

CITY OF SPRINGFIELD, MISSOURI

Comprehensive Annual Financial Report

June 30, 2015

CITY OF SPRINGFIELD, MISSOURI
Comprehensive Annual Financial Report
Fiscal Year July 1, 2014 through June 30, 2015

Mayor

Robert L. Stephens

City Council

<i>Phyllis Ferguson</i>	<i>Zone 1</i>
<i>Justin Burnett</i>	<i>Zone 2</i>
<i>Mike Schilling</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>Kristi Fulnecky</i>	<i>General (C)</i>
<i>Ken McClure</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>Anita Cotter</i>	<i>City Clerk</i>
<i>Dan Smith</i>	<i>Director 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>Mary Lilly Smith</i>	<i>Director of Planning and Development</i>
<i>Sarah Kerner</i>	<i>Interim Director of Economic Development</i>
<i>Brian Weiler</i>	<i>Director of Aviation</i>
<i>Mary Ann Rojas</i>	<i>Director of Workforce 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>Doug Stone</i>	<i>Director of Risk Management</i>

CITY OF SPRINGFIELD, MISSOURI

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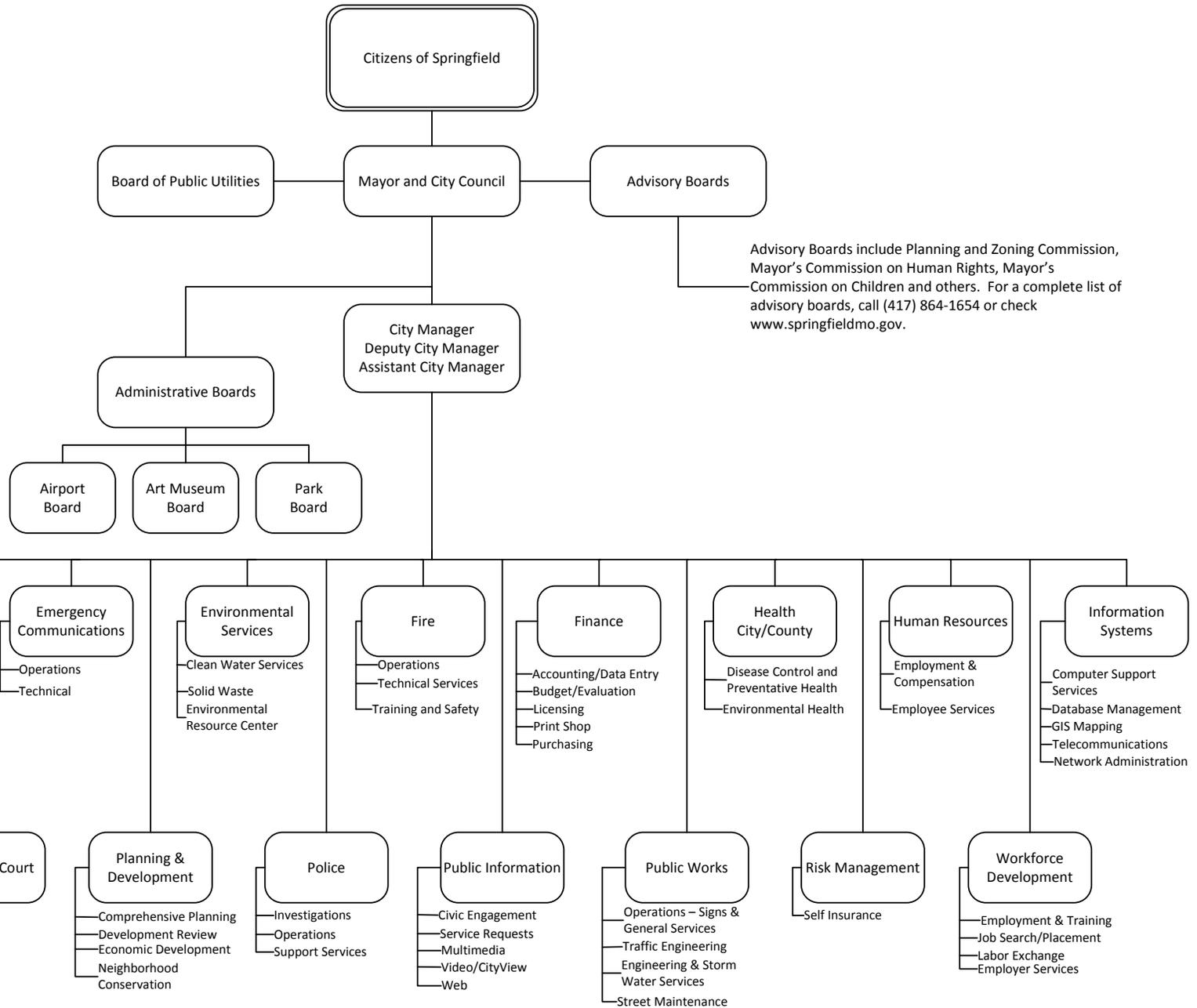
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INTRODUCTORY SECTION



Advisory Boards include Planning and Zoning Commission, Mayor's Commission on Human Rights, Mayor's Commission on Children and others. For a complete list of advisory boards, call (417) 864-1654 or check www.springfieldmo.gov.

Note: All Departments include an administrative section

City Government's Organization Chart

City of Springfield, Missouri

December 14, 2015

The Honorable Mayor
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, 2015. 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, 2015 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 2014 CAFR.

The Honorable Mayor
Members of the City Council
Citizens of the City of Springfield, Missouri
December 14, 2015
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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, 2014. This was the 38th 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 165,378 residents, and it serves as the county seat for Greene County. With an estimated 82.7 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
Members of the City Council
Citizens of the City of Springfield, Missouri
December 14, 2015
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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, sanitary sewerage and solid waste disposal systems, and 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 0.8% 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 2015 unemployment rate for the metropolitan area was 5.1% as compared to the state rate of 5.8% and the national rate of 5.3%.

The Honorable Mayor
Members of the City Council
Citizens of the City of Springfield, Missouri
December 14, 2015
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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 22,400 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 14,400 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 general aviation taxiway and hangar development project; street stabilization projects; and improvements to the intersections at Primrose Street and Kings Avenue, Campbell Avenue and Weaver Road, and US Route 65 and Evans Road. The City also continued making improvements to streets, sidewalks, the sanitary and storm sewer systems, the solid waste facilities, streetscapes, and the Springfield-Branson National Airport.

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

The Honorable Mayor
Members of the City Council
Citizens of the City of Springfield, Missouri
December 14, 2015
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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, Brian Stranghoener 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, 2014

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, 2015, 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, 2015, 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) q* to the financial statements, in 2015, the City began recording its net pension liability related to the Police Officers' and Fire Fighters' Retirement System (the "Plan") and its net pension asset related to the Missouri Local Government Employees Retirement System (LAGERS) in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. 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 accompanying 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

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 14, 2015, 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 14, 2015
Springfield, Missouri

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2015

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, 2015. 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 net position of the City at the close of the most recent fiscal year was \$798 million. Of this amount, \$145 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased approximately \$43.8 million, \$30 million in the current year from the City's "governmental activities" and \$13.8 million from the "business-type activities."
- The City's net investment in capital assets has increased approximately \$18.2 million in the current year to over \$598 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, 2015

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.

Government-Wide Financial Analysis

Net position may serve as a useful indicator of the City's financial position. As of June 30, 2015, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$798 million.

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2015

Net Position

The following table reflects the condensed schedule of net position as of June 30, 2015 and 2014, (in thousands):

	City of Springfield Net Position					
	Government activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	\$ 225,525	303,876	178,579	126,707	404,104	430,583
Capital assets	431,882	420,468	463,125	467,827	895,007	888,295
Total assets	<u>657,407</u>	<u>724,344</u>	<u>641,704</u>	<u>594,534</u>	<u>1,299,111</u>	<u>1,318,878</u>
Deferred outflows of resources						
Deferred outflow of resources	<u>62,338</u>	<u>1,607</u>	<u>2,546</u>	<u>—</u>	<u>64,884</u>	<u>1,607</u>
Liabilities						
Long-term obligations	277,346	152,634	252,355	218,391	529,701	371,025
Other liabilities	<u>18,304</u>	<u>19,955</u>	<u>6,146</u>	<u>6,476</u>	<u>24,450</u>	<u>26,431</u>
Total liabilities	<u>295,650</u>	<u>172,589</u>	<u>258,501</u>	<u>224,867</u>	<u>554,151</u>	<u>397,456</u>
Deferred inflows of resources						
Deferred inflows of resources	<u>11,360</u>	<u>—</u>	<u>216</u>	<u>—</u>	<u>11,576</u>	<u>—</u>
Net position						
Net investment in capital assets	319,819	300,623	278,599	279,503	598,418	580,126
Restricted	10,098	13,601	44,491	45,166	54,589	58,767
Unrestricted	<u>82,818</u>	<u>239,138</u>	<u>62,443</u>	<u>44,998</u>	<u>145,261</u>	<u>284,136</u>
Total net position	<u>\$ 412,735</u>	<u>553,362</u>	<u>385,533</u>	<u>369,667</u>	<u>798,268</u>	<u>923,029</u>

In fiscal year 2015, the City adopted GASB Statements No. 68 and No. 71 which established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources and expenses related to pension plans. Due to limited pension data, it is not possible to entirely restate fiscal year 2014. When possible, comparative data has been provided. Components of net position can be restated for comparison purposes; therefore, unrestricted net position as of July 1, 2014, would be restated as \$115.5 million from \$284.1 million and the total net position as \$754.4 million from \$923 million (see *Note 1*).

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 largest portion of the City's net position, \$598.4 million (75%), 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. The City uses

CITY OF SPRINGFIELD, MISSOURI

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these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the City's net position, \$54.6 million (7%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's net position, \$145.3 million (18%), represents unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors.

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	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 23,298	22,076	68,110	61,149	91,408	83,225
Operating grants and contributions	21,234	20,722	3,007	128	24,241	20,850
Capital grants and contributions	9,903	5,121	5,463	3,849	15,366	8,970
General revenues:						
Property taxes	21,095	20,369	—	—	21,095	20,369
Sales and use taxes	120,806	116,227	—	—	120,806	116,227
Other revenues	30,839	33,814	2,253	5,768	33,092	39,582
Total revenues	<u>227,175</u>	<u>218,329</u>	<u>78,833</u>	<u>70,894</u>	<u>306,008</u>	<u>289,223</u>
Expenses:						
Public works	40,361	41,233	—	—	40,361	41,233
Public safety	79,891	77,185	—	—	79,891	77,185
Parks and recreation	32,083	28,025	—	—	32,083	28,025
Planning and development	4,238	5,852	—	—	4,238	5,852
Public health	10,037	9,194	—	—	10,037	9,194
General government	25,564	22,245	—	—	25,564	22,245
Interest and debt issuance costs	4,934	6,216	—	—	4,934	6,216
Airport	—	—	26,134	26,743	26,134	26,743
Sanitary sewerage system	—	—	29,938	28,251	29,938	28,251
Nonmajor	—	—	8,982	8,786	8,982	8,786
Total expenses	<u>197,108</u>	<u>189,950</u>	<u>65,054</u>	<u>63,780</u>	<u>262,162</u>	<u>253,730</u>
Increase in net position before transfers	30,067	28,379	13,779	7,114	43,846	35,493
Transfers	1,588	1,352	(1,588)	(1,352)	—	—
Increase in net position	<u>31,655</u>	<u>29,731</u>	<u>12,191</u>	<u>5,762</u>	<u>43,846</u>	<u>35,493</u>
Net position, beginning, as previously reported	553,362	523,631	369,667	363,905	923,029	887,536
Cumulative effect of change in accounting principle	(172,282)	—	3,675	—	(168,607)	—
Net position, beginning, as restated	<u>381,080</u>	<u>523,631</u>	<u>373,342</u>	<u>363,905</u>	<u>754,422</u>	<u>887,536</u>
Net position, ending	<u>\$ 412,735</u>	<u>553,362</u>	<u>385,533</u>	<u>369,667</u>	<u>798,268</u>	<u>923,029</u>

Governmental Activities

Governmental activities increased the City's net position by \$31.6 million. Sales and use tax revenues, the largest governmental category, were \$120.8 million, or 53%, of total revenues. Revenues from

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governmental activities total \$227 million, or 74%, of the total City revenues. Sales tax was approximately \$4.6 million higher in the current year due to the improved economic conditions.

Certain revenues are generated that are specific to governmental program activity. These totaled \$54.4 million. The following table shows expenses and program revenues of the governmental activities for the years ended June 30, 2015 and 2014 (in thousands):

Net Cost of City of Springfield's Governmental Activities

	Total cost of service		Net cost of service	
	2015	2014	2015	2014
Public works	\$ 40,361	41,233	28,259	35,262
Public safety	79,891	77,185	69,545	66,949
Parks and recreation	32,083	28,025	23,172	19,465
Planning and development	4,238	5,852	1,807	3,315
Public health	10,037	9,194	3,784	3,448
General government	25,564	22,245	11,171	7,376
Interest and debt issuance costs	4,934	6,216	4,934	6,216
	<u>\$ 197,108</u>	<u>189,950</u>	<u>142,672</u>	<u>142,031</u>

Expenses from governmental activities total \$197 million. However, net costs of these services were \$142.6 million. The difference represents direct revenues received from charges for services of \$23.3 million, operating grants and contributions of \$21.2 million and capital grants and contributions of \$9.9 million. Taxes and other revenues of \$172.7 million were collected to cover these net costs.

Business-Type Activities

Business-type activities increased the City's net position by approximately \$12.2 million. Individual fluctuations are as follows:

- The airport recorded an increase of \$911 thousand in net position for the year, which is attributed to federal grants received for capital improvement projects totaling \$7.6 million and current year activity with an operating loss over \$6.6 million.
- The sewer system recorded an increase of \$9.9 million in net position for the year, which is attributed to current year operating income of \$11.2 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 \$167.4 million. The fund balance of the General Fund increased to \$25.8 million (an increase of \$197 thousand) as a result of the improving economic conditions (sales tax increased \$1.6 million) and a continued emphasis on controlling operating expenses.

The fund balance in the Community Development Fund increased to \$47.2 million. Total revenue exceeded expenditures by approximately \$0.57 million.

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The Public Safety Pension Sales Tax Fund collected and remitted \$30.8 million to the Pension Trust Fund, an increase of \$1.45 million from last year.

The Public Parks Fund collected approximately \$0.85 million more in revenue due to increases in sales tax collections (increased \$676,000) and user fees (increased \$347,000).

The National Airport Fund's net position increased \$0.91 million in the current year as a result of federal grants received for capital improvement projects totaling \$7.6 million and current year activity with an operating loss over \$6.6 million.

The Sanitary Sewerage System Fund's net position increased \$9.9 million in the current year attributed to the result of current year operating income of \$11.2 million. Sewer operating revenue increased approximately \$2.4 million (7%) from the previous year as a result of the fourth 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 \$75.3 million exceeded the revised budget of \$73.8 million (approximately 2% of the budget). The largest variance in revenue from budget was the City's sales tax which exceeded budget by over \$1.5 million.
- The total original expenditure budget of \$73.5 million increased to \$80.5 million (an increase of \$3.2 million). Actual expenditures were \$74.4 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, 2015, amounts to \$895 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, collections systems, machinery and equipment and infrastructure. Capital assets increased \$6.7 million during the period.

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

- Republic Road widening from the James River Freeway bridge at National Avenue to Fremont Avenue totaling \$7.3 million.
- General aviation taxiway and hangar development totaling \$5.2 million.
- Battlefield Road and US Route 65 interchange improvements totaling \$3.7 million.
- Early Action Plan Sanitary Sewer Overflow Control Programs totaling \$3.6 million.
- Work on a new Clean Water Services maintenance facility totaling \$2.6 million.

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

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 61,284	59,656	27,968	27,957	89,252	87,613
Construction in progress	48,494	51,172	29,440	21,765	77,934	72,937
Buildings	71,995	73,838	97,731	102,490	169,726	176,328
Improvements	53,616	54,978	79,185	78,845	132,801	133,823
Machinery and equipment	11,250	10,575	9,577	9,583	20,827	20,158
Infrastructure/sewer collection system	185,243	170,249	219,224	227,187	404,467	397,436
Total	\$ 431,882	420,468	463,125	467,827	895,007	888,295

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

Debt Administration

The City, at the end of fiscal 2015, had a total of \$363 million of outstanding long-term debt (an increase of \$28.8 million from the prior year). The City issued \$6.9 million in refunding bonds and \$43.1 million in sewer bonds during the year.

City of Springfield Outstanding Debt (amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds **	\$ 116,741	122,095	—	—	116,741	122,095
Revenue bonds	—	—	212,889	175,850	212,889	175,850
Notes payable	—	—	25,494	28,678	25,494	28,678
Section 108 Loan Program	6,277	6,670	—	—	6,277	6,670
Capital lease obligations	1,608	976	141	106	1,749	1,082
Total	\$ 124,626	129,741	238,524	204,634	363,150	334,375

** 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, 2015

	Primary government			Component
	Governmental activities	Business-type activities	Total	unit City Utilities
Assets				
Cash and investments	\$ 124,993,118	63,734,794	188,727,912	31,000,000
Property taxes receivable, net	19,397,385	—	19,397,385	—
Special assessments receivable, net	2,028,751	—	2,028,751	—
Accounts receivable	23,030,244	4,281,432	27,311,676	26,366,000
Unbilled revenue	—	1,675,552	1,675,552	14,077,000
Accrued interest receivable	694,220	309,192	1,003,412	—
Inventories	2,416,878	2,137,811	4,554,689	37,765,000
Due from other government agencies	3,101,821	22,127	3,123,948	—
Internal balances	(2,750,066)	2,750,066	—	—
Notes and loans receivable, net	38,745,439	—	38,745,439	—
Prepaid expenses	—	—	—	1,177,000
Restricted assets:				
Cash and investments	11,869,401	99,116,566	110,985,967	225,280,000
Other	—	3,773,912	3,773,912	15,665,000
Net pension asset	1,997,653	777,547	2,775,200	—
Capital assets:				
Nondepreciable	109,777,721	57,407,594	167,185,315	102,495,000
Depreciable, net	322,104,037	405,717,583	727,821,620	1,312,563,000
Total assets	<u>657,406,602</u>	<u>641,704,176</u>	<u>1,299,110,778</u>	<u>1,766,388,000</u>
Deferred Outflows of Resources				
Loss on refunding of bonds	1,387,633	—	1,387,633	1,123,000
Deferred outflows related to pensions	60,950,419	2,545,817	63,496,236	—
Total deferred outflows	<u>62,338,052</u>	<u>2,545,817</u>	<u>64,883,869</u>	<u>1,123,000</u>
Liabilities				
Accounts payable and other current liabilities	9,876,087	1,744,703	11,620,790	20,752,000
Unearned revenue	201,563	—	201,563	—
Estimated liability for incurred but unreported claims	3,170,100	—	3,170,100	—
Other liabilities	—	—	—	19,565,000
Due to other governments	—	—	—	1,228,000
Due to pension fund	5,055,966	—	5,055,966	—
Utility customer deposits	—	—	—	5,554,000
Current liabilities payable from restricted assets	—	4,401,184	4,401,184	—
Long-term liabilities:				
Due within one year	15,880,379	12,894,946	28,775,325	18,215,000
Due in more than one year	261,465,695	239,459,623	500,925,318	716,900,000
Total liabilities	<u>295,649,790</u>	<u>258,500,456</u>	<u>554,150,246</u>	<u>782,214,000</u>
Deferred Inflows of Resources				
Deferred inflows related to utilities	—	—	—	16,003,000
Deferred inflows related to pensions	11,360,239	216,154	11,576,393	—
Total deferred inflows	<u>11,360,239</u>	<u>216,154</u>	<u>11,576,393</u>	<u>16,003,000</u>
Net Position				
Net investment in capital assets	319,819,011	278,599,445	598,418,456	750,861,000
Restricted for:				
Debt service	8,828,111	44,490,758	53,318,869	5,967,000
Perpetual care – nonexpendable	1,269,362	—	1,269,362	—
Unrestricted	82,818,141	62,443,180	145,261,321	212,466,000
Total net position	<u>\$ 412,734,625</u>	<u>385,533,383</u>	<u>798,268,008</u>	<u>969,294,000</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Statement of Activities

Year ended June 30, 2015

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	\$ 40,360,909	2,198,684	—	9,902,673	(28,259,552)	—	(28,259,552)	—
Public safety	79,891,443	3,307,886	7,038,427	—	(69,545,130)	—	(69,545,130)	—
Parks and recreation	32,082,863	8,546,492	364,094	—	(23,172,277)	—	(23,172,277)	—
Planning and development	4,237,549	68,768	2,361,333	—	(1,807,448)	—	(1,807,448)	—
Public health	10,037,156	2,283,735	3,969,659	—	(3,783,762)	—	(3,783,762)	—
General government	25,564,020	6,892,369	7,500,152	—	(11,171,499)	—	(11,171,499)	—
Interest and debt issuance costs	4,933,538	—	—	—	(4,933,538)	—	(4,933,538)	—
Total governmental activities	197,107,478	23,297,934	21,233,665	9,902,673	(142,673,206)	—	(142,673,206)	—
Business-type activities:								
National airport	26,133,627	19,340,874	2,889,060	4,777,863	—	874,170	874,170	—
Sanitary sewerage system	29,938,198	38,773,691	—	676,390	—	9,511,883	9,511,883	—
Refuse disposal	5,949,148	7,182,846	117,852	8,656	—	1,360,206	1,360,206	—
Golf	3,032,797	2,812,144	—	—	—	(220,653)	(220,653)	—
Total business-type activities	65,053,770	68,109,555	3,006,912	5,462,909	—	11,525,606	11,525,606	—
Total primary government	\$ 262,161,248	91,407,489	24,240,577	15,365,582	(142,673,206)	11,525,606	(131,147,600)	—
Component unit:								
City Utilities	\$ 423,203,000	446,182,000	—	—	—	—	—	22,979,000
General revenues:								
Property taxes					\$ 21,095,072	—	21,095,072	—
Sales and use taxes					120,805,757	—	120,805,757	—
Franchise taxes					6,256,900	—	6,256,900	—
Room taxes					4,544,337	—	4,544,337	—
Payment in lieu of taxes					14,462,942	—	14,462,942	—
Revenues from use of money and property					1,003,474	2,135,369	3,138,843	6,172,000
Other revenue					4,570,995	117,936	4,688,931	3,561,000
Transfers					1,588,187	(1,588,187)	—	—
Total general revenues and transfers					174,327,664	665,118	174,992,782	9,733,000
Change in net position					31,654,458	12,190,724	43,845,182	32,712,000
Net position – beginning, as restated					381,080,167	373,342,659	754,422,826	936,582,000
Net position – ending					\$ 412,734,625	385,533,383	798,268,008	969,294,000

