>61.22%</u>

CITY OF SPRINGFIELD, MISSOURI

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal year	Governmental activities							Business-type activities			Total primary government	Percentage of personal income	Per capita
	General obligation bonds	Special assessment bonds	Certificates of participation	Revenue bonds	Special obligation bonds	Neighborhood improvement district bonds	Capital lease obligations	Loans	Revenue bonds	Notes payable/loans			
2005	\$ 6,085	6,840	19,040	136,659	—	650	1,156	3,912	81,204	39,527	295,073	6.88	1,858
2006	2,800	12,910	13,360	139,364	—	625	857	—	73,374	47,689	290,979	6.90	1,936
2007	2,105	12,185	7,480	140,353	19,375	600	854	—	173,991	51,795	408,738	9.69	2,720
2008	1,545	11,440	5,225	143,842	21,200	575	871	—	166,120	51,992	402,810	9.13	2,603
2009	965	10,675	3,375	134,059	21,200	545	619	—	166,610	48,654	386,702	9.67	2,498
2010	495	13,215	1,315	108,491	39,040	515	436	—	157,630	46,686	367,823	9.25	2,368
2011	—	12,200	845	102,955	34,465	485	327	—	157,517	35,927	344,721	6.81	2,161
2012	—	11,150	—	90,866	39,580	455	212	7,231	185,566	34,554	369,614	6.82	2,256
2013	—	10,060	—	85,100	37,097	425	676	6,959	184,845	31,643	356,805	6.26	2,126
2014	—	8,935	—	63,361	47,652	390	976	—	170,373	28,678	320,365	5.75	1,952

CITY OF SPRINGFIELD, MISSOURI

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal year	General bonded debt outstanding			Percentage of actual taxable value of property	Per capita	Total taxable assessed property	Population
	General obligation bonds	Special assessment bonds	Total				
2005	\$ 6,085	6,840	12,925	0.58	81.38	2,221,818	158,828
2006	2,800	12,910	15,710	0.70	104.53	2,257,436	150,298
2007	2,105	12,185	14,290	0.62	94.27	2,298,428	151,580
2008	1,545	11,440	12,985	0.53	83.89	2,437,610	154,777
2009	965	10,675	11,640	0.47	75.20	2,495,370	154,777
2010	495	13,215	13,710	0.53	87.13	2,580,538	157,360
2011	—	12,200	12,200	0.47	76.49	2,615,567	159,498
2012	—	11,150	11,150	0.41	69.40	2,722,386	160,660
2013	—	10,060	10,060	0.37	62.03	2,737,351	162,191
2014	—	8,935	8,935	0.34	54.44	2,656,575	164,122

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Governmental Activities Debt

June 30, 2014

(Dollars in thousands)

<u>Governmental unit</u>	<u>Debt outstanding</u>	<u>Estimated percentage applicable</u>	<u>Estimated share of direct and overlapping debt</u>
Debt repaid with property taxes:			
Springfield R-12 School District	\$ 348,740	81.71%	\$ 284,955
Ozarks Technical Community College	35,917	45.92%	16,493
Greene County	49,842	61.71%	30,757
Greene County Library District	2,690	61.71%	<u>1,660</u>
Subtotal, overlapping debt			333,865
City direct debt			<u>121,315</u>
Total direct and overlapping debt			<u><u>\$ 455,180</u></u>

Note: Greene County total debt includes \$16.1 million in short-term notes.

CITY OF SPRINGFIELD, MISSOURI

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	\$ 2,656,575
Debt limit (30% of assessed value)	\$ 796,972
Debt applicable to limit:	
Total bonded debt:	
General obligation and special assessment	120,338
Less amount in debt service funds available for retirement of general obligation debt	(7,874)
Public building corporation bonds outstanding	(32,136)
Center city development corporation bonds outstanding	(25,905)
Land clearance for redevelopment authority bonds outstanding	(5,320)
Special obligation bonds outstanding	(47,652)
Total net debt applicable to limit	1,451
Legal debt margin	\$ 795,521