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Governmental Funds Balance Sheet

June 30, 2015

Assets	General	Community development	Public Safety Pension Sales Tax	Public parks	Nonmajor governmental funds	Total governmental funds
Cash and investments	\$ 16,549,430	7,524,539	—	232,870	77,486,779	101,793,618
Property taxes receivable (net uncollectible amounts)	—	—	—	5,847,160	13,550,225	19,397,385
Special assessments receivable, net	—	—	—	—	2,028,751	2,028,751
Restricted cash and investments	—	—	—	—	11,869,401	11,869,401
Accrued interest receivable	169,382	21,880	—	—	397,269	588,531
Sales tax and other receivables, net	9,388,795	98,279	5,055,966	1,766,909	6,720,295	23,030,244
Inventories	134,030	558,133	—	75,877	1,354,920	2,122,960
Notes and loans receivable, net	—	38,745,439	—	—	—	38,745,439
Due from other funds	2,184,467	—	—	—	102,522	2,286,989
Due from other governments	—	320,297	—	68,486	2,713,038	3,101,821
Total assets	\$ 28,426,104	47,268,567	5,055,966	7,991,302	116,223,200	204,965,139
Liabilities						
Accounts payable and other current liabilities	\$ 2,632,828	64,236	—	690,726	5,372,557	8,760,347
Unearned revenue	16,908	—	—	—	184,655	201,563
Due to other funds	—	—	5,055,966	—	1,787,647	6,843,613
Total liabilities	2,649,736	64,236	5,055,966	690,726	7,344,859	15,805,523
Deferred inflows of resources						
Unavailable revenue	—	15,870	—	5,794,360	15,979,048	21,789,278
Fund balances						
Nonspendable	134,030	39,303,572	—	75,877	2,624,282	42,137,761
Restricted	—	7,884,889	—	—	60,301,063	68,185,952
Committed	16,000,000	—	—	—	25,014,679	41,014,679
Assigned	9,642,338	—	—	1,430,339	5,071,546	16,144,223
Unassigned	—	—	—	—	(112,277)	(112,277)
Total fund balances	25,776,368	47,188,461	—	1,506,216	92,899,293	167,370,338
Total liabilities, deferred inflows of resources and fund balances	\$ 28,426,104	47,268,567	5,055,966	7,991,302	116,223,200	204,965,139

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2015

Fund balances – total governmental funds	\$ <u>167,370,338</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	759,484,575
Less accumulated depreciation	<u>(328,148,441)</u>
	<u>431,336,134</u>
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. The following is the detail of the net effect of these differences in the treatment of the net pension liability and related deferred items:	
Net pension liability	(128,179,626)
Deferred outflows due to pensions	60,950,419
Deferred inflows due to pensions	(11,360,239)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	21,789,278
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	17,226,766
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>(146,398,445)</u>
Net position of governmental activities	<u>\$ 412,734,625</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, 2015

	<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	\$ —	—	—	5,738,853	15,024,899	20,763,752
Sales	46,299,786	—	30,772,390	10,127,574	33,606,007	120,805,757
Franchise	6,256,900	—	—	—	—	6,256,900
Room	106,447	—	—	—	4,437,890	4,544,337
Licenses and permits	5,286,559	—	—	—	—	5,286,559
Intergovernmental	—	2,361,335	—	355,843	28,824,818	31,541,996
Charges for services	1,086,029	—	—	7,547,400	3,879,429	12,512,858
Fines and forfeitures	1,192,139	—	—	—	—	1,192,139
Special assessments	—	—	—	—	665,292	665,292
Revenues from use of money and property	207,797	27,503	—	65,011	703,163	1,003,474
Payments in lieu of taxes	14,462,942	—	—	—	—	14,462,942
Other	388,782	898,242	—	127,213	3,156,758	4,570,995
Total revenues	<u>75,287,381</u>	<u>3,287,080</u>	<u>30,772,390</u>	<u>23,961,894</u>	<u>90,298,256</u>	<u>223,607,001</u>
Expenditures:						
Current:						
Public works	6,868,498	—	—	—	12,010,752	18,879,250
Public safety	45,739,624	—	30,772,390	—	13,909,551	90,421,565
Parks and recreation	—	—	—	22,869,488	4,939,016	27,808,504
Planning and development	1,641,499	1,987,924	—	—	—	3,629,423
Public health	—	—	—	—	9,806,358	9,806,358
General government	17,264,178	—	—	—	8,344,264	25,608,442
Debt service:						
Principal	55,330	393,000	—	206,345	12,712,000	13,366,675
Bond issuance costs	6,171	—	—	5,929	84,985	97,085
Interest and other charges	7,542	143,525	—	11,281	5,045,718	5,208,066
Capital outlay:						
Public works	423,638	—	—	—	34,104,761	34,528,399
Public safety	1,285,402	—	—	—	—	1,285,402
Parks and recreation	—	—	—	481,822	84,474	566,296
Planning and development	—	191,618	—	—	206,128	397,746
General government	1,145,171	—	—	—	121,028	1,266,199
Total expenditures	<u>74,437,053</u>	<u>2,716,067</u>	<u>30,772,390</u>	<u>23,574,865</u>	<u>101,369,035</u>	<u>232,869,410</u>
Excess (deficiency) of revenues over (under) expenditures	<u>850,328</u>	<u>571,013</u>	<u>—</u>	<u>387,029</u>	<u>(11,070,779)</u>	<u>(9,262,409)</u>
Other financing sources (uses):						
Bond premium (discount)	—	—	—	—	628,749	628,749
Bond proceeds	—	—	—	—	2,472,666	2,472,666
Capital lease proceeds	525,480	—	—	401,360	—	926,840
Issuance of refunding bonds	—	—	—	—	4,487,334	4,487,334
Transfers in	3,970,085	64,045	—	253,061	12,668,235	16,955,426
Transfers out	(5,149,040)	(244,025)	—	(869,404)	(11,104,770)	(17,367,239)
Total other financing sources (uses)	<u>(653,475)</u>	<u>(179,980)</u>	<u>—</u>	<u>(214,983)</u>	<u>9,152,214</u>	<u>8,103,776</u>
Net change in fund balances	196,853	391,033	—	172,046	(1,918,565)	(1,158,633)
Fund balances – beginning	25,579,515	46,797,428	—	1,334,170	94,817,858	168,528,971
Fund balances – ending	\$ <u>25,776,368</u>	<u>47,188,461</u>	<u>—</u>	<u>1,506,216</u>	<u>92,899,293</u>	<u>167,370,338</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, 2015

Net change in fund balances – total governmental funds	\$ <u>(1,158,633)</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	38,837,080
Depreciation	<u>(27,358,883)</u>
	<u>11,478,197</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>(22,635)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	<u>(449,315)</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 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	(7,886,840)
Repayment of principal including payment to bond escrow agent (bonds and capitalized lease obligations)	13,366,675
Premiums (discounts) received, net of amortization	(398,777)
Loss on refundings incurred, net of amortization	(219,621)
Accrued interest	<u>361,262</u>
	<u>5,222,699</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	
Change in net pension liability and related deferred outflows and inflows	10,241,875
Increase in accrued claims and judgments	(1,169,223)
Decrease in other postemployment benefits liability	5,421
Decrease in accrued compensated absences	<u>1,490,009</u>
	<u>10,568,082</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>6,016,063</u>
Change in net position of governmental activities	\$ <u><u>31,654,458</u></u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Net Position
June 30, 2015

Assets	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current assets:					
Cash and cash equivalents	\$ 485,828	1,435,969	577,444	2,499,241	861,618
Investments	4,724,203	14,002,519	5,417,011	24,143,733	9,440,102
Accrued interest receivable	55,641	180,714	72,837	309,192	105,689
Accounts receivable	1,305,393	2,962,867	13,172	4,281,432	—
Due from other governments	—	—	22,127	22,127	—
Unbilled revenue	—	1,675,552	—	1,675,552	—
Inventories	634,288	1,235,247	268,276	2,137,811	293,918
Prepaid expenses	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents	5,382,625	53,251,652	—	58,634,277	—
Investments	1,583,481	—	—	1,583,481	—
Other	3,128,466	645,446	—	3,773,912	—
Total current assets	17,299,925	75,389,966	6,370,867	99,060,758	10,701,327
Noncurrent assets:					
Restricted assets:					
Investments	9,956,820	28,941,985	—	38,898,805	—
Investments	7,257,755	21,511,958	8,322,110	37,091,823	12,899,280
Net pension asset	297,389	303,584	176,574	777,547	—
Capital assets:					
Land and easements	20,615,736	4,657,112	2,695,080	27,967,928	23,614
Buildings	124,538,935	60,477,653	2,000,065	187,016,653	1,058,097
Collection system	—	367,998,589	—	367,998,589	—
Improvements other than buildings	137,962,910	13,532,442	26,980,912	178,476,264	684,399
Machinery and equipment	16,165,034	10,196,195	10,169,816	36,531,045	296,137
	299,282,615	456,861,991	41,845,873	797,990,479	2,062,247
Less accumulated depreciation	(124,430,584)	(212,638,836)	(27,235,548)	(364,304,968)	(1,531,610)
	174,852,031	244,223,155	14,610,325	433,685,511	530,637
Construction in progress	170,000	27,729,894	1,539,772	29,439,666	14,987
Total capital assets, net	175,022,031	271,953,049	16,150,097	463,125,177	545,624
Total noncurrent assets	192,533,995	322,710,576	24,648,781	539,893,352	13,444,904
Total assets	209,833,920	398,100,542	31,019,648	638,954,110	24,146,231
Deferred Outflows of Resources					
Deferred outflows related to pensions	973,699	993,984	578,134	2,545,817	—

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Net Position

June 30, 2015

Liabilities	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current liabilities:					
Accounts payable	\$ 246,356	1,138,095	357,752	1,742,203	271,482
Retainages payable	—	2,500	—	2,500	—
Accrued compensated absences	60,372	78,708	26,893	165,973	19,673
Due to other funds	—	—	165,000	165,000	335,842
Accrued claims and judgments	46,072	30,779	—	76,851	—
Estimated liability for incurred but unreported claims	—	—	—	—	3,170,100
Payables from restricted assets:					
Current maturities of long-term debt	2,750,000	9,861,532	40,590	12,652,122	35,168
Other payables	2,128,103	2,273,081	—	4,401,184	—
Total current liabilities	<u>5,230,903</u>	<u>13,384,695</u>	<u>590,235</u>	<u>19,205,833</u>	<u>3,832,265</u>
Long-term liabilities, less current maturities:					
Revenue bonds payable, net	85,307,805	117,831,370	—	203,139,175	—
Notes and capitalized lease obligations payable	—	22,632,658	100,312	22,732,970	36,669
Accrued landfill closure/postclosure care costs	—	—	11,343,036	11,343,036	—
Accrued compensated absences	397,074	807,511	465,787	1,670,372	135,465
Other postemployment benefits	229,750	207,095	137,225	574,070	—
Total long-term liabilities	<u>85,934,629</u>	<u>141,478,634</u>	<u>12,046,360</u>	<u>239,459,623</u>	<u>172,134</u>
Total liabilities	<u>91,165,532</u>	<u>154,863,329</u>	<u>12,636,595</u>	<u>258,665,456</u>	<u>4,004,399</u>
Deferred Inflows of Resources					
Deferred inflows related to pensions	82,672	84,395	49,087	216,154	—
Net Position					
Net position:					
Net investment in capital assets	89,941,210	172,649,040	16,009,195	278,599,445	473,787
Restricted for debt service	14,946,308	29,544,450	—	44,490,758	—
Unrestricted	14,671,897	41,953,312	2,902,905	59,528,114	19,668,045
Total net position	<u>\$ 119,559,415</u>	<u>244,146,802</u>	<u>18,912,100</u>	<u>382,618,317</u>	<u>20,141,832</u>
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				<u>2,915,066</u>	
Net position of business-type activities				<u>\$ 385,533,383</u>	

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, 2015

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Operating revenues:					
Sewer service charges	\$ —	38,284,025	—	38,284,025	—
Sewer connection charges	—	220,095	—	220,095	—
Sale of fuel and oil	3,438,215	—	—	3,438,215	—
Flight fees, airport facility rental and other charges	11,884,817	—	—	11,884,817	—
Golf course fees	—	—	2,762,631	2,762,631	—
Landfill charges	—	—	6,724,203	6,724,203	—
Yardwaste recycling sales	—	—	327,973	327,973	—
Billings to departments	—	—	—	—	12,067,314
Contributions – City and employees	—	—	—	—	12,623,575
Other	45,832	—	23,391	69,223	117,494
Total operating revenues	15,368,864	38,504,120	9,838,198	63,711,182	24,808,383
Operating expenses:					
Personnel services	5,897,187	6,949,640	3,842,886	16,689,713	1,395,452
Other services	2,755,184	6,809,653	1,745,741	11,310,578	16,583,988
Supplies	3,417,464	2,439,203	1,253,771	7,110,438	2,139,564
Other expenses	—	—	—	—	40,933
Depreciation and amortization	9,925,733	11,136,932	1,679,817	22,742,482	69,098
Total operating expenses	21,995,568	27,335,428	8,522,215	57,853,211	20,229,035
Operating income (loss)	(6,626,704)	11,168,692	1,315,983	5,857,971	4,579,348
Nonoperating revenues (expenses):					
Interest revenue	480,971	1,571,382	83,016	2,135,369	—
Interest on long-term debt	(4,087,252)	(1,633,854)	(2,300)	(5,723,406)	—
Administrative fees and other debt charges	(3,750)	(968,916)	—	(972,666)	—
Gain (loss) from disposal of capital assets	20,041	44,382	(47,825)	16,598	—
Claims and settlements	(47,057)	46,226	(390,442)	(391,273)	—
Rental car customer facility charge revenue	1,422,958	—	—	1,422,958	—
Rental car customer facility fuel sales	526,039	—	—	526,039	—
Passenger facility charge revenue	1,758,943	—	—	1,758,943	—
Contributions and grants	2,889,060	—	117,852	3,006,912	—
Other nonoperating income (expense)	—	6,677	(18,553)	(11,876)	127,148
Net nonoperating revenues (expenses)	2,959,953	(934,103)	(258,252)	1,767,598	127,148
Income (loss) before capital contributions and transfers	(3,666,751)	10,234,589	1,057,731	7,625,569	4,706,496
Capital contributions and grants	4,777,863	676,390	8,656	5,462,909	—
Transfers in	—	215,922	234,201	450,123	2,000,000
Transfers out	(200,000)	(1,265,942)	(572,368)	(2,038,310)	—
Change in net position	911,112	9,860,959	728,220	11,500,291	6,706,496
Net position, beginning of year, as restated	118,648,303	234,285,843	18,183,880	371,118,026	13,435,336
Net position, end of year	\$ 119,559,415	244,146,802	18,912,100	382,618,317	20,141,832
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				690,433	
Change in net position of business-type activities				\$ 12,190,724	

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Cash Flows
Year ended June 30, 2015

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 15,238,843	38,527,777	9,713,477	63,480,097	24,808,383
Cash paid to suppliers	(6,256,718)	(9,141,946)	(3,063,492)	(18,462,156)	(18,336,243)
Cash paid to employees	(5,718,546)	(6,953,647)	(3,843,068)	(16,515,261)	(1,419,369)
Net cash provided by operating activities	<u>3,263,579</u>	<u>22,432,184</u>	<u>2,806,917</u>	<u>28,502,680</u>	<u>5,052,771</u>
Cash flows from noncapital financing activities:					
Noncapital contributions and grants	2,889,060	—	117,852	3,006,912	—
Transfers in	—	215,922	234,201	450,123	2,000,000
Transfers out	(200,000)	(1,265,942)	(572,368)	(2,038,310)	—
Net cash provided by (used in) noncapital financing activities	<u>2,689,060</u>	<u>(1,050,020)</u>	<u>(220,315)</u>	<u>1,418,725</u>	<u>2,000,000</u>
Cash flows from capital and related financing activities:					
Principal payments on long-term debt	(2,585,000)	(9,569,770)	(46,140)	(12,200,910)	(33,728)
Proceeds from issuance of long-term debt	—	46,363,857	81,540	46,445,397	—
Administrative fees and other debt charges	—	(968,916)	—	(968,916)	—
Interest paid on long-term debt obligations	(4,235,222)	(3,402,006)	(2,300)	(7,639,528)	(4,108)
Additions to capital assets	(5,772,252)	(10,292,033)	(602,948)	(16,667,233)	(27,262)
Decrease (increase) in other restricted assets	(2,829,977)	66,381	—	(2,763,596)	—
Decrease in payables from restricted assets other than interest	(183,052)	(205,496)	—	(388,548)	—
Capital contributions	4,777,863	676,390	—	5,454,253	—
Rental car customer facility charge revenue	1,422,958	—	—	1,422,958	—
Rental car customer facility fuel sale revenue	526,039	—	—	526,039	—
Passenger facility charges received	1,758,943	—	—	1,758,943	—
Proceeds from sale of capital assets	20,041	44,382	36,975	101,398	—
Net cash provided by (used in) capital and related financing activities	<u>(7,099,659)</u>	<u>22,712,789</u>	<u>(532,873)</u>	<u>15,080,257</u>	<u>(65,098)</u>
Cash flows from investing activities:					
Sale of investments	24,075,600	53,600,754	10,532,725	88,209,079	11,825,992
Purchases of investments	(23,198,754)	(59,533,098)	(12,405,690)	(95,137,542)	(18,431,366)
Interest received	464,905	1,484,794	61,285	2,010,984	74,771
Net cash provided by (used in) investing activities	<u>1,341,751</u>	<u>(4,447,550)</u>	<u>(1,811,680)</u>	<u>(4,917,479)</u>	<u>(6,530,603)</u>
Net increase in cash and cash equivalents	194,731	39,647,403	250,705	40,092,839	457,070
Cash and cash equivalents, beginning of year	5,673,722	15,040,218	326,739	21,040,679	404,548
Cash and cash equivalents, end of year	<u>\$ 5,868,453</u>	<u>54,687,621</u>	<u>577,444</u>	<u>61,133,518</u>	<u>861,618</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ (6,626,704)	11,168,692	1,315,983	5,857,971	4,579,348
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	9,925,733	11,136,932	1,679,817	22,742,482	69,098
Other nonoperating income (expenses)	(50,807)	52,903	(408,995)	(406,899)	—
Decrease (increase) in:					
Inventories	20,090	(243,602)	(5,731)	(229,243)	76,569
Accounts receivable	(125,286)	(114,313)	7,499	(232,100)	—
Due from other governments	—	—	(13,667)	(13,667)	—
Unbilled revenue	—	54,288	—	54,288	—
Prepaid expenses	25,754	—	—	25,754	—
Increase (decrease) in:					
Accounts payable	(129,914)	353,512	(10,501)	213,097	60,159
Retainage payable	—	(3,000)	(47,748)	(50,748)	—
Due to other funds	—	—	(100,000)	(100,000)	3,414
Accrued landfill closure/postclosure care costs	—	—	390,442	390,442	—
Estimated liability for incurred but unreported claims	—	—	—	—	288,100
Accrued claims and judgments	46,072	30,779	—	76,851	—
Other postemployment benefits	(356)	(364)	(212)	(932)	—
Accrued compensated absences	(38,404)	(225,576)	(129,053)	(393,033)	(23,917)
Net pension asset	217,401	221,933	129,083	568,417	—
Total adjustments	<u>9,890,283</u>	<u>11,263,492</u>	<u>1,490,934</u>	<u>22,644,709</u>	<u>473,423</u>
Net cash provided by operating activities	<u>\$ 3,263,579</u>	<u>22,432,184</u>	<u>2,806,917</u>	<u>28,502,680</u>	<u>5,052,771</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Fiduciary Funds Statement of Fiduciary Net Position

June 30, 2015

Assets	Pension Trust	Agency Funds
Cash and short-term investments	\$ 18,587,762	6,938,234
Receivables		
Public safety pension sales tax due from City	5,055,966	—
Accrued interest and dividends	312,794	431
Total receivables	5,368,760	431
Investments, at fair value		
Money market mutual funds	345,820	—
U.S. Treasury securities	2,877,795	—
U.S. agency securities	2,967,874	—
Government-sponsored enterprise obligations	12,527,768	—
Corporate bonds	21,496,745	—
Municipal bonds	1,961,530	—
International fixed income fund	42,374,600	—
Index fund - fixed income	16,494,245	—
Index funds - equities	69,636,755	—
Index fund - commodities	13,043,480	—
International equity funds	72,273,904	—
International hedge fund	30,278,976	—
Real estate fund	12,508,292	—
Total investments	298,787,784	—
Total assets	322,744,306	6,938,665
Liabilities		
Accounts payable	210,726	6,842,274
Escrows payable	—	85,341
Municipal court bond deposits	—	11,050
Total liabilities	210,726	6,938,665
Net Position		
Net position restricted for pensions	\$ 322,533,580	—

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Fiduciary Funds Statement of Changes in Fiduciary Net Position

Year ended June 30, 2015

	<u>Pension Trust</u>
Additions:	
Contributions:	
Employer - public safety pension sales tax	\$ 30,772,390
Employer	7,131,402
Plan members	2,982,942
Total contributions	<u>40,886,734</u>
Investment income:	
Net appreciation (depreciation) in fair value of investments	(4,401,805)
Interest and dividends	1,465,130
Total investment income	<u>(2,936,675)</u>
Less investment expense	<u>(1,407,993)</u>
Net investment income	<u>(4,344,668)</u>
Other revenue	<u>82,892</u>
Total additions	<u>36,624,958</u>
Deductions:	
Benefit payments	20,823,494
Refunds of contributions	2,586,004
Administrative expenses	335,340
Total deductions	<u>23,744,838</u>
Net increase in net position	12,880,120
Net position – beginning	<u>309,653,460</u>
Net position – ending	<u>\$ 322,533,580</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(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 and the City is responsible for the repayment of the debt of the PBC. 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

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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 and the City is responsible for the repayment of the debt of the SCCDC. 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 and the City is responsible for the repayment of the debt of the Authority. 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, 2014. 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

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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

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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

Notes to Basic Financial Statements

June 30, 2015

Public Safety Pension Sales Tax – This fund accounts for the proceeds from the ¾ 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

Notes to Basic Financial Statements

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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, 2015

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	\$	0.1858
Health department		0.1266
Art museum		0.0389
Debt service		<u>0.2650</u>
Total tax levy	\$	<u><u>0.6163</u></u>

Special assessments of \$28,724,796 have been issued since 1980 (\$149,682 issued during the year ended June 30, 2015), and collections have totaled 87%, or \$25,084,702. Special assessments receivable of \$2,028,751 includes delinquent accounts of \$380,087.

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, 2015, the notes and loans receivable of \$38,745,439 is net of a \$95,891 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, 2015

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

Notes to Basic Financial Statements

June 30, 2015

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

June 30, 2015

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. Pensions

Missouri Local Government Employees Retirement System (LAGERS) - City of Springfield

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

The Police Officers' and Fire Fighters' Retirement System (Plan)

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

i. 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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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.

j. 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.

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

General Ordinance Numbers 5531 and 5780 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 include amounts recognized in connection with financial instruments used to manage the overall costs of natural gas. An over-recovery of \$603,000 for electric fuel and an over-recovery of \$269,000 for purchased natural gas adjustment clauses were recorded at September 30, 2014, as a component of other liabilities.

l. 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 \$12,130,412, of which \$1,458,276 was capitalized. Total interest costs incurred by the City Utilities component unit were \$32,440,000, of which \$1,070,000 was capitalized.

m. 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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, 2014, is as follows:

Funds for bonded indebtedness	\$	58,780,000
Designated for improvement accounts		<u>166,500,000</u>
Total	\$	<u><u>225,280,000</u></u>

n. 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, 2014, reflect payments in lieu of taxes to the City of \$14,511,000.

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 \$9,128,000 for the year ended September 30, 2014.

o. 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.”

p. 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

q. Change in Accounting Principle

In 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. These statements established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources and expenses for pensions that are provided to the employees of state and local governmental employers through pension plans administered through trusts.

City Utilities will implement GASB Statement No. 68 for the fiscal year ended September 30, 2015.

As a result of the implementation, net position as of July 1, 2014, was restated as follows:

Government-wide financial statements

	Governmental activities	Business-type activities	Total
Net position, July 1, 2014, as previously reported	\$ 553,361,784	369,667,032	923,028,816
Net pension asset previously reported	(83,450,296)	—	(83,450,296)
Deferred outflows related to pensions	31,741,219	—	31,741,219
Net pension liability	(106,526,702)	3,675,627	(102,851,075)
Deferred inflows related to pensions	(14,045,838)	—	(14,045,838)
Net position, July 1, 2014, as restated	\$ <u>381,080,167</u>	<u>373,342,659</u>	<u>754,422,826</u>

Fund financial statements

	National airport	Sanitary sewerage system	Refuse disposal	Golf
Net position, July 1, 2014, as previously reported	\$ 117,242,486	232,850,737	15,403,490	1,945,686
Net pension asset	1,405,817	1,435,106	571,114	263,590
Net position, July 1, 2014, as restated	\$ <u>118,648,303</u>	<u>234,285,843</u>	<u>15,974,604</u>	<u>2,209,276</u>

r. City Utilities Change in Accounting Principle

In fiscal year 2014, City Utilities implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Statement No. 65 required reclassifications, as deferred or current outflows of resources or deferred or current inflows of resources, or certain items that were previously reported as assets and liabilities. Statement No. 65 required debt issuance costs to be recognized as expense in the period incurred except for regulated operations pursuant to Statements No. 62. City Utilities met the criteria as a rate-making entity under the provisions of Statement No. 62 and for the year ended September 30, 2014 City Utilities reclassified expenditures associated with debt issuance costs as a regulatory asset to be amortized over the remaining life of the related debt. Additionally, Statement No. 65 required City Utilities to reclassify the loss on reacquired debt from long-term assets to deferred outflows of resources and regulatory liabilities to deferred inflows of resources on the statement of net position.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

s. **Future Change in Accounting Principle**

The Governmental Accounting Standards Board issued Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City expects to first apply GASB Statement No. 72 during the year ending June 30, 2016. The primary impact of applying the Statement will be additional note disclosures related to the fair value measurements of the City's investments.

The Governmental Accounting Standards Board issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expense for defined benefit other postemployment benefits (OPEB). The City expects to first apply GASB Statement No. 75 during the year ended June 30, 2018. The primary impact of applying the Statement will be how the City's obligation for OPEB is recognized.

(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, 2015, the bank balance of the City's deposits was \$9,129,544, 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 \$985,270 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;
- c. In revenue bonds of the City;

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

- 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, 2015, the City holds the following investments:

Investment type	Fair Value	Investment maturities			
		Less than			More than
		1 year	5 years	10 years	10 years
U.S. Treasury securities	\$ 78,746,708	36,317,626	42,429,082	—	—
Government-sponsored enterprises:					
FFCB	15,053,268	—	15,053,268	—	—
FHLB	34,845,820	22,043,218	12,802,602	—	—
FHLMC	20,615,397	—	20,615,397	—	—
FAMC	17,102,442	—	17,102,442	—	—
FMAE	7,155,393	—	7,155,393	—	—
FNMA	10,075,380	1,069,818	9,005,562	—	—
PEFCO	1,086,208	—	1,086,208	—	—
Repurchase agreements	22,024,063	22,024,063	—	—	—
Collateralized guaranteed investment contracts:					
AIG Matched Corp Inv. Ag.	1,653,926	—	—	—	1,653,926
AIG MFC I/C	42,500	—	42,500	—	—
AIG MFC Res I/A	71,400	—	71,400	—	—
CDC Funding Corp	24,283,625	—	—	24,283,625	—
FSA Cap Management Repo	4,812,460	—	—	—	4,812,460
Societe Generale Repo	7,524,133	—	—	—	7,524,133
Trinity Plus Funding	4,677	—	4,677	—	—
Westdutsche Landesbank	303,661	—	303,661	—	—
Total	\$ 245,401,061	81,454,725	125,672,192	24,283,625	13,990,519

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

The following is a listing of cash and investments held by the City as of June 30, 2015, excluding pension trusts and City Utilities:

Money market funds	\$	65,830,004
Deposits		9,332,242
Investments		245,401,061
Trustee accounts		1,588,535
Imprest funds		166,539
Deposits and investments held by pension trust		(15,666,268)
Total	\$	<u><u>306,652,113</u></u>

The deposits and investments of the City at June 30, 2015, 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 (Agency funds)	Total
	<u> </u>	<u> </u>	<u> </u>
Cash and investments	\$ 188,727,912	6,938,234	195,666,146
Restricted cash and investments	110,985,967	—	110,985,967
	\$ <u><u>299,713,879</u></u>	<u><u>6,938,234</u></u>	<u><u>306,652,113</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, 2015, approximately \$42.6 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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.

Concentration of Credit Risk

The City places no limit on the amount that may be invested in any one issuer. At June 30, 2015, the City's investments in government-sponsored enterprises obligations of the following entities constituted the following percentages, greater than 5%, of total investments:

Federal Form Credit Bank (FFCB)	8%
Federal Home Loan Bank (FHLB)	14%
Federal Home Loan Mortgage Corporation (FHLMC)	8%
Federal Agricultural Mortgage Corporation (FAMC)	7%

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, 2015, 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

The City has delegated the authority to manage the Plan’s investments to the 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 and 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 the Plan’s Investment Consultant shall convey a recommended rebalancing plan to the Board, if necessary. The Investment Consultant’s recommendation shall be conveyed to the Board within 30 days of each quarter end. The investment policy allows investment managers to use pooled investments to obtain the ranges and target percentages shown below.

The asset classes and targets at June 30, 2015, were as follows:

<u>Asset type and class</u>	<u>Range</u>	<u>Target</u>
Equities:	25%-75%	
U.S. Equity (Large Cap)		8%-16%
U.S. Equity (Small Cap)		1%-7%
Developed Non-US Equity		7%-15%
Developed Equity (Small Cap)		2%-7%
Emerging Market Equity		7%-13%
Fixed Income:	25%-50%	
Core Fixed Income		7%-13%
Inflation Linked Bonds		2%-8%
Developed Fixed Income		6%-12%
Emerging Market Debt		2%-8%
Long-Term Fixed Income		7%-13%
Alternatives:	0%-35%	
Real Estate		2%-8%
Hedge Fund of Funds		7%-13%
Commodities		2%-8%

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 obligations. 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

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

securities rated below BBB. The Plan's investment policy limits its international fixed income investment managers to invest only in securities that are rated at BBB- or higher by one of the three established rating agencies. The Plan's investment policy requires commercial paper holdings be rated A-1 or P-1 by at least one established rating agency. 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.

The following table provides information regarding Standard & Poor's credit ratings associated with the Plan's investments as of June 30, 2015:

<u>Investment Type</u>	<u>Rating</u>	<u>Percentage</u>
Domestic		
Money market mutual funds	N/A	0.1%
U.S. Treasury securities	AA+	1.0%
U.S. agency securities	AA+	1.0%
Government-sponsored enterprise obligations	AA+	4.2%
Corporate bonds	AAA to BB	7.2%
Municipal bonds	AAA to A-	0.7%
International fixed income fund		
Brandywine International Fixed Income Fund	N/A	9.6%
Pyramis Emerging Fixed Income Fund	N/A	4.6%
Index fund - fixed income		
SSgA U.S. TIPS Index Non-Lending Fund	N/A	5.5%
Index fund - equities		
Russell 2000 Index Non-Lending Fund	N/A	7.1%
S&P 500 Flagship Non-Lending Fund	N/A	16.2%
Index fund - commodities		
SSgA Dow Jones-UBS Commodity Index Non-Lending Fund	N/A	4.4%
International equity funds		
Pictet International Equity Fund, LLC	N/A	16.3%
Wells Fargo Emerging Markets Equity Fund	N/A	7.9%
International hedge fund		
EnTrust Capital Diversified Fund QP Ltd.	N/A	5.0%
Blackstone Alternative BPIF Nontax LP	N/A	5.1%
Real estate fund		
Prudential - PRISA SA	N/A	4.2%

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Concentration of Credit Risks

The Plan's investment policy mandates that no managed account may invest more than 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, 2015, 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:

<u>Investment</u>	<u>Fair Value</u>
Pictet International Equity Fund, LLC	\$ 48,767,608
S&P 500 Flagship Non-Lending Fund	48,346,058
Brandywine International Fixed Income Fund	28,590,156
Wells Fargo Emerging Markets Equity Fund	23,506,296
Russell 2000 Index Non-Lending Fund	21,290,697
SSgA U.S. Treasury Inflation Protected Securities (TIPS) Index Non-Lending Fund	16,494,245

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, 2015, the bank balances of the Plan's deposits totaled \$18,587,762. 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, 2015

The Plan's investments at June 30, 2015, mature as follows:

Investment type	Fair Value	Investment Maturities			
		Less than			More than
		1 year	5 years	10 years	10 years
Money market mutual funds	\$ 345,820	345,820	—	—	—
U.S. Treasury securities	2,877,795	—	1,847,683	—	1,030,112
U.S. agency securities	2,967,874	—	131,304	907,000	1,929,570
Government-sponsored enterprise obligations	12,527,768	129,076	1,115,445	1,002,723	10,280,524
Corporate bonds	21,496,745	685,323	7,046,148	8,344,831	5,420,443
Municipal bonds	1,961,530	210,699	717,619	640,661	392,551
International fixed income fund	42,374,600	42,374,600	—	—	—
Index fund - fixed income	16,494,245	16,494,245	—	—	—
		<u>60,239,763</u>	<u>10,858,199</u>	<u>10,895,215</u>	<u>19,053,200</u>
Index funds - equities	69,636,755				
Index funds - commodities	13,043,480				
International equity funds	72,273,904				
International hedge fund	30,278,976				
Real estate fund	12,508,292				
Total	\$ <u>298,787,784</u>				

At June 30, 2015, as reported at fair value, the Plan's U.S. agency securities consisted of \$2,643,784 Small Business Administration (SBA), \$324,090 Government National Mortgage Association (GNMA) debt securities and the Plan's government-sponsored enterprises obligations consisted of \$4,977,262 Federal Home Loan Mortgage Corporation (FHLMC) and \$7,550,506 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, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was (1.38)%. 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, 2015

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, 2014, 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	\$ 32,400	10,140	12,673	9,587	—
U.S. government agencies	44,023	—	19,288	9,795	14,940
Mortgage-backed securities	96,517	11,719	16,144	12,706	55,948
Federal agency securities and cash subject to a forward delivery agreement	52,813	—	—	—	52,813
Accrued interest	1,186	1,186	—	—	—
Total investments	226,939	23,045	48,105	32,088	123,701
Cash	29,341	29,341	—	—	—
Total cash and investments	\$ 256,280	52,386	48,105	32,088	123,701

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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, 2014, 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, 2014.

As of September 30, 2014, City Utilities was invested in a forward delivery agreement with The Bank of New York Trust Company, N.A., comprising approximately 23% 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 \$2.5 million is included in other liabilities in the Statement of Net Position.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(c) **Capital Assets**

Capital asset activity for the year ended June 30, 2015, was as follows:

Governmental Activities

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deductions/ Transfers</u>	<u>Balance June 30, 2015</u>
Nondepreciable capital assets:				
Land	\$ 59,656,120	1,637,202	(9,800)	61,283,522
Construction in progress	51,171,884	33,189,580	(35,867,265)	48,494,199
Total nondepreciable capital assets	<u>110,828,004</u>	<u>34,826,782</u>	<u>(35,877,065)</u>	<u>109,777,721</u>
Depreciable capital assets:				
Buildings	102,026,725	623,132	—	102,649,857
Improvement other than buildings	97,557,376	2,744,209	(1,002,653)	99,298,932
Machinery and equipment	48,651,415	4,900,668	(1,829,805)	51,722,278
Infrastructure	<u>366,476,205</u>	<u>31,636,816</u>	<u>—</u>	<u>398,113,021</u>
Total depreciable capital assets	<u>614,711,721</u>	<u>39,904,825</u>	<u>(2,832,458)</u>	<u>651,784,088</u>
Less accumulated depreciation:				
Buildings	(28,189,152)	(2,466,043)	—	(30,655,195)
Improvement other than buildings	(42,579,560)	(4,106,161)	1,002,653	(45,683,068)
Machinery and equipment	(38,076,580)	(4,212,751)	1,816,970	(40,472,361)
Infrastructure	<u>(196,226,401)</u>	<u>(16,643,026)</u>	<u>—</u>	<u>(212,869,427)</u>
Total accumulated depreciation	<u>(305,071,693)</u>	<u>(27,427,981)</u>	<u>2,819,623</u>	<u>(329,680,051)</u>
Total depreciable capital assets, net	<u>309,640,028</u>	<u>12,476,844</u>	<u>(12,835)</u>	<u>322,104,037</u>
Total governmental activities, capital assets	<u>\$ 420,468,032</u>	<u>47,303,626</u>	<u>(35,889,900)</u>	<u>431,881,758</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Depreciation expense was charged to functions as follows:

General government	\$	2,090,615
Public safety		2,338,117
Public works		18,341,178
Parks and recreation		4,246,871
Planning and development		176,950
Public health		165,152
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>69,098</u>
Total depreciation expense – governmental activities	\$	<u><u>27,427,981</u></u>

Business-Type Activities

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions/ Transfers</u>	<u>Balance</u> <u>June 30, 2015</u>
Nondepreciable capital assets:				
Land	\$ 27,956,628	11,300	—	27,967,928
Construction in progress	21,765,392	16,406,643	(8,732,369)	29,439,666
Total nondepreciable capital assets	<u>49,722,020</u>	<u>16,417,943</u>	<u>(8,732,369)</u>	<u>57,407,594</u>
Depreciable capital assets:				
Buildings	188,864,825	339,983	(2,188,155)	187,016,653
Sewer collection system	367,440,301	558,288	—	367,998,589
Improvement other than buildings	171,046,437	7,754,537	(324,710)	178,476,264
Machinery and equipment	37,242,765	1,828,208	(2,539,928)	36,531,045
Total depreciable capital assets	<u>764,594,328</u>	<u>10,481,016</u>	<u>(5,052,793)</u>	<u>770,022,551</u>
Less accumulated depreciation:				
Buildings	(86,375,188)	(5,098,305)	2,188,155	(89,285,338)
Sewer collection system	(140,253,903)	(8,520,137)	—	(148,774,040)
Improvements other than buildings	(92,200,607)	(7,389,590)	299,015	(99,291,182)
Machinery and equipment	(27,659,700)	(1,734,450)	2,439,742	(26,954,408)
Total accumulated depreciation	<u>(346,489,398)</u>	<u>(22,742,482)</u>	<u>4,926,912</u>	<u>(364,304,968)</u>
Total depreciable capital assets, net	<u>418,104,930</u>	<u>(12,261,466)</u>	<u>(125,881)</u>	<u>405,717,583</u>
Total business-type capital assets	\$ <u><u>467,826,950</u></u>	<u><u>4,156,477</u></u>	<u><u>(8,858,250)</u></u>	<u><u>463,125,177</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Depreciation expense was charged to functions as follows:

National airport	\$ 9,925,733
Sanitary sewerage system	11,136,932
Nonmajor enterprise funds	<u>1,679,817</u>
 Total depreciation expense – business-type activities	 \$ <u><u>22,742,482</u></u>

Component Unit – City Utilities

	<u>September 30, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>September 30, 2014</u>
Public Utility:				
Nondepreciable assets:				
Land	\$ 47,281,000	767,000	—	48,048,000
Construction work in progress	40,735,000	60,458,000	(46,746,000)	54,447,000
Depreciable assets				
Electric	1,429,112,000	21,843,000	(1,762,000)	1,449,193,000
Natural gas	204,618,000	6,483,000	(523,000)	210,578,000
Transportation	18,021,000	1,189,000	(476,000)	18,734,000
Water	274,278,000	15,553,000	(657,000)	289,174,000
Customer service	14,025,000	212,000	(321,000)	13,916,000
Telecommunication	63,034,000	2,517,000	(2,260,000)	63,291,000
Common	<u>54,475,000</u>	<u>1,138,000</u>	<u>(245,000)</u>	<u>55,368,000</u>
Total capital assets	2,145,579,000	110,160,000	(52,990,000)	2,202,749,000
Less accumulated depreciation	<u>(734,146,000)</u>	<u>(60,611,000)</u>	<u>7,066,000</u>	<u>(787,691,000)</u>
Net capital assets	\$ <u><u>1,411,433,000</u></u>	<u><u>49,549,000</u></u>	<u><u>(45,924,000)</u></u>	<u><u>1,415,058,000</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(d) Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2015:

Governmental activities	Beginning balance	Additions	Reductions	Ending balance	Amounts due within one year
Bonds payable:	\$ 120,338,467	6,960,000	(12,712,000)	114,586,467	11,386,000
Plus bond premium (discount)	1,756,062	628,749	(229,972)	2,154,839	—
Total bonds payable	122,094,529	7,588,749	(12,941,972)	116,741,306	11,386,000
Capital lease obligations	976,133	926,840	(295,403)	1,607,570	428,578
Section 108 Loan Guarantee Assistance Programs	6,670,000	—	(393,000)	6,277,000	411,000
Accrued claims and judgments	800,000	1,969,223	(800,000)	1,969,223	1,969,223
Net pension liability	120,383,254	50,680,759	(40,886,734)	130,177,279	
Other postemployment benefits	3,468,640	816,860	(822,281)	3,463,219	—
Accrued compensated absences	18,624,403	1,276,494	(2,790,420)	17,110,477	1,685,578
Total governmental activities long-term liabilities	<u>\$ 273,016,959</u>	<u>63,258,925</u>	<u>(58,929,810)</u>	<u>277,346,074</u>	<u>15,880,379</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, \$155,138 for compensated absences and \$71,837 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, 2015

<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	\$ 88,695,000	—	(2,585,000)	86,110,000	2,750,000
Plus bond premium	<u>2,037,498</u>	<u>—</u>	<u>(89,693)</u>	<u>1,947,805</u>	<u>—</u>
Total revenue bonds	90,732,498	—	(2,674,693)	88,057,805	2,750,000
Accrued claims and judgments	—	46,072	—	46,072	46,072
Other postemployment benefits	230,106	53,711	(54,067)	229,750	—
Compensated absences	<u>495,850</u>	<u>21,395</u>	<u>(59,799)</u>	<u>457,446</u>	<u>60,372</u>
Total national airport fund	<u>91,458,454</u>	<u>121,178</u>	<u>(2,788,559)</u>	<u>88,791,073</u>	<u>2,856,444</u>
Sanitary sewerage system fund:					
Revenue bonds	81,678,300	43,140,000	(6,385,600)	118,432,700	7,000,100
Plus bond premium	<u>3,439,464</u>	<u>3,223,857</u>	<u>(264,551)</u>	<u>6,398,770</u>	<u>—</u>
Total revenue bonds	85,117,764	46,363,857	(6,650,151)	124,831,470	7,000,100
Notes payable	28,678,260	—	(3,184,170)	25,494,090	2,861,432
Accrued claims and judgments	—	30,779	—	30,779	30,779
Other postemployment benefits	207,459	54,830	(55,194)	207,095	—
Compensated absences	<u>1,111,796</u>	<u>67,049</u>	<u>(292,626)</u>	<u>886,219</u>	<u>78,708</u>
Total sanitary sewerage system fund	<u>115,115,279</u>	<u>46,516,515</u>	<u>(10,182,141)</u>	<u>151,449,653</u>	<u>9,971,019</u>
Nonmajor enterprise fund:					
Accrued landfill closure/postclosure care costs	10,952,594	390,442	—	11,343,036	—
Capital lease obligation	105,502	81,540	(46,140)	140,902	40,590
Other postemployment benefits	137,437	31,891	(32,103)	137,225	—
Compensated absences	<u>621,733</u>	<u>22,133</u>	<u>(151,186)</u>	<u>492,680</u>	<u>26,893</u>
Total nonmajor enterprise fund	<u>11,817,266</u>	<u>526,006</u>	<u>(229,429)</u>	<u>12,113,843</u>	<u>67,483</u>
Total business-type activities long-term liabilities	\$ <u>218,390,999</u>	<u>47,163,699</u>	<u>(13,200,129)</u>	<u>252,354,569</u>	<u>12,894,946</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Debt service requirements on long-term debt at June 30, 2015, are as follows:

Governmental activities		
bonds		
	<u>Principal</u>	<u>Interest</u>
2016	\$ 11,386,000	4,917,174
2017	10,688,000	4,489,232
2018	10,641,000	4,068,297
2019	11,382,000	3,603,794
2020	9,429,000	3,111,360
2021-2025	41,882,567	16,481,738
2026-2030	18,997,900	13,038,033
2031-2035	180,000	8,100
	<u>\$ 114,586,467</u>	<u>49,717,728</u>

Enterprise funds		
National airport		
Revenue bonds		
	<u>Principal</u>	<u>Interest</u>
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	3,540,000	3,476,745
2021-2025	21,355,000	14,392,146
2026-2030	15,625,000	9,764,624
2031-2035	17,595,000	5,899,095
2036-2040	15,860,000	942,660
	<u>\$ 86,110,000</u>	<u>50,001,750</u>

Sanitary sewerage system				
	<u>Revenue bonds</u>		<u>Notes payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 7,000,100	4,643,608	2,861,432	—
2017	7,325,000	4,627,274	2,853,052	—
2018	7,562,000	4,291,629	2,924,457	—
2019	7,839,300	3,929,502	3,002,287	—
2020	8,026,700	3,542,631	2,995,574	—
2021-2025	35,704,700	12,586,559	9,693,395	—
2026-2030	26,466,100	6,484,481	1,163,893	—
2031-2035	18,508,800	2,023,414	—	—
	<u>\$ 118,432,700</u>	<u>42,129,098</u>	<u>25,494,090</u>	<u>—</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Governmental activities bonds payable at June 30, 2015, 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
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	16,330,000
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	4,540,000
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	3,985,000
Variable Rate, as determined as the Weekly Rate (2.0% at June 30, 2015) 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	3,500,000
Variable Rate, as determined as the Weekly Rate (0.28% at June 30, 2015), 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	7,190,000
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	355,000
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	1,090,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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	\$ 2,295,000
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	1,690,000
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	1,645,000
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	4,915,000
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	8,985,000
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	5,645,000
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	6,185,000
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	3,835,000
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	2,345,000
2.0% to 4.0% Special Obligation Refunding Bonds of the City of Springfield, Missouri, Series 2010, due through June 1, 2021	9,225,000
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)	6,295,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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	\$ 455,000
2.0% to 4.0% Special Obligation Refunding Bonds of the City of Springfield, Missouri, Series 2014, due through September 1, 2024	13,040,000
2.0% to 5.0% General Obligation Improvement and Refunding Bonds of the City of Springfield, Missouri, Series 2014B, due through September 1, 2029	<u>6,960,000</u>
Total governmental activities bonds	<u>\$ 114,586,467</u>

Business-type activities revenue bonds payable at June 30, 2015, 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	\$ 80,535,000
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	5,575,000

Sanitary sewerage system fund:

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	102,000
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	370,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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	\$ 28,730,000
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	5,725,000
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	5,800,000
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	10,720,700
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	23,845,000
3.0% to 5.0% Special Obligation Bonds City of Springfield, Missouri, Series 2015 (Sewer System Improvement Project), due through April 1, 2035, callable on or after April 1, 2025, at par	<u>43,140,000</u>
Total revenue bonds payable	<u>\$ 204,542,700</u>

Notes Payable

Notes payable at June 30, 2015, consisted of the following obligations:

Sanitary sewerage system fund:

Noninterest-bearing State of Missouri Wastewater Revolving Fund Program intergovernmental notes	\$ <u>25,494,090</u>
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CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Capital Lease Obligations

The City has entered into several capital leases through April 1, 2020, to purchase equipment and vehicles throughout the city with interest rates ranging from 1.69% thru 4.23%. The net book value of capital assets under lease obligations was \$1,513,297 at June 30, 2015. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2015, were as follows:

	Governmental activities
	<u> </u>
Year ending June 30:	
2016	\$ 451,855
2017	451,853
2018	316,243
2019	283,651
2020	160,337
2021	—
	<u> </u>
Total minimum lease payments	1,663,939
Less amounts representing interest	<u>(56,369)</u>
Present value of minimum lease payments	\$ <u><u>1,607,570</u></u>

The City has entered into several capital leases through October 1, 2019, to purchase equipment for the City's golf courses with interest rates ranging from 1.6% to 2.29%. The net book value of capital assets under lease obligations was \$194,818 at June 30, 2015. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2015, were as follows:

	Nonmajor enterprise fund
	<u> </u>
Year ending June 30:	
2016	\$ 42,629
2017	30,440
2018	30,439
2019	30,440
2020	12,016
2021	—
	<u> </u>
Total minimum lease payments	145,964
Less amounts representing interest	<u>(5,062)</u>
Present value of minimum lease payments	\$ <u><u>140,902</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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>
2016	\$ 411,000	134,233
2017	435,000	124,886
2018	461,000	114,775
2019	483,000	103,978
2020	517,000	92,457
2021-2025	2,947,000	263,629
2026-2030	1,023,000	17,847
	<u>\$ 6,277,000</u>	<u>851,805</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	10/01/2016*
U.S. Bank	\$ 7,559,486	Prime plus 1.50% Maximum rate = 10%	10/15/2017

*Automatically extended for 12 months unless the Bank provides notice

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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, 2015, the City's net general obligation bonded debt of \$830,594 represents .1% of the legal debt limit of \$811,793,048.

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, 2015, a total of \$10,474,406 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, 2015, \$4,762,722 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, 2015, 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, 2015

LCRA industrial development revenue bonds of \$1,148,150 were outstanding at June 30, 2015. 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 August 6, 2014, the City issued \$6.96 million in General Obligation Improvement and Refunding Bonds with an average interest rate of 3.60% to refund \$4.45 million of outstanding 2001B, 2003 and 2005 General Obligation bonds with an average interest rate of 4.35% and new proceeds totaling \$3.0 million. The net proceeds of \$7.5 million (after payment of \$88,635 of issuance costs and underwriter fees) were used to refund the applicable 2001B, 2003 and 2005 GO bonds and provide new proceeds totaling \$3.0 million.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$37,334. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2021 using the straight-line method. The City completed the refunding to reduce its total debt service payments over the next six years by \$356,858 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$388,986.

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 \$22,835,000 as of June 30, 2015. Securities were deposited in an irrevocable trust 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, 2015

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, 2015</u>	<u>Recognized for the year ended June 30, 2015</u>
SCCDC Taxable Revenue Bonds Series 2002B Jordan Valley Park-Baseball Stadium Project	Rental payment from developer	\$ 7,271,640	Acquisition of real estate for baseball stadium	Through 2028	100%	\$ 556,448	\$ 554,376
SCCDC Taxable Revenue Bonds Series 2002C Jordan Valley Park Project	Hotel/motel tax	6,383,128	Jordan Valley Park Projects	Through 2028	23	493,208	2,150,891
LCRA Taxable Variable Rate Demand Revenue Bonds, Series 2003, University Plaza Hotel Redevelopment Project	Rental payment from developer	4,068,168	University Plaza Hotel redevelopment	Through 2021	100	616,797	645,799
Lone Pine Greenspace Neighborhood Improvement District Series 2003	NID payments	417,142	Acquisition of greenspace	Through 2024	100	48,065	46,276
LCRA Taxable Revenue Bonds Series 2004 SBD Loan Pool Funding Program	Loan program revenue	1,344,800	Provide proceeds for SBD loan program	Through 2023	84	254,180	307,919

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

<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, 2015</u>	<u>Recognized for the year ended June 30, 2015</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	\$ 12,083,738	College Station Parking Garage	Through 2028	100%	\$ 801,312	\$ 48,130
Special Obligation Bonds Series 2007B Heers Garage Project	Heers Tower Redevelopment Project Revenues	7,606,113	Heers Parking Garage	Through 2028	100	291,787	—
PBC Leasehold/Municipal Facilities Revenue Bonds – Level Property Tax Program Series 2005A, 2006, 2007 and 2009	Level property tax	22,411,068	Level property tax program – capital improvement and stormwater projects	Through 2029	26	2,164,799	8,185,204
PBC Municipal Facility Revenue Bond Series 2005B Park Facilities Project	Park property tax	2,122,688	Cooper Park Indoor Tennis Facility expansion	Through 2025	4	214,337	5,738,853

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

<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, 2015</u>	<u>Recognized for the year ended June 30, 2015</u>
PBC Leasehold Revenue							
Improvement Bonds, Series 2006A&B and 2009, Springfield Branson National Airport Projects	National airport revenues	\$ 136,111,750	Construction of Midfield Terminal	Through 2037	45%	\$ 6,820,220	\$ 15,368,864
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	50,665,981	Finance and construction of sanitary sewerage system	Through 2028	18	7,081,155	38,504,120
Special Obligation Bonds (State of Missouri-Direct Loan Program) Series 2010	Sanitary sewerage system revenues	12,060,824	Extend and improve sanitary sewerage system	Through 2031	2	752,904	38,504,120

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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, 2014
	<u> </u>
Public Utility Revenue Bonds, Series 2006; 4.00% to 5.00%; due August 1, 2012, to 2036	\$ 596,515
Public Utility obligation under the February 2006 lease financing agreement; 3.25% to 5.00%; due December 1, 2012, to 2021	38,780
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>49,935</u>
Total City Utilities	685,230
Less current maturities of long-term obligations	<u>(18,215)</u>
Total City Utilities component unit	<u><u>\$ 667,015</u></u>

All long-term debt obligations are collateralized by the net income and revenues of the Public Utility.

Long-term debt activity for the year ended September 30, 2014, was as follows (in thousands):

	Bonds and obligations payable (Restated - Note 1(c)r) September 30, 2013	Additions	Reductions	Bonds and obligations payable September 30, 2014	Principal due in one year
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenue bonds - Public Utility	\$ 617,280	—	(20,765)	596,515	8,035
Unamortized debt premium net of debt discount	19,970	—	(2,177)	17,793	—
Other obligations	98,465	—	(9,750)	88,715	10,180
Compensated absences	22,833	11,247	(10,763)	23,317	—
Other	<u>6,275</u>	<u>2,500</u>	<u>—</u>	<u>8,775</u>	<u>—</u>
Total City Utilities	<u><u>\$ 764,823</u></u>	<u><u>13,747</u></u>	<u><u>(43,455)</u></u>	<u><u>735,115</u></u>	<u><u>18,215</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

The debt service to maturity on outstanding bonds and obligations as of September 30, 2014, is summarized in the following table (in thousands):

	Bonds and other obligations	
	Principal	Interest
2015	\$ 18,215	\$ 31,803
2016	19,725	30,923
2017	21,315	29,947
2018	22,670	28,881
2019	24,480	27,737
2020-2024	117,415	121,511
2025-2029	127,545	95,722
2030-2034	185,005	60,983
2035-2036	148,860	11,355
	<u>\$ 685,230</u>	<u>\$ 438,862</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, 2014, is \$856,705,000.

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 2014
City Utilities Debt Obligations	Operating Revenue	\$ 1,124,092	Through 2036	13%	\$ 49,669

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, 2014.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(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	\$ 134,030	558,133	—	75,877	1,354,920	2,122,960
Long-term loans	—	38,745,439	—	—	—	38,745,439
Permanent fund principal	—	—	—	—	1,269,362	1,269,362
Restricted:						
Roads and infrastructure	—	—	—	—	42,972,068	42,972,068
Parks and recreation	—	—	—	—	1,735,412	1,735,412
Reserved for loans	—	7,884,889	—	—	—	7,884,889
Telecable	—	—	—	—	1,763,473	1,763,473
Municipal court records management	—	—	—	—	616,373	616,373
Deposits held for services	—	—	—	—	1,344,336	1,344,336
Debt service reserve	—	—	—	—	11,869,401	11,869,401
Committed:						
Roads and infrastructure	—	—	—	—	6,397,225	6,397,225
Law enforcement	—	—	—	—	586,547	586,547
Art museum	—	—	—	—	1,978,074	1,978,074
Economic stabilization	16,000,000	—	—	—	—	16,000,000
Debt service	—	—	—	—	16,052,833	16,052,833
Assigned:						
Parks and recreation	—	—	—	1,430,339	—	1,430,339
Public health	—	—	—	—	4,957,546	4,957,546
Prior service credit	1,500,000	—	—	—	—	1,500,000
Future projects - see detail	6,745,200	—	—	—	—	6,745,200
Debt service	—	—	—	—	114,000	114,000
Encumbrances	1,397,138	—	—	—	—	1,397,138
Unassigned	—	—	—	—	(112,277)	(112,277)
Total fund balances	\$ <u>25,776,368</u>	<u>47,188,461</u>	<u>—</u>	<u>1,506,216</u>	<u>92,899,293</u>	<u>167,370,338</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

General fund future projects detail

Fire Equipment	\$ 41,845
Replace AED	35,000
Fire station alerting	110,000
Fire Station Exhaust	50,000
Set-aside for replacement of Trunked radio system	1,000,000
Property Acquisition	400,000
Project Consulting	78,000
Council Chambers remodel	67,000
Conference room remodel	15,000
Data Center equipment upgrade	180,000
Future projects pending council	4,768,355
Total future projects	<u>\$ 6,745,200</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	\$ 383,547	1,013,591	—
Community development	305,104	27,763	300,445
Public parks	504,121	15,218	17,410
National airport	384,128	525,702	292,424
Sanitary sewerage system	1,071,164	4,289,164	—
Nonmajor governmental	4,683,966	11,259,699	5,228,008
Nonmajor enterprise	750,067	154,282	—
Internal service	463,331	—	—
Total	<u>\$ 8,545,428</u>	<u>17,285,419</u>	<u>5,838,287</u>

City Utilities Component Unit

As of September 30, 2014, anticipated capital expenditures for improvements during the 2015 fiscal year are estimated to be approximately \$93.7 million. Major capital initiatives include Environmental Regulatory Compliance projects, continuation of a clearwell at Blackman Water Treatment Plant and an on-site disinfection system at the Fulbright Water Treatment Plant.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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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 generation and transmission 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. For the fiscal year ended September 30, 2014, the cost of peaking capacity was \$2.7 million and the minimum for peaking energy was \$1.0 million for the year. The peaking rate is periodically adjusted.

Southwest Power Pool - In March 2014, City Utilities began buying and selling power in the Southwest Power Pool (SPP) Integrated Marketplace. As a Regional Transmission Operator ("RTO"), SPP is mandated by FERC to ensure reliable supplies of power, adequate transmission infrastructure, and competitive wholesale prices of electricity. SPP maintains a bid-based energy market, in which City Utilities offers essentially all of its generation and purchases much of its load requirement from the SPP market in accordance with the SPP Tariff. During the seven months ended September 30, 2014 of participation in the SPP Integrated Marketplace, CU had sales of \$19.6 million and purchased power of \$9.7 million. CU participates in the ancillary services market operated by SPP. The ancillary market is an extension of the existing energy market in which SPP assumes the responsibility of maintaining sufficient generation reserves. In the ancillary services market, SPP provides the reserves for CU's load, and CU may offer to sell reserves from its generating units.

Strata Power - As of June 2014, City Utilities began receiving solar power from Strata Solar based on a 25 year agreement, signed in October 2013 that allows CU to purchase all of the energy generated at a fixed price of \$308 per Kwh. The 4.95 MW solar farm known as the CU Solar Farm was constructed on CU property but is owned by Strata Solar with an option for CU to purchase in the future.

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 2014 of \$715,000 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 22, 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 \$6,200,000 for the calendar year 2014. As of September 30, 2014, City Utilities had purchased \$6,260,000 of coal for the contract period ended December 31, 2014.

A second Confirmation Letter Agreement was executed with Arch Coal Sales Company, Inc. on June 22, 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

CITY OF SPRINGFIELD, MISSOURI

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Utilities' coal purchase obligation is \$7,920,000 and \$8,790,000 for calendar years 2014 and 2015, respectively. As of September 30, 2014, City Utilities had purchased \$8,201,000 of coal for the contract period ending December 31, 2014.

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 October 8, 2010, a Confirmation Letter Agreement was executed for the purchase of coal from the Cordero Rojo Mine during the period of January 1, 2011, through December 31, 2014. Under the terms of this agreement, CU's coal purchase obligation is \$4,005,000 for calendar year 2014. As of September 30, 2014, City Utilities had purchased \$3,867,000 of coal for the contract period ended December 31, 2014. Management believes the minimum tonnage requirement will be met for calendar year 2014.

A second Confirmation Letter Agreement was executed with Cloud Peak Energy Resources LLC on September 19, 2014, for the purchase of coal during the period of January 1, 2015, through December 31, 2017. Under the terms of this agreement, CU's coal purchase obligation is \$4,120,000, \$4,320,000 and \$4,720,000 for calendar years 2015, 2016 and 2017, respectively.

Peabody Coal Sales LLC - On August 28, 2013, CU entered into a Master Coal Purchase and Sale Agreement with Peabody Coal Sales LLC. On September 25, 2014, a Confirmation Letter Agreement was executed for the purchase of coal from the North Antelope Rochelle Mine during the period October 1, 2014, through December 31, 2017. Under terms of this agreement, CU's coal purchase obligation is \$4,840,000, \$5,200,000, \$5,600,000 and \$5,940,000 for calendar years 2014, 2015, 2016 and 2017, respectively. Management believes the minimum tonnage requirement will be met for calendar year 2014.

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 2014 was 1,200,000 tons and 1,630,000 tons for calendar year 2015. As of September 30, 2014, City Utilities had tendered coal tonnage of 1,386,000 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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(g) Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2015, is as follows:

<u>Receivable fund</u>	<u>Payable fund</u>		
General fund	Nonmajor governmental	\$	1,684,125
General fund	Internal service		335,342
General fund	Nonmajor enterprise		165,000
Nonmajor governmental	Nonmajor governmental		102,522
Fiduciary fund	Public Safety Pension Sales Tax		5,055,966
			<u>7,342,955</u>
Total		\$	<u>7,342,955</u>

Interfund payables and receivables are made for specific purposes for each fund and for overdraws 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.

Interfund transfers for the year ended June 30, 2015, are as follows:

	<u>Transfers to:</u>							<u>Total</u>
	<u>General fund</u>	<u>Community development</u>	<u>Public parks</u>	<u>Nonmajor governmental</u>	<u>Sanitary sewerage</u>	<u>Nonmajor enterprise</u>	<u>Internal service</u>	
Transfers from:								
General fund	\$ —	64,045	250,000	2,431,490	214,122	189,383	2,000,000	5,149,040
Community development	—	—	—	244,025	—	—	—	244,025
Public parks	650,388	—	3,061	215,955	—	—	—	869,404
Nonmajor governmental	1,326,205	—	—	9,776,765	1,800	—	—	11,104,770
Sanitary sewerage system	1,221,124	—	—	—	—	44,818	—	1,265,942
National airport	200,000	—	—	—	—	—	—	200,000
Nonmajor enterprise	572,368	—	—	—	—	—	—	572,368
Total transfers in	\$ <u>3,970,085</u>	<u>64,045</u>	<u>253,061</u>	<u>12,668,235</u>	<u>215,922</u>	<u>234,201</u>	<u>2,000,000</u>	<u>19,405,549</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the year ended June 30, 2015, there were no one-time transfers or nonroutine transfers made.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(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, 2015:

Year Ended June 30,	Operating Leases	
	Governmental Activities	Business- Type Activities
2016	\$ 451,525	\$ 247,711
2017	255,961	179,305
2018	99,246	144,631
2019	47,926	5,928
2020	10,753	498
	\$ 865,411	\$ 578,073

(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. Police Officers' and Fire Fighters' Retirement System (Plan)

General Information about the Plan

Plan Description - The City of Springfield, Missouri Police Officers’ and Fire Fighters’ Retirement Fund (the “Plan”), is a single-employer, defined benefit pension plan. Prior to the closing the Plan to new entrants on January 31, 2010, the City of Springfield, Missouri’s (the “City”) police officers and fire fighters became members in the Plan as a condition of their employment. Members hired on or after June 1, 2006, have voluntarily left the Plan and are currently members in the Local Government Employees Retirement System (LAGERS). These former members’ contributions to this plan have been refunded and they are no longer due any benefits. Police officers and fire fighters hired on or after February 1, 2010, are provided a retirement plan through LAGERS.

CITY OF SPRINGFIELD, MISSOURI

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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 nine voting members: 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 Trustees also include five nonvoting members, one of which is a member of the City Council designated by the Mayor to act as a liaison. The Plan is not subject to the provisions of the *Employee Retirement Income Security Act of 1974*. Sections 2-441 through 2-483 of the Springfield, Missouri Code of Ordinances should be referred to for complete details of the Plan. Members should also refer to the pamphlet, *City of Springfield Police Officers' and Fire Fighters' Retirement Fund Summary*, for a more complete description of the Plan's provisions.

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.

Retirement Benefits - Members become vested in the Plan after five years of service. Members are entitled to retirement benefits after 25 years of service, at age 50 after 20 years of service, or at age 60. Members with at least five years of service may elect to receive early retirement reduced benefits at age 55. Normal retirement benefits are 2.8% multiplied by total years of credited service multiplied by the average of a member's highest three years of salary within the last 10 years, limited to 70% of average annual salary.

Disability Benefits - Nonduty disability benefits are available to members having at least three years of service who become totally and permanently disabled from nonduty causes. These benefits are 1.75% of the member's average salary if the member retired prior to January 1, 2005, and seven-eighths of the percentage multiplier rate for the normal service retirement benefit, including the additional three-tenths multiplier for each year of service, subject to a minimum of 25% and a maximum of 50% for members who are current employees of the police or fire departments on and before January 1, 2005.