	Fiscal year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 601,915	666,545	689,528	731,283	748,611	774,161	784,670	816,716	821,205	796,972
Total net debt applicable to limit	17,602	16,363	4,593	2,382	494	3,307	2,920	3,552	4,237	1,451
Legal debt margin	\$ 584,313	# 650,182	# 684,935	# 728,901	# 748,117	# 770,854	# 781,750	# 813,164	# 816,968	# 795,521
Total net debt applicable to the limit as a percentage of debt limit	2.92%	2.45%	0.67%	0.33%	0.07%	0.43%	0.37%	0.43%	0.52%	0.18%

CITY OF SPRINGFIELD, MISSOURI

Pledged-Revenue Coverage

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year	Sanitary sewerage revenue bond coverage						National airport revenue bond coverage						Special assessment bonds			
	Gross revenues	Less operating expense	Net available revenue	Debt service		Coverage	Operating contributions	Non-operating contributions	Net available revenue	Debt service		Coverage	Special assessment revenue	Debt service		Coverage
				Principal	Interest					Principal	Interest			Principal	Interest	
2005	\$ 20,741	10,918	9,823	2,559	3,933	1.51	3,491	—	3,491	545	213	4.61	1,566	100	308	3.84
2006	20,556	10,609	9,947	3,370	3,889	1.37	4,351	—	4,351	4,015	189	1.03	2,542	290	353	3.95
2007	21,642	13,892	7,750	3,692	3,812	1.03	5,121	—	5,121	—	—	—	2,435	560	434	2.45
2008	22,248	13,055	9,193	4,126	785	1.87	9,466	2,898	12,364	3,300	4,713	1.54	1,804	750	551	1.39
2009	21,599	14,693	6,906	4,674	1,141	1.19	2,500	5,052	7,552	1,400	4,416	1.30	1,997	770	529	1.54
2010	22,856	14,128	8,728	4,938	1,221	1.42	3,769	5,206	8,975	1,720	4,673	1.40	1,590	795	508	1.22
2011	23,775	15,025	8,750	5,036	1,067	1.43	3,065	5,028	8,093	1,970	4,675	1.22	1,030	1,045	551	0.65
2012	28,104	14,786	13,318	2,775	1,245	3.31	3,524	4,751	8,275	2,095	4,579	1.24	1,442	1,080	495	0.92
2013	34,293	13,797	20,496	5,527	1,757	2.81	3,125	4,613	7,738	2,265	4,139	1.21	868	1,120	477	0.54
2014	36,075	15,728	20,347	6,205	2,115	2.45	4,066	4,912	8,978	2,425	4,359	1.32	567	1,160	442	0.35

CITY OF SPRINGFIELD, MISSOURI

Demographic and Economic Statistics

Last Ten Calendar Years

Fiscal year	Population	Personal income	Per capita personal income	Median age	Education level in years of schooling	Public school enrollment	Unemployment rate
2005	150,298	\$ 4,219,616	28,075	34.90	13	24,285	4.0%
2006	150,797	4,448,512	29,500	34.90	13	24,257	4.2
2007	151,580	4,204,526	27,738	33.50	13	24,285	4.2
2008	154,777	4,413,930	28,518	34.90	13	23,802	4.9
2009	156,206	4,620,105	29,577	34.90	13	23,942	8.5
2010	157,360	4,702,425	30,104	34.90	13	23,959	8.2
2011	159,498	5,064,699	31,754	34.90	13	24,352	8.2
2012	160,600	5,312,969	33,082	34.90	13	24,876	6.2
2013	162,191	5,505,249	33,943	36.70	13	24,878	6.1
2014	164,122	5,570,793	33,943	36.30	13	24,849	5.7

Source: Information provided by the Springfield Area Chamber of Commerce, Springfield, Missouri.