With respect to any member commencing employment on or after January 1, 2005, and before June 1, 2006, and having at least five years of service who become totally and permanently disabled from nonduty causes shall be entitled to a nonduty disability. This pension shall be payable during the lifetime of the member, provided the disability continues. The pension for members commencing employment on or after January 1, 2005, and before June 1, 2006, shall be equal to seven-eighths of the percentage multiplier rate for the normal service retirement benefit in effect at the time of the granting of the nonduty disability pension, including the additional three-tenths multiplier amount times the average salary for each year of service, subject to a minimum benefit of 25% of average salary and a maximum benefit of 50% of average salary.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Duty disability benefits are available to members, irrespective of the length of service, who become disabled as a direct result of occupational duties. Duty disability benefits are 66 2/3% of the member's salary in effect at the date of the disability, with an offset for any amounts payable under worker's compensation.

Survivor Benefits - A pension equal to 50% of the member's average salary in effect at the date of death is payable to the surviving spouse until the spouse remarries if death occurs as a direct result of an act of duty. An additional allowance of 10% of the member's salary is payable for each surviving child under the age of 18, subject to a maximum payment to a surviving spouse and children of 75% of the member's salary, with an offset for any amounts payable under workers' compensation. Survivor's pensions for nonduty connected deaths are 25% of average salary plus 1 and 1/8% of average salary for each year of service, provided the member had at least five years of service, subject to a maximum of 50% of average salary paid to the surviving spouse. An additional 10% of the member's salary is payable for each surviving child under the age of 18, subject to a maximum payment of 60% of the member's salary to a surviving spouse and children for a nonduty death.

Termination - A member who terminates employment with the City and is not eligible for benefits from the Plan, is paid on demand and without interest his contributions to the Plan. If the member has five years of service, the member may remain vested and elect to receive benefits payable commencing at the member's normal retirement date.

Annual Adjustments - Plan members entering the Plan prior to June 1, 2006, will have pension benefits increased 3% each July over the amount paid in the preceding month of June, provided the pension has been paid at least 12 months prior to the July change. For age and service retirement pensions, the 3% increase does not begin until the calendar year of the employee's 56th birthday. Surviving spouses and dependent children receiving benefits are also eligible for the increase.

Members Covered by Benefit Terms - Membership in the Plan as of June 30, 2015, is comprised of the following:

	<u>Police Officers</u>	<u>Firefighters</u>	<u>Total</u>
Retirees and beneficiaries			
currently receiving benefits	257	273	530
Terminated vested members	16	2	18
Fully vested active members	168	133	301
Total	<u>441</u>	<u>408</u>	<u>849</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Contributions - 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. Members 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, 2015. The member contribution rate is comprised of the required 8.50% rate and 6.13% for the additional funding contribution. The Plan requires the additional funding contribution rate be adjusted triennially, with the next adjustment occurring July 1, 2016. The City may, at its 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, 2015, the City's contribution rate to the Plan was 35% of member salaries.

During the year ended June 30, 2015, contributions totaling \$40,886,734 were made to the Plan. In 2015, the employer's actual contributions of \$7,131,402 and \$30,772,390 in public safety sales tax revenue met the annual required employer's contributions of \$16,267,747 as determined by the Plan's actuary. For the year ended June 30, 2015, employer contributions represented 37.8% and employee contributions represented 15.8% of covered payroll.

The amount of contributions relating to the public safety sales tax due from the City of Springfield at June 30, 2015, was \$5,055,966. The public safety sales tax earned in May and June 2015 was \$3,179,167 and \$1,876,799, respectively. The Plan received these contributions subsequent to June 30, 2015.

Net Pension Liability

The City's net pension liability was measured at June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date.

Actuarial Methods and Assumptions - The total pension liability was determined by an actuarial valuation prepared by Milliman as of June 30, 2015, using the following actuarial assumptions applied to the period included in the measurement:

Actuarial cost method	Entry age normal cost
Inflation	2.5%
Salary increases	Range from 7% at hire to 2.5% at 13 years of service, including inflation
Net investment rate of return	7%
Cost of living adjustment	3%

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Retirement age	Age	Percentage retiring in the next year
	45-50	25%
	51-53	20%
	54	25%
	55-59	50%
	60+	100%
Turnover		Rates based on experience
Mortality		RP-2000 (Healthy and Disabled) with generational projection per Scale AA for healthy participants

The actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2009 – July 1, 2013.

The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the Fund's independent investment consultant as of June 30, 2015.

Asset Class	Index	Target Allocation	Long-Term Expected Nominal Rate of Return
Core Fixed Income	Barclays Immediate Aggregate	13.96%	4.80%
Inflation-Indexed Bonds	Barclays US Treasury US TIPS	4.29%	4.40%
Non-US Fixed Income	Citigroup Non-U.S. World Govt	13.76%	4.90%
Broad US Equities	S&P 500/Russell 2000	23.14%	9.20%
Developed Foreign Equities	MSCI EAFE	17.98%	9.70%
Emerging Market Equities	MSCI EM	8.06%	12.00%
Hedge Funds	HFRI FOF: Conservative Index	9.23%	6.80%
Commodities	Bloomberg Commodity Index	5.73%	7.00%
Real Estate (Property)	NCREIF Fund Index	3.84%	7.00%
Portfolio Arithmetic Mean Return			7.67%
Portfolio Standard Deviation			10.57%
Long-Term Expected Rate of Return			7.00%

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2015, was 7%. The Plan's fiduciary net position to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Changes in Net Pension Liability (a) - (b)
Balances as of June 30, 2014	\$ 430,036,714	309,653,460	120,383,254
Changes for the year:			
Service cost	6,421,328	—	6,421,328
Interest on total pension liability	30,102,570	—	30,102,570
Effect of economic/demographic (gains)/losses	9,559,745	—	9,559,745
Benefit payments	(23,409,498)	(23,409,498)	—
Employer contributions	—	37,903,792	(37,903,792)
Member contributions	—	2,982,942	(2,982,942)
Net investment income	—	(4,597,116)	4,597,116
Net changes	22,674,145	12,880,120	9,794,025
Balances as of June 30, 2015	\$ 452,710,859	322,533,580	130,177,279

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following sensitivity analysis presents the net pension liability of the City, calculated using the discount rate of 7% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Total pension liability	\$ 514,343,784	452,710,859	402,511,609
Fiduciary net position	(322,533,580)	(322,533,580)	(322,533,580)
Net pension liability	\$ 191,810,204	130,177,279	79,978,029

Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in a separately issued, publicly available financial report that includes financial statements and required supplementary information.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

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

For the year ended June 30, 2015, the City recognized pension expense of \$25,873,788 related to the Plan. The City reported deferred outflows and inflows of resources related to the Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 9,072,523	\$ —
Changes of assumptions	19,473,616	—
Net difference between projected and actual earnings	<u>21,507,649</u>	<u>(10,534,378)</u>
Total	<u>\$ 50,053,788</u>	<u>\$ (10,534,378)</u>

Amounts reported as deferred outflows and deferred inflows or resources related to the Plan will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 14,620,277
2017	14,620,277
2018	4,901,943
2019	5,376,913
2020	—
Thereafter	—
Total	<u>\$ 39,519,410</u>

Payable to the Plan

At June 30, 2015, the City reported a payable of \$5,055,966 due the Pension Plan from the Public Safety Pension Sales Tax Fund collected for the year ended June 30, 2015.

**II. Missouri Local Government Employees Retirement System (LAGERS) – The City
*General Information about LAGERS***

Plan Description - The City of Springfield defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City of Springfield participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with

CITY OF SPRINGFIELD, MISSOURI

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June 30, 2015

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 responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

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

Benefit Multiplier: 2%

Final Average Salary: 3 years

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

Employees Covered by Benefit Terms - At June 30, 2015, the following employees were covered by benefit terms:

	<u>General</u>	<u>Police Officers</u>	<u>Fire Fighters</u>
Retirees and beneficiaries			
currently receiving benefits	748	1	1
Terminated vested members	214	8	2
Fully vested active members	1,110	129	71
Total	<u>2,072</u>	<u>138</u>	<u>74</u>

Contributions - The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is an estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to LAGERS. Employer contribution rates are 17.6% (General), 16.2% (Police) and 19.6% (Fire) of annual covered payroll.

CITY OF SPRINGFIELD, MISSOURI

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Net Pension Liability

The City's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015. The roll-forward of total pension liability from February 28, 2015, to June 30, 2015, reflects expected service cost and interest reduced by actual benefit payments and administrative expenses.

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

Actuarial cost method	Entry age normal
Inflation	3.5% wage inflation, 3.0% price inflation
Salary increases	3.5% to 8.6%, including wage inflation
Net investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5 year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

The actuarial assumptions used in the February 28, 2015, valuation were based on the results of an actuarial experience study for the period March 1, 2005, through February 28, 2010.

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

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	48.50%	5.50%
Fixed Income	25.00%	2.25%
Real Assets	20.00%	4.50%
Strategic Assets	6.50%	7.50%

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

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Changes in Net Pension Liability (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances as of June 30, 2014	\$ 284,165,554	301,697,733	(17,532,179)
Changes for the year:			
Service cost	7,314,005	—	7,314,005
Interest on total pension liability	20,338,603	—	20,338,603
Difference between expected and actual experience	(327,941)	—	(327,941)
Benefit payments	(14,709,597)	(14,709,597)	—
Employer contributions	—	10,393,079	(10,393,079)
Net investment income	—	5,869,623	(5,869,623)
Administrative expenses	—	(212,878)	212,878
Other (Net Transfer)	—	(3,482,136)	3,482,136
Net changes	12,615,070	(2,141,909)	14,756,979
Balances as of June 30, 2015	\$ 296,780,624	299,555,824	(2,775,200)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following sensitivity analysis presents the net pension liability of the City, calculated using the discount rate of 7.25% as well as what the City's net pension liability would

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be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 335,769,789	296,780,624	264,328,004
Fiduciary net position	<u>(299,555,824)</u>	<u>(299,555,824)</u>	<u>(299,555,824)</u>
Net pension liability (asset)	\$ <u>36,213,965</u>	<u>(2,775,200)</u>	<u>(35,227,820)</u>

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

For the year ended June 30, 2015, the City recognized pension expense of \$12,749,625 related to LAGERS. The City reported deferred outflows and inflows of resources related to LAGERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 867,948	\$ (1,042,015)
Net difference between projected and actual earnings	<u>12,574,500</u>	<u>—</u>
Total	\$ <u>13,442,448</u>	\$ <u>(1,042,015)</u>

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

Year ended June 30:	
2016	\$ 2,989,752
2017	2,989,752
2018	2,989,752
2019	2,989,748
2020	(63,094)
Thereafter	<u>504,523</u>
Total	\$ <u>12,400,433</u>

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Payable to LAGERS

At June 30, 2015, the City reported a payable of \$818,891 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

Allocation of LAGERS Net Pension Asset

The City's full-time equivalents at June 30, 2015, was used to allocate the net pension liability and deferred inflows of resources and deferred outflows of resources related to pension.

III. Missouri Local Government Employees Retirement System (LAGERS) – City Utilities

City Utilities will implement GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the year ended September 30, 2015.

Plan Description

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.

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.

CITY OF SPRINGFIELD, MISSOURI

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Funding Policy

City Utilities' full-time employees do not contribute to the pension plan. City Utilities is required to contribute at an actuarially determined rate; the current rate for City Utilities was 23.0% of annual covered payroll for the year ended September 30, 2014.

The contribution requirements of plan members are determined by the governing body of City Utilities. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost

For the year ended September 30, 2014, City Utilities' annual pension expense of \$16,958,000 was equal to the required and actual contributions.

LAGERS historical trend information – City Utilities:

	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation (asset)
Fiscal year ended:			
June 30, 2012	\$ 14,669,000	100%	\$ —
June 30, 2013	15,195,000	100%	—
June 30, 2014	16,491,000	100%	—

LAGERS funding status – 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, 2014	\$ 169,561,000	259,082,000	89,521,000	65%	71,465,000	125%

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, 2014, annual actuarial valuation. The actuarial assumptions used 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 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

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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, 2014, ranged between 15 and 21 years.

IV. 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, 2015, retirees receiving benefits contributed approximately \$891,000 for current premiums (approximately 48% of total premiums), through the City for the plan offered. Total premiums paid for the year were approximately \$1.85 million. The City also contributed approximately \$141,000 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		161,746
Adjustment to annual required contribution		(233,844)
Annual OPEB cost		<u>957,293</u>
Contributions made (employer)		<u>(963,646)</u>
Change in net OPEB obligation		(6,353)
Net OPEB obligation, beginning of year		<u>4,043,642</u>
Net OPEB obligation, end of year	\$	<u><u>4,037,289</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015 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, 2013	\$ 2,091,286	86%	\$ 3,755,433
June 30, 2014	962,431	70%	4,043,642
June 30, 2015	957,293	100%	4,037,289

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 \$81.6 million and the ratio of the UAAL to covered payroll was 13.4%.

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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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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. Enel similarly asserted the City Utilities owed \$424,095 and \$287,725 due to curtailments of the wind generation during fiscal years 2013 and 2014, respectively.

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, 2013 or 2014. City Utilities has objected to the invoices and will oppose and contest these claims. However, until the matter is fully and finally resolved, CU is 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, 2014.

(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, 2014. 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.

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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 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. In 2014, the U.S. Supreme Court overturned the *vacatur* and remanded the case to the appellate court for final disposition. As a primary matter, the court must decide whether to allow CSAPR to supplant the CAIR rule beginning in 2015 or to maintain the current stay until all remaining issues are decided. In either case, CU management expects to fully comply with CSAPR.

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, CU was afforded a one-year compliance extension to allow time for equipment installation. A contract to procure and install this equipment was award in fiscal 2013 and installation progressed in 2014. City Utilities expects to be fully compliant with MATS and the industrial boiler standard by the extended compliance date.

In June 2014 USEPA proposed regulations to govern emissions of carbon dioxide (CO₂) from fossil fuel power plants. EPA expects to finalize the rule by mid-2015 and for each state to complete a control plan for generation within its borders by 2018. Controls would be implemented over the period from 2020 to 2030. CU will monitor development of the federal and state rules for potential impacts on CU's generating fleet over that time period.

(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, 2015, a total of \$11,343,036 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 \$390,442 to the liability reported as of June 30, 2014. 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.

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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 (100.0%) and the new Cell 2 Phase 1 Area (9.1%) of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$976,565 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 2015. 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 3.9 years to 6.2 years based on average daily refuse received of 800 to 500 tons.

On September 28, 2015, City Council authorized a new contract of obligation with the MoDNR for approximately \$12.3 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 a combination of insurance and self-insurance for the various risks identified. The self-insurance funds, which are internal service funds, are comprised of three basic areas.

The health insurance program was established in fiscal year 1985. The health plan covers retirees and all permanent City employees who work at least 30 hours per week. The program accounts for the premiums received from retirees, employees and the City. The operating funds are charged a monthly rate per employee. Premium contributions (rates) are determined by an outside actuary. Specific stop-loss insurance is currently purchased to cap exposure on claims at \$285,000. No aggregate stop-loss coverage is purchased. Claims are handled by a third-party administrator.

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The workers' compensation program was established in fiscal year 1988. The plan covers all City employees. The operating funds are charged a monthly rate per employee, which is determined by an outside actuary. Rates are determined by evaluating actual claims experience and hazards associated with each specific job duty. Excess workers' compensation insurance coverage is currently purchased to cap exposure on individual claims at \$550,000. Claims are handled by a third-party administrator.

The liability program was established in fiscal year 2014. This is a property and casualty fund that provides risk financing for general liability claims, auto liability claims, and property loss claims. The fund provides excess liability insurance to all departments, pays anticipated deductibles/retentions and pays administrative costs. Each department makes an annual contribution to the fund based on exposure, claims history, and actual insurance costs. Deductible contributions are determined by an outside actuary. The City currently maintains a general liability insurance limit of \$20,000,000 per occurrence with a \$250,000 retention. Auto liability insurance is purchased with a limit equal to the statutory sovereign immunity cap with a \$25,000 deductible. The comprehensive or collision exposure to City-owned vehicles is self-insured for most of the fleet. For property and equipment exposures, the City purchases an insurance policy with total insured value of \$709,000,000 with a \$50,000 deductible. Neither liability claims nor property losses have exceeded the limits of coverage that comprise the City's risk financing plans. Liability claims are handled jointly by the City's law department and the insurance companies.

The premiums collected by the self-insurance funds 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.

Changes in the City's estimated liability for incurred but unreported claims in its self-insurance fund for fiscal years 2015 and 2014 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, 2015	\$	2,882,000	16,564,252	(16,276,152)	3,170,100
June 30, 2014		2,444,000	13,634,466	(13,196,466)	2,882,000

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Changes in the City’s estimated liability for general government claims and judgments for fiscal years 2015 and 2014 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, 2015	\$	800,000	1,969,223	(800,000)	1,969,223
June 30, 2014		464,000	800,000	(464,000)	800,000

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 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.

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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, 2015, the City did not expend any funds toward development of the industrial park. The City had outstanding encumbrances of \$29,716 at June 30, 2015. 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, 2014, City Utilities had incurred \$2,120,000 for land and improvements and recognized losses of \$225,000, for a net equity balance of \$1,895,000.

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.

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.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

(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, 2014, TEA was comprised of eight municipal utilities with equity interests, including five large partners with ownership interests of 16.67% 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 and American Municipal Power Inc. City Utilities, the Gainesville Regional Utilities (Florida) and the Cowlitz County Public Utility District (Washington) are medium equity partners with ownership interests of 5.56% 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 other asset 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. The membership agreement provides for the addition of new members with a 75% approval of the existing members voting rights.

For the year ended September 30, 2014, total assets of TEA were approximately \$48 million, an increase of \$14 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*

The City

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 Utilities

City Utilities issued \$36.9 lease financing over a term of 15 years at 2.45% interest. A net premium of \$4.5 million was received for total proceeds of \$41.5 million. This will be used to fund compliance with the Mercury and Air Toxics Standards (MATS) rule, partial construction of a clearwell at Blackman Water Treatment Plant, and rail unloading improvements at John Twitty Energy Center.

City Utilities has completed negotiations to surplus the assets attributable to SpringNet Underground; a component of Telecommunications/Broadband. SpringNet Underground closing for the divestiture occurred on December 5, 2014. As of September 2014, the portion of Telecommunications/Broadband being considered as surplus generated \$3.5 million in

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2015

operating revenues. This represents 0.8% of the operating revenues of City Utilities. CU management believes that surplusing of the SpringNet Underground will not have a material impact to the on-going operations of CU or any component of CU.

(i) Deficits

The accumulated deficit in the nonmajor fund in the amounts of \$20,317 in the Crime Lab Project fund and \$91,960 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.

(k) Other Liabilities and Deferred Inflows of Resources – City Utilities

Other liabilities as of September 30, 2014, consist of the following:

Accruals	
Interest	\$ 6,051,000
Salaries and wages	1,535,000
Pension contributions and other	2,215,000
Electric purchased power	1,824,000
Natural gas, coal and other fuels	7,940,000
	<u>\$ 19,565,000</u>

Deferred inflows of resources as of September 30, 2014, consist of the following:

Deferred inflows of resources:	
Contributions in aid of construction	\$ 15,110,000
Electric fuel and purchased natural gas adjustment	872,000
Fair value adjustments in derivative instruments	21,000
	<u>\$ 16,003,000</u>

CITY OF SPRINGFIELD, MISSOURI
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – General Fund
Year ended June 30, 2015

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales	\$ 44,783,238	44,783,238	46,299,786	1,516,548
Franchise	6,472,000	6,472,000	6,256,900	(215,100)
Room	100,000	100,000	106,447	6,447
Licenses and permits	4,888,400	4,888,400	5,286,559	398,159
Charges for services	780,500	830,549	1,086,029	255,480
Fines and forfeitures	1,525,000	1,579,608	1,192,139	(387,469)
Revenues from use of money and property	117,000	117,000	207,797	90,797
Payments in lieu of taxes	13,457,000	13,467,000	14,462,942	995,942
Other	928,464	1,556,048	388,782	(1,167,266)
Total revenues	<u>73,051,602</u>	<u>73,793,843</u>	<u>75,287,381</u>	<u>1,493,538</u>
Expenditures:				
Current:				
General government:				
Public records	498,000	498,481	434,305	64,176
Council	219,182	240,048	234,350	5,698
Public information office	511,762	594,795	538,353	56,442
City manager	1,665,294	2,132,861	1,993,414	139,447
Finance	3,047,909	3,084,828	2,751,432	333,396
Counsel, legal advice and prosecution	2,227,525	2,953,877	2,193,335	760,542
Human resources	1,630,528	1,621,516	1,468,209	153,307
Municipal court operations	1,699,177	1,733,289	1,702,775	30,514
Information systems	2,939,416	3,185,383	3,288,964	(103,581)
Inspection	2,480,779	2,531,949	2,421,333	110,616
Other – unclassified	349,894	266,364	237,708	28,656
Total general government	<u>17,269,466</u>	<u>18,843,391</u>	<u>17,264,178</u>	<u>1,579,213</u>
Public works:				
Engineering	1,329,222	1,350,355	1,054,867	295,488
Maintenance	5,873,646	6,079,039	5,813,631	265,408
Total public works	<u>7,202,868</u>	<u>7,429,394</u>	<u>6,868,498</u>	<u>560,896</u>
Public safety:				
Police	27,287,465	28,104,414	26,536,876	1,567,538
Fire	19,433,652	19,456,451	19,202,748	253,703
Total public safety	<u>46,721,117</u>	<u>47,560,865</u>	<u>45,739,624</u>	<u>1,821,241</u>
Planning and development services:				
Economic development and assistance	497,102	536,878	336,747	200,131
Housing and redevelopment services	854,293	922,129	833,577	88,552
Zoning and subdivision services	469,614	471,772	471,175	597
Total planning and development services	<u>1,821,009</u>	<u>1,930,779</u>	<u>1,641,499</u>	<u>289,280</u>
Debt service:				
Principal	—	11,767	55,330	(43,563)
Interest and other charges	—	6,865	13,713	(6,848)
Total debt service	<u>—</u>	<u>18,632</u>	<u>69,043</u>	<u>(50,411)</u>
Capital outlay:				
Maintenance	222,847	276,470	403,310	(126,840)
Engineering	18,581	18,581	20,328	(1,747)
Fire	70,000	1,244,388	137,577	1,106,811
Police	7,766	1,215,889	1,147,825	68,064
General government	168,054	2,003,279	1,145,171	858,108
Total capital outlay	<u>487,248</u>	<u>4,758,607</u>	<u>2,854,211</u>	<u>1,904,396</u>
Total expenditures	<u>73,501,708</u>	<u>80,541,668</u>	<u>74,437,053</u>	<u>6,104,615</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(450,106)</u>	<u>(6,747,825)</u>	<u>850,328</u>	<u>7,598,153</u>
Other financing sources (uses):				
Capital lease proceeds	—	—	525,480	525,480
Transfers in	3,900,876	3,903,876	3,970,085	66,209
Transfers out	(3,450,770)	(4,854,638)	(5,149,040)	(294,402)
Total other financing sources (uses)	<u>450,106</u>	<u>(950,762)</u>	<u>(653,475)</u>	<u>297,287</u>
Net change in fund balances	—	(7,698,587)	196,853	7,895,440
Fund balances – beginning	25,579,515	25,579,515	25,579,515	—
Fund balances – ending	<u>\$ 25,579,515</u>	<u>17,880,928</u>	<u>25,776,368</u>	<u>7,895,440</u>

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Community Development Fund Special Revenue Fund

Year ended June 30, 2015

	Budgeted amounts		Actual	Variance with final budget – positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,168,018	13,833,739	2,361,335	(11,472,404)
Revenues from use of money and property	—	—	27,503	27,503
Other	6,536,256	6,536,256	898,242	(5,638,014)
Total revenues	8,704,274	20,369,995	3,287,080	(17,082,915)
Expenditures:				
Planning and development	8,498,319	13,613,125	2,716,067	10,897,058
Excess (deficiency) of revenues over (under) expenditures	205,955	6,756,870	571,013	(6,185,857)
Other financing sources (uses):				
Transfers in	64,045	64,045	64,045	—
Transfers out	(270,000)	(270,000)	(244,025)	25,975
Total other financing sources (uses)	(205,955)	(205,955)	(179,980)	25,975
Net change in fund balance	—	6,550,915	391,033	(6,159,882)
Fund balances – beginning	46,797,428	46,797,428	46,797,428	—
Fund balances – ending	\$ 46,797,428	53,348,343	47,188,461	(6,159,882)

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Public Safety Pension Sales Tax Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales tax	\$ 30,204,750	30,204,750	30,772,390	567,640
Intergovernmental	—	—	—	—
Revenues from use of money – interest	—	—	—	—
Other	—	—	—	—
Total revenues	<u>30,204,750</u>	<u>30,204,750</u>	<u>30,772,390</u>	<u>567,640</u>
Expenditures:				
Public safety	<u>30,204,750</u>	<u>30,204,750</u>	<u>30,772,390</u>	<u>(567,640)</u>
Excess (deficiency) of revenues over (under) expenditures	—	—	—	—
Other financing sources (uses)				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	—	—	—	—
Fund balances – beginning	—	—	—	—
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, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 9,932,711	9,932,711	10,127,574	194,863
Property taxes	5,198,290	5,198,290	5,738,853	540,563
Charges for services	7,899,609	8,292,509	7,547,400	(745,109)
Intergovernmental	350,638	350,638	355,843	5,205
Other	199,432	199,432	192,224	(7,208)
Total revenues	<u>23,580,680</u>	<u>23,973,580</u>	<u>23,961,894</u>	<u>(11,686)</u>
Expenditures:				
Parks and recreation	22,889,519	23,901,889	23,574,865	327,024
Total expenditures	<u>22,889,519</u>	<u>23,901,889</u>	<u>23,574,865</u>	<u>327,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>691,161</u>	<u>71,691</u>	<u>387,029</u>	<u>315,338</u>
Other financing sources (uses):				
Capital lease proceeds	—	—	401,360	401,360
Transfers in	250,000	250,000	253,061	3,061
Transfers out	(941,161)	(941,161)	(869,404)	71,757
Total other financing sources (uses)	<u>(691,161)</u>	<u>(691,161)</u>	<u>(214,983)</u>	<u>476,178</u>
Net change in fund balance	—	(619,470)	172,046	791,516
Fund balances – beginning	<u>1,334,170</u>	<u>1,334,170</u>	<u>1,334,170</u>	<u>—</u>
Fund balances – ending	<u>\$ 1,334,170</u>	<u>714,700</u>	<u>1,506,216</u>	<u>791,516</u>

CITY OF SPRINGFIELD, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Budgetary Comparison Schedules
Year ended June 30, 2015

(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)

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Police Officers' and Fire Fighters' Retirement System

June 30, 2015

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service cost	\$ 6,421,328	6,435,458
Interest on total pension liability	30,102,570	28,172,681
Effect of economic/demographic gains or (losses)	9,559,745	3,960,404
Effect of assumption changes or inputs	—	38,019,918
Benefit payments	<u>(23,409,498)</u>	<u>(22,187,500)</u>
Net Change in Total Pension Liability	22,674,145	54,400,961
Total Pension Liability - Beginning	<u>430,036,714</u>	<u>375,635,753</u>
Total Pension Liability - Ending (a)	<u>452,710,859</u>	<u>430,036,714</u>
Fiduciary Net Position		
Employer - public safety pension sales tax	30,772,390	29,315,082
Employer contributions	7,131,402	7,658,315
Member contributions	2,982,942	3,201,170
Net investment income (loss)	(4,344,668)	37,637,463
Other revenue	82,892	25,926
Benefit payments	(20,823,494)	(19,227,871)
Refunds of contributions	(2,586,004)	(2,959,629)
Administrative expenses	<u>(335,340)</u>	<u>(354,745)</u>
Net Change in Fiduciary Net Position	12,880,120	55,295,711
Fiduciary Net Position - Beginning	<u>309,653,460</u>	<u>254,357,749</u>
Fiduciary Net Position - Ending (b)	<u>322,533,580</u>	<u>309,653,460</u>
Net Pension Liability, Ending = (a) - (b)	<u>\$ 130,177,279</u>	<u>120,383,254</u>
Fiduciary Net Position as a Percentage of Total		
Pension Liability	71.23%	72.01%
Covered Payroll	\$ 18,844,060	18,770,274
Net Pension Liability as a Percentage of Covered Payroll	690.81%	641.35%

This schedule presents the information available to the City and will include ten-year trend information once available.

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Schedule of City Contributions

Police Officers' and Fire Fighters' Retirement System

June 30, 2015

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2006	\$ 9,834,917	6,831,086	3,003,831	23,746,840	28.77%
2007	10,237,825	7,388,016	2,849,809	23,863,923	30.96%
2008	12,347,207	8,794,259	3,552,948	24,695,779	35.61%
2009	13,273,246	23,979,519	(10,706,273)	23,825,564	100.65%
2010	13,137,104	31,916,852	(18,779,748)	20,970,392	152.20%
2011	12,972,229	34,141,863	(21,169,634)	20,498,113	166.56%
2012	20,881,652	35,726,586	(14,844,934)	19,976,163	178.85%
2013	20,823,687	35,615,908	(14,792,221)	20,060,038	177.55%
2014	19,607,474	36,973,397	(17,365,923)	18,770,274	196.98%
2015	16,267,747	37,903,792	(21,636,045)	18,844,060	201.14%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost
Amortizing method	Level dollar, closed
Remaining amortization period	15 years
Asset valuation method	5 years, nonasymptotic
Inflation	2.5%
Salary increases	Range from 7% at hire to 2.5% at 13 years of service, including inflation
Net investment rate of return	7%
Cost of living adjustment	3%
Retirement age	Percentage retiring in the next year
	25%
	20%
	25%
	50%
	100%
Turnover	Rates based on experience
Mortality	RP-2000 (Healthy and Disabled) with generational projection per Scale AA for healthy participants

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Schedule of Changes in the City's Net Pension Liability and Related Ratios

Missouri Local Government Employees Retirement System

June 30, 2015

	<u>2015</u>
Total Pension Liability	
Service cost	\$ 7,314,005
Interest on total pension liability	20,338,603
Difference between expected and actual experience	(327,941)
Benefit payments	<u>(14,709,597)</u>
Net Change in Total Pension Liability	12,615,070
Total Pension Liability - Beginning	<u>284,165,554</u>
Total Pension Liability - Ending (a)	<u>296,780,624</u>
Fiduciary Net Position	
Employer contributions	10,393,079
Net investment income (loss)	5,869,623
Benefit payments	(14,709,597)
Administrative expenses	(212,878)
Other (net transfer)	<u>(3,482,136)</u>
Net Change in Fiduciary Net Position	(2,141,909)
Fiduciary Net Position - Beginning	<u>301,697,733</u>
Fiduciary Net Position - Ending (b)	<u>299,555,824</u>
Net Pension Liability (Asset), Ending = (a) - (b)	\$ <u><u>(2,775,200)</u></u>
Fiduciary Net Position as a Percentage of Total Pension Liability	100.94%
Covered Payroll	\$ 58,419,529
Net Pension Liability as a Percentage of Covered Payroll	-4.75%

This schedule presents the information available to the City and will include ten-year trend information once available.

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Schedule of City Contributions

Missouri Local Government Employees Retirement System

June 30, 2015

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2006	\$ 6,744,098	6,744,098	—	37,889,424	17.80%
2007	7,231,025	7,230,511	514	40,172,359	18.00%
2008	8,175,124	8,174,394	730	44,430,017	18.40%
2009	8,510,158	8,510,086	72	46,000,852	18.50%
2010	8,279,996	8,279,994	2	45,745,835	18.10%
2011	8,739,789	8,739,789	—	46,844,243	18.66%
2012	8,926,011	8,926,011	—	50,147,350	17.80%
2013	9,771,252	9,746,927	24,325	53,695,559	18.15%
2014	10,030,188	10,030,190	(2)	57,083,837	17.57%
2015	10,389,476	10,393,079	(3,603)	58,419,529	17.79%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28, two years and four months prior to the end of the fiscal year which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Multiple bases from 14 to 25 years
Asset valuation method	5 year smoothed market, 20% corridor
Inflation	3.5% wage inflation, 3.0% price inflation
Salary increases	3.5% to 8.6%, including wage inflation
Net investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5 year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

CITY OF SPRINGFIELD, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Funding Progress
 Year ended June 30, 2015

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, 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 28, 2012	140,402,000	237,273,000	96,871,000	59%	68,981,000	140%
February 29, 2013	147,764,000	240,594,000	92,830,000	61%	68,518,000	135%
February 28, 2014	169,561,000	259,082,000	89,521,000	65%	71,465,000	125%

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, 2015

Assets	Special revenue	Debt service	Capital projects	Permanent	Total nonmajor governmental funds
Cash and investments	\$ 21,790,286	16,006,849	38,277,283	1,412,361	77,486,779
Accrued interest receivable	77,977	91,989	219,936	7,367	397,269
Special assessments receivable	—	2,028,751	—	—	2,028,751
Property taxes receivable:					
Current	5,093,911	8,152,748	—	—	13,246,659
Delinquent	139,537	223,652	—	—	363,189
	<u>5,233,448</u>	<u>8,376,400</u>	<u>—</u>	<u>—</u>	<u>13,609,848</u>
Less allowance for uncollectible amounts	(22,919)	(36,704)	—	—	(59,623)
Net property taxes receivable	5,210,529	8,339,696	—	—	13,550,225
Restricted cash and investments	—	11,869,401	—	—	11,869,401
Accounts receivable	4,131,122	—	2,589,173	—	6,720,295
Inventories	1,354,920	—	—	—	1,354,920
Due from other funds	—	—	102,522	—	102,522
Due from other governments	1,815,328	—	897,710	—	2,713,038
Total assets	<u>\$ 34,380,162</u>	<u>38,336,686</u>	<u>42,086,624</u>	<u>1,419,728</u>	<u>116,223,200</u>
Liabilities					
Accounts payable and other accrued liabilities	\$ 2,856,435	7,312	2,508,810	—	5,372,557
Unearned revenue	44,005	—	140,650	—	184,655
Due to other funds	1,570,015	—	217,632	—	1,787,647
Total liabilities	<u>4,470,455</u>	<u>7,312</u>	<u>2,867,092</u>	<u>—</u>	<u>7,344,859</u>
Deferred inflows of resources					
Unavailable revenue	5,502,774	10,293,140	183,134	—	15,979,048
Fund balances					
Nonspendable	1,354,920	—	—	1,269,362	2,624,282
Restricted	10,803,340	11,869,401	37,628,322	—	60,301,063
Committed	7,441,493	16,052,833	1,520,353	—	25,014,679
Assigned	4,807,180	114,000	—	150,366	5,071,546
Unassigned	—	—	(112,277)	—	(112,277)
Total fund balances	<u>24,406,933</u>	<u>28,036,234</u>	<u>39,036,398</u>	<u>1,419,728</u>	<u>92,899,293</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,380,162</u>	<u>38,336,686</u>	<u>42,086,624</u>	<u>1,419,728</u>	<u>116,223,200</u>

CITY OF SPRINGFIELD, MISSOURI

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

Year ended June 30, 2015

	<u>Special revenue</u>	<u>Debt service</u>	<u>Capital projects</u>	<u>Permanent</u>	<u>Total nonmajor governmental funds</u>
Revenues:					
Property taxes	\$ 6,839,695	8,185,204	—	—	15,024,899
Sales taxes	17,091,614	—	16,514,393	—	33,606,007
Room taxes	4,437,890	—	—	—	4,437,890
Intergovernmental	18,438,507	—	10,386,311	—	28,824,818
Charges for current services	3,830,023	—	—	49,406	3,879,429
Special assessments	—	665,292	—	—	665,292
Revenues from use of money and property	120,618	354,496	219,933	8,116	703,163
Other	607,275	1,428,352	1,121,131	—	3,156,758
Total revenues	51,365,622	10,633,344	28,241,768	57,522	90,298,256
Expenditures:					
Current:					
Public works	12,010,752	—	—	—	12,010,752
Public safety	13,909,551	—	—	—	13,909,551
Parks and recreation	4,939,016	—	—	—	4,939,016
Planning and development	—	—	—	—	—
Public health	9,806,358	—	—	—	9,806,358
General government	8,344,264	—	—	—	8,344,264
Debt service:					
Principal	—	12,712,000	—	—	12,712,000
Bond issuance costs	—	84,985	—	—	84,985
Interest and other charges	—	5,045,718	—	—	5,045,718
Capital outlay:					
Public works	—	—	34,104,761	—	34,104,761
Public safety	—	—	—	—	—
Parks and recreation	—	—	84,474	—	84,474
Planning and development	—	—	206,128	—	206,128
General government	—	—	121,028	—	121,028
Total expenditures	49,009,941	17,842,703	34,516,391	—	101,369,035
Excess (deficiency) of revenues over (under) expenditures	2,355,681	(7,209,359)	(6,274,623)	57,522	(11,070,779)
Other financing sources (uses):					
Bond proceeds	—	98,765	2,373,901	—	2,472,666
Capital lease proceeds	—	—	—	—	—
Bond premium (discount)	—	—	628,749	—	628,749
Issuance of refunding bonds	—	4,487,334	—	—	4,487,334
Transfers in	1,607,131	10,165,433	895,671	—	12,668,235
Transfers out	(2,802,766)	(6,253,400)	(2,048,604)	—	(11,104,770)
Total other financing sources (uses)	(1,195,635)	8,498,132	1,849,717	—	9,152,214
Net change in fund balance	1,160,046	1,288,773	(4,424,906)	57,522	(1,918,565)
Fund balance - beginning	23,246,887	26,747,461	43,461,304	1,362,206	94,817,858
Fund balance - ending	\$ 24,406,933	28,036,234	39,036,398	1,419,728	92,899,293

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, 2015

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	\$ 2,015,408	4,973,969	4,095,649	1,301,872	3,692,403	1,000	—	—	5,709,985	21,790,286
Accrued interest receivable	9,250	—	26,477	14,534	6,231	—	—	—	21,485	77,977
Property taxes receivable:										
Current	1,198,018	3,895,893	—	—	—	—	—	—	—	5,093,911
Delinquent	32,797	106,740	—	—	—	—	—	—	—	139,537
	1,230,815	4,002,633	—	—	—	—	—	—	—	5,233,448
Less allowance for uncollectible amounts	(5,386)	(17,533)	—	—	—	—	—	—	—	(22,919)
Net property taxes receivable	1,225,429	3,985,100	—	—	—	—	—	—	—	5,210,529
Accounts receivable	—	2,204	1,611,843	474,518	100,883	1,901,462	398	39,814	—	4,131,122
Inventories	—	—	1,354,920	—	—	—	—	—	—	1,354,920
Due from other governments	—	301,991	—	—	218,960	79,109	235,285	979,983	—	1,815,328
Total assets	\$ 3,250,087	9,263,264	7,088,889	1,790,924	4,018,477	1,981,571	235,683	1,019,797	5,731,470	34,380,162
Liabilities										
Due to other funds	\$ —	—	—	—	—	1,210,853	132,652	226,510	—	1,570,015
Accounts payable	57,639	531,979	230,106	215,629	213,674	75,069	7,671	670,070	854,598	2,856,435
Unearned revenue	—	22,086	—	—	—	10,054	—	11,865	—	44,005
Total liabilities	57,639	554,065	230,106	215,629	213,674	1,295,976	140,323	908,445	854,598	4,470,455
Deferred inflows of resources										
Unavailable revenue	1,214,374	3,949,913	—	—	80,621	99,048	47,466	111,352	—	5,502,774
Fund balances										
Nonspendable	—	—	1,354,920	—	—	—	—	—	—	1,354,920
Restricted	—	—	5,503,863	1,575,295	3,724,182	—	—	—	—	10,803,340
Committed	1,978,074	—	—	—	—	586,547	—	—	4,876,872	7,441,493
Assigned	—	4,759,286	—	—	—	—	47,894	—	—	4,807,180
Unassigned	—	—	—	—	—	—	—	—	—	—
Total fund balances	1,978,074	4,759,286	6,858,783	1,575,295	3,724,182	586,547	47,894	—	4,876,872	24,406,933
Total liabilities, deferred inflows of resources and fund balances	\$ 3,250,087	9,263,264	7,088,889	1,790,924	4,018,477	1,981,571	235,683	1,019,797	5,731,470	34,380,162

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Special Revenue Funds

Year ended June 30, 2015

	<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	\$ —	—	9,131,485	—	652,522	7,307,607	—	—	—	17,091,614
Property taxes	1,201,456	3,910,473	—	—	—	—	—	—	1,727,766	6,839,695
Room taxes	—	—	—	4,437,890	—	—	—	—	—	4,437,890
Interest	9,625	3,649	27,803	16,381	8,148	—	9	—	23,938	89,553
Rent	7,000	—	—	—	24,065	—	—	—	—	31,065
Charges for services	50,882	1,847,879	915,714	340,299	225,974	88,460	166,285	—	194,530	3,830,023
Intergovernmental	8,251	2,718,398	—	594,855	1,002,275	5,864,475	1,362,306	6,887,947	—	18,438,507
Other	212,365	21,866	140,005	97,052	116,332	19,655	—	—	—	607,275
Total revenues	1,489,579	8,502,265	10,215,007	5,486,477	2,029,316	13,280,197	1,528,600	6,887,947	1,946,234	51,365,622
Expenditures:										
Current:										
Public works	—	—	11,071,150	—	—	—	—	—	939,602	12,010,752
Public safety	—	—	—	—	661,152	13,248,399	—	—	—	13,909,551
Parks and recreation	1,590,967	—	—	3,348,049	—	—	—	—	—	4,939,016
Planning and development	—	—	—	—	—	—	—	—	—	—
Public health	—	8,411,704	—	—	—	—	1,394,654	—	—	9,806,358
General government	—	—	—	—	1,456,317	—	—	6,887,947	—	8,344,264
Debt service:										
Principal	—	—	—	—	—	—	—	—	—	—
Interest and other charges	—	—	—	—	—	—	—	—	—	—
Total expenditures	1,590,967	8,411,704	11,071,150	3,348,049	2,117,469	13,248,399	1,394,654	6,887,947	939,602	49,009,941
Excess (deficiency) of revenues over (under) expenditures	(101,388)	90,561	(856,143)	2,138,428	(88,153)	31,798	133,946	—	1,006,632	2,355,681
Other financing sources (uses):										
Capital lease proceeds	—	—	—	—	—	—	—	—	—	—
Transfers in	32,755	618,310	9,419	—	112,619	402,000	17	—	432,011	1,607,131
Transfers out	(47,326)	(28,327)	(144,441)	(1,920,128)	(75,336)	(501,395)	—	—	(85,813)	(2,802,766)
Total other financing sources (uses)	(14,571)	589,983	(135,022)	(1,920,128)	37,283	(99,395)	17	—	346,198	(1,195,635)
Net change in fund balance	(115,959)	680,544	(991,165)	218,300	(50,870)	(67,597)	133,963	—	1,352,830	1,160,046
Fund balance - beginning	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
Fund balance - ending	\$ 1,978,074	4,759,286	6,858,783	1,575,295	3,724,182	586,547	47,894	—	4,876,872	24,406,933