CITY OF SPRINGFIELD, MISSOURI

Principal Employers

Current Year and Three Years Ago

	2014		2011	
	Employees	Percentage of total city employment	Employees	Percentage of total city employment
Employer:				
St Johns Health System (Mercy Health Systems)	9,004	4.02%	9,036	4.12%
Cox Health Systems	7,891	3.52%	6,267	2.86%
Wal-Mart Stores	3,567	1.59%	4,000	1.82%
Springfield Public Schools	3,206	1.43%	2,911	1.33%
Missouri State University	2,583	1.15%	2,149	0.98%
Bass Pro Shops/Tracker Marine	2,554	1.14%	2,363	1.08%
United States Government	2,400	1.07%	2,500	1.14%
State of Missouri	2,326	1.04%	2,306	1.05%
Citizens Memorial Health Care	1,900	0.85%	1,600	0.87%
City of Springfield	1,607	0.72%	1,526	0.70%
O'Reilly Auto Parts	1,458	0.65%	1,673	0.76%
Chase Card Services	1,397	0.62%	1,250	0.57%
	39,893	17.80%	37,581	17.28%

CITY OF SPRINGFIELD, MISSOURI
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General operating fund departments:										
Building development services	33.00	33.00	28.00	29.00	29.00	29.00	28.00	28.00	28.00	28.00
City attorney	21.00	21.00	19.00	19.00	19.00	19.00	20.00	20.00	18.00	18.00
City clerk	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
City manager	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Finance	36.00	36.00	35.00	35.00	35.00	35.00	35.00	34.00	32.00	32.00
Fire	218.00	218.00	205.00	204.00	217.00	217.00	217.00	217.00	217.00	216.00
Human resources	17.00	17.00	16.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Information systems	28.00	28.00	28.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
Mayor and Council	1.00	1.00	1.00	1.00	1.00	1.00	—	—	—	—
Mayor's commission	—	—	—	—	—	2.00	2.00	2.00	2.00	2.00
Municipal court	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Planning and development	19.00	19.00	18.00	18.00	19.00	19.00	18.00	18.00	19.00	18.00
Police	307.00	307.00	308.00	306.00	306.00	306.00	305.00	304.00	398.00	399.00
Public health services	—	—	—	79.00	82.00	82.00	82.00	81.00	81.00	84.00
Public information office	8.00	8.00	7.00	7.00	7.00	7.00	7.00	15.00	14.00	14.00
Public parks	—	—	—	97.00	97.00	97.00	96.00	108.00	127.00	117.00
Public works	96.00	96.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Public works – transportation	—	—	—	99.00	99.00	99.00	100.00	100.00	100.00	99.00
Grants and special revenue funds:										
Art museum	14.00	14.00	14.00	14.00	14.00	14.00	13.00	13.00	13.00	13.00
Emergency communications	73.00	73.00	73.00	73.00	73.00	73.00	61.00	61.00	61.00	60.00
Law enforcement	73.00	73.00	73.00	91.00	91.00	91.00	90.00	98.00	—	—
Public health services	77.00	77.00	79.00	—	1.00	1.00	1.00	1.00	1.00	1.00
Hotel/motel tax	—	—	—	—	—	—	—	—	—	—
Drury/SMSU	10.00	10.00	10.00	10.00	10.00	8.00	8.00	—	—	—
Public parks	84.00	84.00	97.00	—	—	—	—	—	—	—
Parks sales tax	120.00	120.00	82.00	77.00	74.00	74.00	67.00	35.00	—	—
Public works - transportation	102.00	102.00	97.00	—	—	—	—	—	—	—
Telecable	8.00	8.00	8.00	—	—	—	—	—	—	—
Grants:										
Community development	12.00	12.00	12.00	12.00	12.00	12.00	11.00	11.00	10.00	10.00
Fire department	9.00	9.00	13.00	13.00	—	—	—	—	—	—
Home investment	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00
Parks	—	—	—	1.00	—	—	—	—	—	—
Planning	—	—	—	—	5.00	5.00	6.00	7.00	4.00	4.00
Police	22.00	22.00	17.00	2.00	2.00	2.00	2.00	2.00	6.00	6.00
Public health	6.00	6.00	12.00	12.00	10.00	11.00	12.00	12.00	12.00	12.00
Telecable	—	—	—	8.00	8.00	8.00	8.00	8.00	—	—
WIC program	16.00	16.00	14.00	11.00	10.00	10.00	10.00	10.00	8.00	8.00
Workforce development	57.00	57.00	56.00	54.00	54.00	54.00	52.00	49.00	45.00	43.00
Enterprise and internal service funds:										
Golf	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
National airport	93.00	93.00	93.00	93.00	89.00	83.00	82.00	82.00	75.00	75.00
Clean water services	109.00	109.00	85.00	85.00	85.00	85.00	84.00	84.00	84.00	84.00
Solid waste	38.00	38.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	28.00
Print shop	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Self-insurance	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Service center	23.00	23.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Total	<u>1,797.00</u>	<u>1,797.00</u>	<u>1,718.00</u>	<u>1,706.00</u>	<u>1,705.00</u>	<u>1,700.00</u>	<u>1,673.00</u>	<u>1,656.00</u>	<u>1,612.00</u>	<u>1,598.00</u>