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Art Museum Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Property taxes	\$ 1,177,391	1,177,391	1,201,456	24,065
Interest	15,700	15,700	9,625	(6,075)
Rent			7,000	7,000
Charges for services	75,740	75,740	50,882	(24,858)
Intergovernmental	—	—	8,251	8,251
Other	674,500	924,500	212,365	(712,135)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	1,943,331	2,193,331	1,489,579	(703,752)
Expenditures:				
Parks and recreation	1,900,869	2,375,364	1,590,967	784,397
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Excess (deficiency) of revenues over (under) expenditures	42,462	(182,033)	(101,388)	80,645
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses):				
Transfers in	—	—	32,755	32,755
Transfers out	(42,462)	(42,462)	(47,326)	(4,864)
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Total other financing sources (uses)	—	—	(14,571)	27,891
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	—	(224,495)	(115,959)	108,536
Fund balances – beginning	2,094,033	2,094,033	2,094,033	—
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Fund balances – ending	\$ 2,094,033	1,869,538	1,978,074	108,536
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CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Health Services Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Property taxes	\$ 3,800,317	3,800,317	3,910,473	110,156
Interest	—	—	3,649	3,649
Charges for services	1,447,000	1,447,000	1,847,879	400,879
Intergovernmental	2,235,402	3,755,712	2,718,398	(1,037,314)
Other	742,322	742,322	21,866	(720,456)
Total revenues	<u>8,225,041</u>	<u>9,745,351</u>	<u>8,502,265</u>	<u>(1,243,086)</u>
Expenditures:				
Public health	9,707,480	10,789,997	8,411,704	2,378,293
Total expenditures	<u>9,707,480</u>	<u>10,789,997</u>	<u>8,411,704</u>	<u>2,378,293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,482,439)</u>	<u>(1,044,646)</u>	<u>90,561</u>	<u>1,135,207</u>
Other financing sources (uses):				
Transfers in	593,113	604,113	618,310	14,197
Transfers out	—	—	(28,327)	(28,327)
Total other financing sources (uses)	<u>593,113</u>	<u>604,113</u>	<u>589,983</u>	<u>(14,130)</u>
Net change in fund balance	<u>(889,326)</u>	<u>(440,533)</u>	<u>680,544</u>	<u>1,121,077</u>
Fund balances – beginning	4,078,742	4,078,742	4,078,742	—
Fund balances – ending	\$ <u>3,189,416</u>	<u>3,638,209</u>	<u>4,759,286</u>	<u>1,121,077</u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Works Transportation Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Sales taxes	\$ 9,350,000	9,350,000	9,131,485	(218,515)
Charges for services	695,000	695,000	915,714	220,714
Interest	30,000	30,000	27,803	(2,197)
Other	<u>1,375,000</u>	<u>1,375,000</u>	<u>140,005</u>	<u>(1,234,995)</u>
Total revenues	11,450,000	11,450,000	10,215,007	(1,234,993)
Expenditures:				
Public works	<u>11,315,000</u>	<u>12,843,964</u>	<u>11,071,150</u>	<u>1,772,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>135,000</u>	<u>(1,393,964)</u>	<u>(856,143)</u>	<u>537,821</u>
Other financing sources (uses):				
Transfers in	—	—	9,419	9,419
Transfers out	<u>(135,000)</u>	<u>(135,000)</u>	<u>(144,441)</u>	<u>(9,441)</u>
Total other financing sources (uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>(135,022)</u>	<u>(22)</u>
Net change in fund balance	—	(1,528,964)	(991,165)	537,799
Fund balances – beginning	<u>7,849,948</u>	<u>7,849,948</u>	<u>7,849,948</u>	—
Fund balances – ending	<u><u>\$ 7,849,948</u></u>	<u><u>6,320,984</u></u>	<u><u>6,858,783</u></u>	<u><u>537,799</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Tourism/Convention Promotion Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Room taxes	\$ 3,944,400	4,079,280	4,437,890	358,610
Interest	1,700	3,340	16,381	13,041
Charges for services	—	—	340,299	340,299
Intergovernmental	—	4,749	594,855	590,106
Other	<u>1,066,255</u>	<u>1,062,647</u>	<u>97,052</u>	<u>(965,595)</u>
Total revenues	5,012,355	5,150,016	5,486,477	336,461
Expenditures:				
Parks and recreation	<u>3,559,467</u>	<u>3,837,064</u>	<u>3,348,049</u>	<u>489,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,452,888</u>	<u>1,312,952</u>	<u>2,138,428</u>	<u>825,476</u>
Other financing sources (uses):				
Transfers out	<u>(1,452,888)</u>	<u>(1,452,888)</u>	<u>(1,920,128)</u>	<u>(467,240)</u>
Total other financing sources (uses)	<u>(1,452,888)</u>	<u>(1,452,888)</u>	<u>(1,920,128)</u>	<u>(467,240)</u>
Net change in fund balance	—	(139,936)	218,300	358,236
Fund balances – beginning	<u>1,356,995</u>	<u>1,356,995</u>	<u>1,356,995</u>	<u>—</u>
Fund balances – ending	<u><u>\$ 1,356,995</u></u>	<u><u>1,217,059</u></u>	<u><u>1,575,295</u></u>	<u><u>358,236</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Miscellaneous Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 847,514	847,514	652,522	(194,992)
Interest	123	123	8,148	8,025
Charges for services	168,000	190,000	225,974	35,974
Intergovernmental	—	1,104,348	1,002,275	(102,073)
Other	125,200	310,714	140,397	(170,317)
Total revenues	<u>1,140,837</u>	<u>2,452,699</u>	<u>2,029,316</u>	<u>(423,383)</u>
Expenditures:				
Public safety	864,200	2,287,720	661,152	1,626,568
General government	—	—	1,456,317	(1,456,317)
Total expenditures	<u>864,200</u>	<u>2,287,720</u>	<u>2,117,469</u>	<u>170,251</u>
Excess (deficiency) of revenues over (under) expenditures	<u>276,637</u>	<u>164,979</u>	<u>(88,153)</u>	<u>(253,132)</u>
Other financing sources (uses):				
Transfers in	—	63,948	112,619	48,671
Transfers out	(276,637)	(276,637)	(75,336)	201,301
Total other financing sources (uses)	<u>(276,637)</u>	<u>(212,689)</u>	<u>37,283</u>	<u>249,972</u>
Net change in fund balance	—	(47,710)	(50,870)	(3,160)
Fund balances – beginning	<u>3,775,052</u>	<u>3,775,052</u>	<u>3,775,052</u>	—
Fund balances – ending	<u>\$ 3,775,052</u>	<u>3,727,342</u>	<u>3,724,182</u>	<u>(3,160)</u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Law Enforcement Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 11,579,919	11,579,919	7,307,607	(4,272,312)
Charges for services	881,871	693,651	88,460	(605,191)
Intergovernmental	1,625,574	3,280,658	5,864,475	2,583,817
Other	—	—	19,655	19,655
Total revenues	<u>14,087,364</u>	<u>15,554,228</u>	<u>13,280,197</u>	<u>(2,274,031)</u>
Expenditures:				
Public safety	<u>14,464,413</u>	<u>16,743,816</u>	<u>13,248,399</u>	<u>3,495,417</u>
Total expenditures	<u>14,464,413</u>	<u>16,743,816</u>	<u>13,248,399</u>	<u>3,495,417</u>
Excess (deficiency) of revenues (over) under expenditures	<u>(377,049)</u>	<u>(1,189,588)</u>	<u>31,798</u>	<u>1,221,386</u>
Other financing sources (uses):				
Transfers in	928,049	1,328,412	402,000	(926,412)
Transfers out	<u>(551,000)</u>	<u>(565,500)</u>	<u>(501,395)</u>	<u>64,105</u>
Total other financing sources (uses)	<u>377,049</u>	<u>762,912</u>	<u>(99,395)</u>	<u>(862,307)</u>
Net change in fund balance	—	(426,676)	(67,597)	359,079
Fund balances – beginning	<u>654,144</u>	<u>654,144</u>	<u>654,144</u>	—
Fund balances – ending	<u>\$ 654,144</u>	<u>227,468</u>	<u>586,547</u>	<u>359,079</u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – WIC Program Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Intergovernmental	\$ 482,114	1,810,561	1,362,306	(448,255)
Charges for services	158,000	158,000	166,285	8,285
Interest	—	—	9	9
Total revenues	<u>640,114</u>	<u>1,968,561</u>	<u>1,528,600</u>	<u>(439,961)</u>
Expenditures:				
Public health	<u>445,602</u>	<u>1,827,035</u>	<u>1,394,654</u>	<u>432,381</u>
Excess (deficiency) of revenues over (under) expenditures	194,512	141,526	133,946	(7,580)
Other financing sources (uses):				
Transfers in	—	—	17	17
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>17</u>	<u>17</u>
Net change in fund balance	194,512	141,526	133,963	(7,563)
Fund balances – beginning	<u>(86,069)</u>	<u>(86,069)</u>	<u>(86,069)</u>	<u>—</u>
Fund balances – ending	<u><u>\$ 108,443</u></u>	<u><u>55,457</u></u>	<u><u>47,894</u></u>	<u><u>(7,563)</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Workforce Development Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Intergovernmental	\$ 5,579,896	9,416,697	6,887,947	(2,528,750)
Interest	—	—	—	—
Total revenues	<u>5,579,896</u>	<u>9,416,697</u>	<u>6,887,947</u>	<u>(2,528,750)</u>
Expenditures:				
General government	<u>5,579,896</u>	<u>8,928,044</u>	<u>6,887,947</u>	<u>2,040,097</u>
(Excess) deficiency of revenues over (under) expenditures	<u>—</u>	<u>488,653</u>	<u>—</u>	<u>(488,653)</u>
Other financing sources (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>488,653</u>	<u>—</u>	<u>(488,653)</u>
Fund balances – beginning	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances – ending	<u><u>\$ —</u></u>	<u><u>488,653</u></u>	<u><u>—</u></u>	<u><u>(488,653)</u></u>

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Road and Bridge Maintenance Special Revenue Fund

Year ended June 30, 2015

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Property taxes	\$ 1,750,000	1,750,000	1,727,766	(22,234)
Charges for services	—	—	194,530	194,530
Interest	10,000	10,000	23,938	13,938
Other	—	—	—	—
Total revenues	<u>1,760,000</u>	<u>1,760,000</u>	<u>1,946,234</u>	<u>186,234</u>
Expenditures:				
Public works	<u>2,115,000</u>	<u>5,406,778</u>	<u>939,602</u>	<u>4,467,176</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(355,000)</u>	<u>(3,646,778)</u>	<u>1,006,632</u>	<u>4,653,410</u>
Other financing sources (uses):				
Transfers in	355,000	355,000	432,011	77,011
Transfers out	<u>—</u>	<u>—</u>	<u>(85,813)</u>	<u>(85,813)</u>
Total other financing sources (uses)	<u>355,000</u>	<u>355,000</u>	<u>346,198</u>	<u>(8,802)</u>
Net change in fund balance	—	(3,291,778)	1,352,830	4,644,608
Fund balances – beginning	<u>3,524,042</u>	<u>3,524,042</u>	<u>3,524,042</u>	<u>—</u>
Fund balances – ending	\$ <u><u>3,524,042</u></u>	<u><u>232,264</u></u>	<u><u>4,876,872</u></u>	<u><u>4,644,608</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, 2015

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	\$ 795,183	13,567	1,649	10,336,000	4,734,818	20,543	2,260	102,829	16,006,849
Accrued interest receivable	—	—	—	63,099	27,904	50	—	936	91,989
Accounts receivable	—	—	—	—	—	—	—	—	—
Special assessments receivable	—	—	—	—	2,028,751	—	—	—	2,028,751
Property taxes receivable:									
Current	—	—	—	8,152,748	—	—	—	—	8,152,748
Delinquent	—	—	—	223,652	—	—	—	—	223,652
	—	—	—	8,376,400	—	—	—	—	8,376,400
Less allowance for uncollectible amounts	—	—	—	(36,704)	—	—	—	—	(36,704)
Net property taxes receivable	—	—	—	8,339,696	—	—	—	—	8,339,696
Restricted cash and investments	5,454,136	1,693,622	284,502	3,730,838	—	—	212,745	493,558	11,869,401
Total assets	\$ 6,249,319	1,707,189	286,151	22,469,633	6,791,473	20,593	215,005	597,323	38,336,686
Liabilities									
Accrued interest payable	\$ 2,957	3,332	487	—	—	—	536	—	7,312
Total liabilities	2,957	3,332	487	—	—	—	536	—	7,312
Deferred inflows of resources									
Unavailable revenue	—	—	—	8,264,389	2,028,751	—	—	—	10,293,140
Fund balances									
Restricted	5,454,136	1,693,622	284,502	3,730,838	—	—	212,745	493,558	11,869,401
Committed	792,226	—	1,162	10,474,406	4,762,722	20,593	1,724	—	16,052,833
Assigned	—	10,235	—	—	—	—	—	103,765	114,000
Total fund balances	6,246,362	1,703,857	285,664	14,205,244	4,762,722	20,593	214,469	597,323	28,036,234
Total liabilities, deferred inflows of resources and fund balances	\$ 6,249,319	1,707,189	286,151	22,469,633	6,791,473	20,593	215,005	597,323	38,336,686

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

Year ended June 30, 2015

	<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	\$ —	—	—	8,185,204	—	—	—	—	8,185,204
Interest	86,431	75,828	—	98,743	85,538	98	—	7,858	354,496
Special assessments	—	151,909	—	—	513,383	—	—	—	665,292
Other	1,350,175	—	—	—	—	78,177	—	—	1,428,352
Total revenues	<u>1,436,606</u>	<u>227,737</u>	<u>—</u>	<u>8,283,947</u>	<u>598,921</u>	<u>78,275</u>	<u>—</u>	<u>7,858</u>	<u>10,633,344</u>
Expenditures:									
Debt service:									
Principal	2,920,000	420,000	225,000	3,810,000	4,980,000	42,000	135,000	180,000	12,712,000
Bond issuance costs	—	—	—	—	84,985	—	—	—	84,985
Interest and other charges	1,852,976	676,492	103,934	1,778,884	456,612	18,387	81,284	77,149	5,045,718
Total expenditures	<u>4,772,976</u>	<u>1,096,492</u>	<u>328,934</u>	<u>5,588,884</u>	<u>5,521,597</u>	<u>60,387</u>	<u>216,284</u>	<u>257,149</u>	<u>17,842,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,336,370)</u>	<u>(868,755)</u>	<u>(328,934)</u>	<u>2,695,063</u>	<u>(4,922,676)</u>	<u>17,888</u>	<u>(216,284)</u>	<u>(249,291)</u>	<u>(7,209,359)</u>
Other financing sources (uses):									
Issuance of debt	—	—	—	—	98,765	—	—	—	98,765
Bond premium (discount)	—	—	—	—	—	—	—	—	—
Issuance of refunding bonds	—	—	—	—	4,487,334	—	—	—	4,487,334
Transfers in	3,318,697	828,000	329,000	5,230,000	—	—	215,711	244,025	10,165,433
Transfers out	(109,500)	—	—	(6,141,189)	(2,000)	—	(711)	—	(6,253,400)
Total other financing sources (uses)	<u>3,209,197</u>	<u>828,000</u>	<u>329,000</u>	<u>(911,189)</u>	<u>4,584,099</u>	<u>—</u>	<u>215,000</u>	<u>244,025</u>	<u>8,498,132</u>
Net change in fund balance	(127,173)	(40,755)	66	1,783,874	(338,577)	17,888	(1,284)	(5,266)	1,288,773
Fund balance - beginning	6,373,535	1,744,612	285,598	12,421,370	5,101,299	2,705	215,753	602,589	26,747,461
Fund balance - ending	\$ <u>6,246,362</u>	<u>1,703,857</u>	<u>285,664</u>	<u>14,205,244</u>	<u>4,762,722</u>	<u>20,593</u>	<u>214,469</u>	<u>597,323</u>	<u>28,036,234</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, 2015

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	\$ 9,817,232	1,952,205	4,766,652	15,968,863	1,518,723	3,347,440	—	287,245	618,923	—	38,277,283
Accrued interest receivable	67,726	16,248	27,695	93,358	1,630	5,704	—	1,573	3,052	2,950	219,936
Accounts receivable	862,493	—	—	1,726,680	—	—	—	—	—	—	2,589,173
Due from other funds	—	—	—	102,522	—	—	—	—	—	—	102,522
Due from other governments	—	—	897,710	—	—	—	—	—	—	—	897,710
Total assets	\$ 10,747,451	1,968,453	5,692,057	17,891,423	1,520,353	3,353,144	—	288,818	621,975	2,950	42,086,624
Liabilities											
Due to other funds	\$ —	—	102,522	—	—	—	20,200	—	—	94,910	217,632
Accounts payable	1,077,403	66,404	410,922	624,902	—	40,604	117	—	51,636	—	2,271,988
Retainages payable	122,766	24,929	7,395	47,876	—	7,563	—	—	26,293	—	236,822
Unearned revenue	—	—	140,650	—	—	—	—	—	—	—	140,650
Total liabilities	1,200,169	91,333	661,489	672,778	—	48,167	20,317	—	77,929	94,910	2,867,092
Deferred inflows of resources											
Unavailable revenue	—	—	183,134	—	—	—	—	—	—	—	183,134
Fund balances											
Restricted	9,547,282	1,877,120	4,847,434	17,218,645	—	3,304,977	—	288,818	544,046	—	37,628,322
Committed	—	—	—	—	1,520,353	—	—	—	—	—	1,520,353
Unassigned	—	—	—	—	—	—	(20,317)	—	—	(91,960)	(112,277)
Total fund balances	9,547,282	1,877,120	4,847,434	17,218,645	1,520,353	3,304,977	(20,317)	288,818	544,046	(91,960)	39,036,398
Total liabilities, deferred inflows of resources and fund balances	\$ 10,747,451	1,968,453	5,692,057	17,891,423	1,520,353	3,353,144	—	288,818	621,975	2,950	42,086,624

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Project Funds

Year ended June 30, 2015

	<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	\$ 5,152,662	—	—	10,305,368	—	—	—	—	—	1,056,363	16,514,393
Interest	66,400	11,626	26,912	98,108	2,531	5,434	—	1,693	4,422	2,807	219,933
Intergovernmental	287,521	3,993	9,909,750	179,247	—	5,800	—	—	—	—	10,386,311
Other	—	64,369	347,960	10,001	157,319	—	—	—	505,637	35,845	1,121,131
Total revenues	<u>5,506,583</u>	<u>79,988</u>	<u>10,284,622</u>	<u>10,592,724</u>	<u>159,850</u>	<u>11,234</u>	<u>—</u>	<u>1,693</u>	<u>510,059</u>	<u>1,095,015</u>	<u>28,241,768</u>
Expenditures:											
Capital outlay:											
Public works	9,751,059	1,205,155	10,043,819	12,401,115	—	697,863	—	—	5,750	—	34,104,761
Parks and recreation	—	78,459	—	6,015	—	—	—	—	—	—	84,474
Planning and development	—	—	—	55,548	—	—	—	—	150,580	—	206,128
General government	—	—	—	442	—	—	119	—	—	120,467	121,028
Total expenditures	<u>9,751,059</u>	<u>1,283,614</u>	<u>10,043,819</u>	<u>12,463,120</u>	<u>—</u>	<u>697,863</u>	<u>119</u>	<u>—</u>	<u>156,330</u>	<u>120,467</u>	<u>34,516,391</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,244,476)</u>	<u>(1,203,626)</u>	<u>240,803</u>	<u>(1,870,396)</u>	<u>159,850</u>	<u>(686,629)</u>	<u>(119)</u>	<u>1,693</u>	<u>353,729</u>	<u>974,548</u>	<u>(6,274,623)</u>
Other financing sources (uses):											
Bond proceeds	—	—	—	—	—	2,373,901	—	—	—	—	2,373,901
Bond premium (discount)	—	—	—	—	—	628,749	—	—	—	—	628,749
Transfers in	—	—	80,063	35,170	559,253	2,000	—	—	4,105	215,080	895,671
Transfers out	(174,794)	—	(3,930)	(349,588)	(157,000)	—	—	—	(304,281)	(1,059,011)	(2,048,604)
Total other financing sources (uses)	<u>(174,794)</u>	<u>—</u>	<u>76,133</u>	<u>(314,418)</u>	<u>402,253</u>	<u>3,004,650</u>	<u>—</u>	<u>—</u>	<u>(300,176)</u>	<u>(843,931)</u>	<u>1,849,717</u>
Net change in fund balance	<u>(4,419,270)</u>	<u>(1,203,626)</u>	<u>316,936</u>	<u>(2,184,814)</u>	<u>562,103</u>	<u>2,318,021</u>	<u>(119)</u>	<u>1,693</u>	<u>53,553</u>	<u>130,617</u>	<u>(4,424,906)</u>
Fund balance - beginning	<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>
Fund balance - ending	<u>\$ 9,547,282</u>	<u>1,877,120</u>	<u>4,847,434</u>	<u>17,218,645</u>	<u>1,520,353</u>	<u>3,304,977</u>	<u>(20,317)</u>	<u>288,818</u>	<u>544,046</u>	<u>(91,960)</u>	<u>39,036,398</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, 2015

	Assets	Perpetual care
Cash and investments		\$ 1,412,361
Accrued interest receivable		<u>7,367</u>
Total assets		<u>\$ 1,419,728</u>
	Liabilities	
Accounts payable		\$ <u>—</u>
Total liabilities		<u>—</u>
	Fund Balance	
Nonspendable		1,269,362
Assigned		<u>150,366</u>
Total liabilities and fund balance		<u>\$ 1,419,728</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Permanent Funds

Year ended June 30, 2015

	Perpetual care
Revenues:	
Interest	\$ 8,116
Perpetual care	49,406
Contributions	—
Total revenues	<u>57,522</u>
Expenditures:	
Current:	
General government	—
Excess (deficiency) of revenues over (under) expenditures	<u>57,522</u>
Other financing sources (uses) – transfers in	—
Net change in fund balance	<u>57,522</u>
Fund balance - beginning	<u>1,362,206</u>
Fund balance - ending	<u><u>\$ 1,419,728</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

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2015

Assets	Refuse disposal	Golf	Total
Current assets:			
Cash and cash equivalents	\$ 554,254	23,190	577,444
Investments	5,390,466	26,545	5,417,011
Inventories	108,470	159,806	268,276
Accounts receivable	13,172	—	13,172
Due from other governments	22,127	—	22,127
Accrued interest receivable	72,615	222	72,837
Total current assets	<u>6,161,104</u>	<u>209,763</u>	<u>6,370,867</u>
Investments	<u>8,281,329</u>	<u>40,781</u>	<u>8,322,110</u>
Net pension asset	<u>120,814</u>	<u>55,760</u>	<u>176,574</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	18,718,417	8,262,495	26,980,912
Machinery and equipment	8,856,251	1,313,565	10,169,816
	<u>31,230,668</u>	<u>10,615,205</u>	<u>41,845,873</u>
Less accumulated depreciation	<u>(18,682,132)</u>	<u>(8,553,416)</u>	<u>(27,235,548)</u>
	<u>12,548,536</u>	<u>2,061,789</u>	<u>14,610,325</u>
Construction in progress	1,539,772	—	1,539,772
Total capital assets, net	<u>14,088,308</u>	<u>2,061,789</u>	<u>16,150,097</u>
Total noncurrent assets	<u>22,490,451</u>	<u>2,158,330</u>	<u>24,648,781</u>
Total assets	<u>28,651,555</u>	<u>2,368,093</u>	<u>31,019,648</u>
Deferred Outflows of Resources			
Deferred outflows related to pensions	<u>395,565</u>	<u>182,569</u>	<u>578,134</u>
Liabilities			
Current liabilities:			
Accounts payable	272,666	85,086	357,752
Accrued compensated absences and other accrued costs	23,115	3,778	26,893
Due to other funds	—	165,000	165,000
Current maturities of long-term debt	—	40,590	40,590
Total current liabilities	<u>295,781</u>	<u>294,454</u>	<u>590,235</u>
Long-term debt, less current maturities:			
Capitalized lease obligations payable	—	100,312	100,312
Accrued landfill closure/postclosure care costs	11,343,036	—	11,343,036
Accrued compensated absences	321,812	143,975	465,787
Other postemployment benefits	81,033	56,192	137,225
Total long-term liabilities	<u>11,745,881</u>	<u>300,479</u>	<u>12,046,360</u>
Total liabilities	<u>12,041,662</u>	<u>594,933</u>	<u>12,636,595</u>
Deferred Inflows of Resources			
Deferred inflows related to pensions	<u>33,586</u>	<u>15,501</u>	<u>49,087</u>
Net Position			
Net position:			
Net investment in capital assets	14,088,308	1,920,887	16,009,195
Unrestricted	2,883,564	19,341	2,902,905
Total net position	<u>\$ 16,971,872</u>	<u>1,940,228</u>	<u>18,912,100</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