Source: City of Springfield Annual Budget.

CITY OF SPRINGFIELD, MISSOURI
 Operating Indicators by Function/Program
 Last Eight Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014
Function/program:								
Public works:								
Street signs manufactured	3,189	4,735	3,609	5,061	5,812	4,291	3,636	2,969
Streets resurfaced (miles)	68	20	26	23	77	46	46	67
Trees maintained (Tree City USA)	20,579	4,200	2,801	2,800	3,500	3,556	4,617	3,127
Street cleaning – curb miles	895	1,100	1,100	3,502	3,502	4,732	1,238	1,062
Street cleaning – times per year	10	5	5	5	12	5	5	5
Right-of-way mowing (acres)	1,080	1,200	1,200	1,200	1,043	3,405	1,050	1,049
Right-of-way mowing – times per year	7	5	5	5	5	5	5	5
Refuse collection:								
Refuse collected (tons per day)	404	361	513	569	659	657	697	673
Sanitary services:								
Average daily sewage treatment (thousands of gallons)	38,500	49,850	48,500	44,150	45,000	31,840	36,360	32,500
Police:								
Moving violations	25,709	30,714	27,534	23,605	11,159	28,231	* 14,374	22,790
Parking violations	4,575	5,931	5,126	4,905	2,748	3,375	* 5,779	4,908
Accident summary	6,915	8,252	8,178	7,887	8,359	8,077	8,031	7,863
Fire:								
Calls for service	15,020	15,801	12,608	13,155	12,828	13,492	14,388	14,923
Smoke detectors installed	751	575	489	490	1,056	719	626	681
Fire safety information contacts	36,623	34,770	32,968	17,551	519	25,126	25,749	30,345
Parks and recreation:								
Rounds of golf played at City golf courses	108,474	101,649	102,584	99,297	100,109	102,458	96,611	93,082
Visitors to the City's Dickerson Park Zoo	173,093	176,557	209,166	213,548	221,959	227,618	221,320	217,633
Admissions to baseball/softball complexes	107,505	121,590	143,602	167,577	169,236	169,166	144,627	125,971
Admissions to City pool facilities	51,662	54,387	46,740	48,630	67,357	95,961	80,127	68,567
Public health:								
Vaccinations provided	20,823	23,510	23,924	23,895	26,052	19,417	13,968	11,913
Public water supply tests	16,735	1,443	1,288	1,040	1,101	1,252	1,157	1,229
Impounded animals	4,076	4,894	5,059	4,566	2,854	3,344	3,221	2,881
Certified copies of birth certificates issued	22,268	17,971	17,510	15,551	15,397	11,918	12,021	13,120
Air monitoring samples collected	49,266	93,344	89,374	86,673	58,363	** —	** —	** —
Licensing division:								
New permanent businesses	1,762	1,603	1,491	1,353	1,304	1,218	1,156	1,339
New temporary businesses	2,979	3,151	3,116	3,263	3,413	3,279	3,695	3,390
Business license renewals	13,105	12,172	11,729	11,780	11,678	11,681	11,727	11,858
Building development services:								
Building permits issued	1,468	1,364	1,034	829	923	923	1,038	957
Building inspections conducted	5,463	4,396	22,163	16,717	12,027	12,459	15,764	7,137
Airport Services: ***								
Aviation activity (total number of flights)				1,484	1,285	1,111	771	759
Aviation activity (total number of passengers)				795,063	766,683	753,084	750,596	799,910
Enplanements				398,152	383,433	376,617	375,249	399,990
Number of Cargo Flights				1,484	1,285	1,111	771	759
Cargo Landed weights				189,378,507	191,260,802	206,758,716	193,570,205	220,913,174

* The police department was unable to obtain statistics for the last five months of the fiscal year due to a computer conversion.

**No longer provided by the Health Department.

***Data was not available prior to 2010

CITY OF SPRINGFIELD, MISSOURI
 Capital Asset Statistics by Function/Program
 Last Eight Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Function/program:								
Public works:								
Dump trucks	59	68	61	62	80	63	59	66
Street sweepers	16	16	16	8	7	7	7	7
Backhoes	9	9	13	15	17	14	13	13
Tractors/mowers	53	49	44	20	23	68	82	58
Police:								
Stations	2	2	2	2	2	2	2	2
Patrol cars	295	236	268	200	151	147	140	147
Fire:								
Stations	11	12	12	12	12	12	12	12
Emergency response vehicles	29	43	48	23	29	22	26	26
Parks:								
Acreage	2,707	2,930	2,961	3,200	3,200	3,200	3,200	3,200
Park facilities	89	93	93	102	102	102	102	102
Baseball diamonds	11	11	11	11	11	11	11	11
Softball diamonds	27	27	27	27	28	28	28	28
Community centers	4	4	4	4	4	4	6	6
Wastewater:								
Sanitary sewers (miles)	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194
Sanitary sewer manholes	26,413	27,619	27,750	27,865	28,054	28,423	28,185	28,193
Storm sewers (miles)	510	520	532	532	637	637	650	652
Treatment capacity (thousands of gallons)	56,000	59,500	65,000	121,000	121,000	168,000	117,000	121,000
Refuse collection:								
Bulldozers	6	5	5	5	5	5	5	5
Compactors	3	2	2	2	2	2	2	2
Loaders	3	2	2	2	2	2	2	2

CITY OF SPRINGFIELD, MISSOURI

Areas Largest Banks and Savings

Last Three Years

(Dollars in thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commerce Bank			
Deposits	\$ 1,189,846	1,180,226	1,106,716
Market Share	14.39%	14.67%	13.93%
Local Offices	12	12	13
Great Southern Bank			
Deposits	1,071,227	995,019	1,159,805
Market Share	12.95%	12.37%	14.59%
Local Offices	24	24	24
Empire Bank			
Deposits	951,532	908,151	952,946
Market Share	11.50%	11.29%	11.65%
Local Offices	21	21	21
Guaranty Bank			
Deposits	485,630	513,283	498,944
Market Share	5.87%	6.38%	6.28%
Local Offices	9	9	9
Liberty Bank			
Deposits	480,361	508,232	542,544
Market Share	5.81%	6.32%	6.83%
Local Offices	10	10	10
Bank of America			
Deposits	385,955	349,880	327,362
Market Share	4.67%	4.35%	4.12%
Local Offices	5	6	6
US Bank			
Deposits	306,512	307,097	287,265
Market Share	3.71%	3.82%	3.61%
Local Offices	13	13	13
BancorpSouth			
Deposits	284,555	297,684	307,976
Market Share	3.44%	3.70%	3.88%
Local Offices	6	6	6
Springfield First Community Bank			
Deposits	264,126	270,227	239,391
Market Share	3.19%	3.36%	3.01%
Local Offices	1	1	1
Oakstar Bank			
Deposits	247,085	199,827	170,793
Market Share	2.99%	2.48%	2.15%
Local Offices	1	2	1