Year ended June 30, 2015

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Operating revenues:			
Landfill charges	\$ 6,724,203	—	6,724,203
Yardwaste recycling sales	327,973	—	327,973
Golf course fees	—	2,762,631	2,762,631
Other	23,391	—	23,391
Total operating revenues	<u>7,075,567</u>	<u>2,762,631</u>	<u>9,838,198</u>
Operating expenses:			
Personnel services	2,260,933	1,581,953	3,842,886
Other services	1,244,304	501,437	1,745,741
Supplies	688,486	565,285	1,253,771
Depreciation and amortization	1,303,267	376,550	1,679,817
Total operating expenses	<u>5,496,990</u>	<u>3,025,225</u>	<u>8,522,215</u>
Operating income (loss)	<u>1,578,577</u>	<u>(262,594)</u>	<u>1,315,983</u>
Nonoperating revenues (expenses):			
Interest revenue	82,508	508	83,016
Interest on long-term debt	—	(2,300)	(2,300)
Gain (loss) from disposal of capital assets	(48,435)	610	(47,825)
Claims and settlements	(390,442)	—	(390,442)
Contributions and grants	117,852	—	117,852
Other nonoperating income (expense)	(13,281)	(5,272)	(18,553)
Net nonoperating revenues (expenses)	<u>(251,798)</u>	<u>(6,454)</u>	<u>(258,252)</u>
Income (loss) before capital contribution and transfers	1,326,779	(269,048)	1,057,731
Capital contributions and grants	8,656	—	8,656
Transfers in	234,201	—	234,201
Transfers out	(572,368)	—	(572,368)
Change in net position	997,268	(269,048)	728,220
Total net position – beginning, as restated	<u>15,974,604</u>	<u>2,209,276</u>	<u>18,183,880</u>
Total net position – ending	\$ <u>16,971,872</u>	<u>1,940,228</u>	<u>18,912,100</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year ended June 30, 2015

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from users	\$ 7,056,118	2,657,359	9,713,477
Cash paid to suppliers	(1,988,284)	(1,075,208)	(3,063,492)
Cash paid to employees	(2,309,445)	(1,533,623)	(3,843,068)
Net cash provided by operating activities	<u>2,758,389</u>	<u>48,528</u>	<u>2,806,917</u>
Cash flows from noncapital financing activities:			
Noncapital contributions and grants	117,852	—	117,852
Transfers in	234,201	—	234,201
Transfers out	(572,368)	—	(572,368)
Net cash used in noncapital financing activities	<u>(220,315)</u>	<u>—</u>	<u>(220,315)</u>
Cash flows from capital and related financing activities:			
Interest paid on long-term debt obligations	—	(2,300)	(2,300)
Principal payments made on long-term capital lease	—	(46,140)	(46,140)
Proceeds from issuance of long-term debt	—	81,540	81,540
Additions to capital assets	(521,408)	(81,540)	(602,948)
Capital contributions	8,656	—	8,656
Proceeds from sale of capital assets	36,365	610	36,975
Net cash used in capital and related financing activities	<u>(476,387)</u>	<u>(47,830)</u>	<u>(524,217)</u>
Cash flows from investing activities:			
Sale of investments	10,429,423	103,302	10,532,725
Purchase of investments	(12,321,655)	(84,035)	(12,405,690)
Interest received	60,443	842	61,285
Net cash provided by (used in) investing activities	<u>(1,831,789)</u>	<u>20,109</u>	<u>(1,811,680)</u>
Net increase (decrease) in cash and cash equivalents	229,898	20,807	250,705
Cash and cash equivalents, beginning of year	324,356	2,383	326,739
Cash and cash equivalents, end of year	\$ <u>554,254</u>	<u>23,190</u>	<u>577,444</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 1,578,577	(262,594)	1,315,983
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,303,267	376,550	1,679,817
Other nonoperating expenses	(403,723)	(5,272)	(408,995)
Decrease (increase) in:			
Accounts receivable	7,499	—	7,499
Due from other governments	(13,667)	—	(13,667)
Inventories	(9,820)	4,089	(5,731)
Increase (decrease) in:			
Accounts payable	2,074	(12,575)	(10,501)
Retainage payable	(47,748)	—	(47,748)
Due to other funds	—	(100,000)	(100,000)
Accrued landfill closure/postclosure care costs	390,442	—	390,442
Other postemployment benefits	(145)	(67)	(212)
Accrued compensated absences	(136,688)	7,635	(129,053)
Net pension asset	88,321	40,762	129,083
Total adjustments	<u>1,179,812</u>	<u>311,122</u>	<u>1,490,934</u>
Net cash provided by operating activities	\$ <u>2,758,389</u>	<u>48,528</u>	<u>2,806,917</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, 2015

Assets	Service center	Print shop	Self- insurance	Total
Current assets:				
Cash and cash equivalents	\$ 500	—	861,118	861,618
Investments	—	—	9,440,102	9,440,102
Inventories	250,603	43,315	—	293,918
Accrued interest receivable	—	—	105,689	105,689
Total current assets	<u>251,103</u>	<u>43,315</u>	<u>10,406,909</u>	<u>10,701,327</u>
Investments	—	—	12,899,280	12,899,280
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	248,248	47,889	—	296,137
	<u>2,014,358</u>	<u>47,889</u>	<u>—</u>	<u>2,062,247</u>
Less accumulated depreciation	<u>(1,483,721)</u>	<u>(47,889)</u>	<u>—</u>	<u>(1,531,610)</u>
	530,637	—	—	530,637
Construction in progress	<u>14,987</u>	<u>—</u>	<u>—</u>	<u>14,987</u>
Total capital assets (net of accumulated depreciation)	<u>545,624</u>	<u>—</u>	<u>—</u>	<u>545,624</u>
Total assets	<u>796,727</u>	<u>43,315</u>	<u>23,306,189</u>	<u>24,146,231</u>
Liabilities				
Current liabilities:				
Accounts payable	228,060	11,678	31,744	271,482
Accrued compensated absences and other accrued costs	10,723	1,021	7,929	19,673
Due to other funds	326,060	9,782	—	335,842
Current maturities of long-term debt	35,168	—	—	35,168
Estimated liability for incurred but unreported claims	—	—	3,170,100	3,170,100
Total current liabilities	<u>600,011</u>	<u>22,481</u>	<u>3,209,773</u>	<u>3,832,265</u>
Long-term debt, less current maturities:				
Capitalized lease obligations payable	36,669	—	—	36,669
Accrued compensated absences	117,613	2,893	14,959	135,465
Total long-term liabilities	<u>154,282</u>	<u>2,893</u>	<u>14,959</u>	<u>172,134</u>
Total liabilities	<u>754,293</u>	<u>25,374</u>	<u>3,224,732</u>	<u>4,004,399</u>
Net Position				
Net position:				
Net investment in capital assets	473,787	—	—	473,787
Unrestricted	(431,353)	17,941	20,081,457	19,668,045
Total net position	<u>\$ 42,434</u>	<u>17,941</u>	<u>20,081,457</u>	<u>20,141,832</u>

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
Year ended June 30, 2015

	<u>Service center</u>	<u>Print shop</u>	<u>Self- insurance</u>	<u>Total</u>
Operating revenues:				
Billings to departments	\$ 3,208,836	199,681	8,658,797	12,067,314
Contributions – City	—	—	9,565,748	9,565,748
Contributions – employees	—	—	3,057,827	3,057,827
Miscellaneous	115,483	—	2,011	117,494
Total operating revenues	<u>3,324,319</u>	<u>199,681</u>	<u>21,284,383</u>	<u>24,808,383</u>
Operating expenses:				
Cost of materials used:				
Beginning inventory	323,897	46,590	—	370,487
Net purchases	<u>2,000,195</u>	<u>62,800</u>	<u>—</u>	<u>2,062,995</u>
	2,324,092	109,390	—	2,433,482
Ending inventory	<u>(250,603)</u>	<u>(43,315)</u>	<u>—</u>	<u>(293,918)</u>
Total cost of materials used	<u>2,073,489</u>	<u>66,075</u>	<u>—</u>	<u>2,139,564</u>
Other operating expenses:				
Personnel services	948,324	98,507	348,621	1,395,452
Charges for services	302,631	5,205	16,276,152	16,583,988
Rent	—	40,933	—	40,933
Depreciation	<u>69,098</u>	<u>—</u>	<u>—</u>	<u>69,098</u>
Total other operating expenses	<u>1,320,053</u>	<u>144,645</u>	<u>16,624,773</u>	<u>18,089,471</u>
Total operating expenses	<u>3,393,542</u>	<u>210,720</u>	<u>16,624,773</u>	<u>20,229,035</u>
Operating income (loss)	(69,223)	(11,039)	4,659,610	4,579,348
Nonoperating revenues (expenses)	<u>(6,388)</u>	<u>(15)</u>	<u>133,551</u>	<u>127,148</u>
Income (loss) before transfers	(75,611)	(11,054)	4,793,161	4,706,496
Transfers in	—	—	2,000,000	2,000,000
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Change in net position	(75,611)	(11,054)	6,793,161	6,706,496
Total net position – beginning	118,045	28,995	13,288,296	13,435,336
Total net position – ending	<u>\$ 42,434</u>	<u>17,941</u>	<u>20,081,457</u>	<u>20,141,832</u>

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Internal Service Funds

Year ended June 30, 2015

	<u>Service center</u>	<u>Print shop</u>	<u>Self- insurance</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from users	\$ 3,324,319	199,681	21,284,383	24,808,383
Cash paid to suppliers	(2,277,784)	(101,667)	(15,956,792)	(18,336,243)
Cash paid to employees	(978,657)	(97,999)	(342,713)	(1,419,369)
Net cash provided by operating activities	<u>67,878</u>	<u>15</u>	<u>4,984,878</u>	<u>5,052,771</u>
Cash flows from noncapital financing activities:				
Transfers in	—	—	2,000,000	2,000,000
Transfers out	—	—	—	—
Net cash provided by noncapital financing activities	<u>—</u>	<u>—</u>	<u>2,000,000</u>	<u>2,000,000</u>
Cash flows from capital and related financing activities:				
Interest paid on long-term debt obligations	(4,108)	—	—	(4,108)
Principal payments made on long-term capital lease	(33,728)	—	—	(33,728)
Additions to capital assets	(27,262)	—	—	(27,262)
Net cash used in capital and related financing activities	<u>(65,098)</u>	<u>—</u>	<u>—</u>	<u>(65,098)</u>
Cash flows from investing activities:				
Sale of investments	—	—	11,825,992	11,825,992
Purchase of investments	—	—	(18,431,366)	(18,431,366)
Interest received	(2,280)	(15)	77,066	74,771
Net cash used in investing activities	<u>(2,280)</u>	<u>(15)</u>	<u>(6,528,308)</u>	<u>(6,530,603)</u>
Net increase in cash and cash equivalents	500	—	456,570	457,070
Cash and cash equivalents, beginning of year	—	—	404,548	404,548
Cash and cash equivalents, end of year	\$ <u>500</u>	<u>—</u>	<u>861,118</u>	<u>861,618</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (69,223)	(11,039)	4,659,610	4,579,348
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	69,098	—	—	69,098
Decrease (increase) in:				
Inventories	73,294	3,275	—	76,569
Increase (decrease) in:				
Accounts payable	27,029	1,870	31,260	60,159
Due to other fund	(1,987)	5,401	—	3,414
Estimated liability for incurred but unreported claims	—	—	288,100	288,100
Accrued compensated absences	(30,333)	508	5,908	(23,917)
Total adjustments	<u>137,101</u>	<u>11,054</u>	<u>325,268</u>	<u>473,423</u>
Net cash provided by operating activities	\$ <u>67,878</u>	<u>15</u>	<u>4,984,878</u>	<u>5,052,771</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, 2015

	June 30, 2014	Additions	Deductions	June 30, 2015
Cooper Tennis Trust				
Assets:				
Cash and short-term investments	\$ 81,880	11,813	8,783	84,910
Accrued interest receivable	411	561	541	431
	<u>\$ 82,291</u>	<u>12,374</u>	<u>9,324</u>	<u>85,341</u>
Liabilities:				
Accounts payable	\$ 8,600	—	8,600	—
Escrows payable	73,691	11,650	—	85,341
	<u>\$ 82,291</u>	<u>11,650</u>	<u>8,600</u>	<u>85,341</u>
Municipal Court Bond				
Assets:				
Cash and short-term investments	\$ 29,353	104,835	123,138	11,050
Liabilities:				
Municipal court bond deposits	\$ 29,353	104,835	123,138	11,050
Revolving Payroll				
Assets:				
Cash and short-term investments	\$ 6,465,055	164,298,067	163,920,848	6,842,274
Liabilities:				
Accounts payable	\$ 6,465,055	164,298,067	163,920,848	6,842,274
Total				
Assets				
Cash and short-term investments	\$ 6,576,288	164,414,715	164,052,769	6,938,234
Accrued interest receivable	411	561	541	431
Total assets	<u>\$ 6,576,699</u>	<u>164,415,276</u>	<u>164,053,310</u>	<u>6,938,665</u>
Liabilities				
Accounts payable	\$ 6,473,655	164,298,067	163,929,448	6,842,274
Escrows payable	73,691	11,650	—	85,341
Municipal court bond deposits	29,353	104,835	123,138	11,050
Total liabilities	<u>\$ 6,576,699</u>	<u>164,414,552</u>	<u>164,052,586</u>	<u>6,938,665</u>

STATISTICAL SECTION

CITY OF SPRINGFIELD, MISSOURI

Statistical Section (Unaudited)

June 30, 2015

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.

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	144
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source: sales tax and property tax.	149
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.	158
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.	163
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.	165

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Net investment in capital assets	\$ 319,819,011	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
Restricted	10,097,473	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
Unrestricted	82,818,141	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
Total governmental activities net position	\$ 412,734,625	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
Business-type activities:										
Net investment in capital assets	\$ 278,599,445	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
Restricted	44,490,758	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
Unrestricted	62,443,180	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
Total business-type activities net position	\$ 385,533,383	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
Primary government:										
Net investment in capital assets	\$ 598,418,456	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
Restricted	54,588,231	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
Unrestricted	145,261,321	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
Total primary government net position	\$ 798,268,008	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

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.
The City implemented GASB 68 in fiscal year 2015. Amounts reported for fiscal year 2014 and prior have not been restated for the impact of GASB 68.

CITY OF SPRINGFIELD, MISSOURI

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
Public works	\$ 40,360,909	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
Public safety	79,891,443	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
Parks and recreation	32,082,863	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
Planning and development	4,237,549	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
Public health	10,037,156	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
General government	25,564,020	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
Interest on long-term debt	4,933,538	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
Total governmental activities expenses	197,107,478	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
Business-type activities:										
Airport	26,133,627	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
Sanitary sewerage system	29,938,198	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
Refuse disposal	5,949,148	5,817,642	5,557,048	5,343,805	4,956,859	4,488,107	4,788,815	4,274,538	4,089,109	3,921,758
Golf	3,032,797	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
Total business-type activities expenses	65,053,770	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
Total primary government expenses	\$ 262,161,248	236,902,936	236,902,936	234,107,399	224,318,481	232,436,817	225,011,833	232,518,635	199,526,341	191,172,284
Program revenues:										
Governmental activities:										
Charges for services:										
Public works	\$ 2,198,684	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
Public safety	3,307,886	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
Parks and recreation	8,546,492	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
Planning and development	68,768	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	2,283,735	2,176,914	2,109,987	1,563,174	1,446,226	1,258,571	1,451,688	828,248	692,394	933,014
General government	6,892,369	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	21,233,665	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
Capital grants and contributions	9,902,673	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
Total governmental activities program revenues	54,434,272	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
Business-type activities:										
Charges for services:										
Airport	19,340,874	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
Sanitary sewerage system	38,773,691	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
Refuse disposal	7,182,846	6,723,584	6,615,140	6,205,418	5,974,016	5,435,569	4,446,305	3,626,185	3,574,639	3,077,639
Golf	2,812,144	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
Operating grants and contributions	3,006,912	128,425	261,509	44,132	55,077	438,822	14,548	49,957	216,824	5,107
Capital grants and contributions	5,462,909	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
Total business-type activities program revenues	76,579,376	65,117,770	61,665,633	64,264,135	59,392,398	55,657,152	48,749,293	68,154,686	55,296,091	47,032,249
Total primary government program revenues	\$ 131,013,648	113,036,514	110,985,970	114,949,174	116,739,523	109,849,826	96,485,626	119,261,059	118,362,708	82,663,551

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. The City implemented GASB 68 in fiscal year 2015. Amounts reported for fiscal year 2014 and prior have not been restated for the impact of GASB 68.

CITY OF SPRINGFIELD, MISSOURI

Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (expense) revenue:										
Governmental activities	\$ (142,673,206)	(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)
Business-type activities	11,525,606	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
Total primary government expenses	\$ (131,147,600)	(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)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	\$ 21,095,072	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
Sales and use taxes	120,805,757	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
Franchise taxes	6,256,900	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
Room taxes	4,544,337	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
Payments in lieu of taxes	14,462,942	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	1,003,474	573,933	569,156	995,738	1,756,765	4,452,530	5,249,935	6,224,393	6,010,603	3,589,052
Other revenue	4,570,995	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
Transfers	1,588,187	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
Total governmental activities revenues	174,327,664	171,761,554	162,677,723	166,789,432	160,538,102	153,490,270	149,472,815	148,362,240	139,100,940	141,526,404
Business-type activities:										
Revenues from use of money and property	2,135,369	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
Other revenue	117,936	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
Transfers	(1,588,187)	(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)
Total business-type activities revenues	665,118	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
Total primary government revenues	174,992,782	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
Changes in net position:										
Governmental activities	31,654,458	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
Business-type activities	12,190,724	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
Total primary government	\$ 43,845,182	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

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. The City implemented GASB 68 in fiscal year 2015. Amounts reported for fiscal year 2014 and prior have not been restated for the impact of GASB 68.

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>	<u>Fiscal year</u> <u>2015</u>
General fund:					
Nonspendable	\$ 17,309	24,128	23,175	24,928	134,030
Restricted	—	—	—	—	—
Committed	14,000,000	14,600,000	14,800,000	15,400,000	16,000,000
Assigned	2,788,666	5,732,605	7,421,316	10,154,587	9,642,338
Unassigned	—	—	—	—	—
Total general fund	<u>\$ 16,805,975</u>	<u>20,356,733</u>	<u>22,244,491</u>	<u>25,579,515</u>	<u>25,776,368</u>
All other governmental funds:					
Nonspendable	\$ 44,429,578	46,175,698	44,929,431	43,417,074	42,003,731
Restricted	85,736,829	86,310,911	82,836,496	73,141,855	68,185,952
Committed	26,103,063	23,617,145	22,065,506	21,192,650	25,014,679
Assigned	3,051,612	2,633,940	3,739,685	5,526,721	6,501,885
Unassigned	(501,428)	(206,659)	(186,544)	(328,844)	(112,277)
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>	<u>141,593,970</u>

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

	<u>Fiscal year</u> <u>2006</u>	<u>Fiscal year</u> <u>2007</u>	<u>Fiscal year</u> <u>2008</u>	<u>Fiscal year</u> <u>2009</u>	<u>Fiscal year</u> <u>2010</u>
General fund:					
Reserved	\$ 1,290,886	1,252,700	2,032,245	271,656	949,192
Unreserved	7,939,189	11,347,936	11,106,497	20,017,372	11,444,477
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>
All other governmental funds:					
Reserved	\$ 23,801,620	32,244,961	60,312,382	75,046,316	73,604,239
Unreserved, reported in:					
Special revenue funds	14,314,779	16,531,043	10,140,390	13,589,177	14,805,266
Debt service funds	37,410,504	17,424,713	16,327,800	20,627,966	21,251,808
Capital projects funds	25,768,809	31,756,019	20,686,732	34,778,584	41,299,865
Permanent funds	1,629,747	71,962	118,248	55,190	56,737
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>

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

	Fiscal year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes (see schedule 5)	\$ 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	152,370,746
Licenses and permits	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	5,286,559
Intergovernmental	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	31,541,996
Charges for services	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	12,512,858
Fines and forfeitures	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	1,192,139
Special assessments	2,331,634	2,098,697	1,309,265	1,543,457	1,216,033	830,239	1,433,729	919,225	618,573	665,292
Revenues from use of money and property	3,589,052	6,010,603	6,224,393	5,249,935	4,452,530	1,756,765	945,068	569,156	573,933	1,003,474
Payments in lieu of taxes	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	14,462,942
Other	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	4,570,995
Total revenues	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	223,607,001
Expenditures:										
Public works	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	18,879,250
Public safety	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	90,421,565
Parks and recreation	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	27,808,504
Planning and development	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	3,629,423
Public health	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	9,806,358
General government	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	25,608,442
Debt service:										
Principal	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	13,366,675
Bond issuance costs	—	—	—	—	4,291,747	—	—	—	227,097	97,085
Interest and other charges	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	5,208,066
Capital outlay	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	38,044,042
Total expenditures	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	232,869,410
Excess of revenues over (under) expenditures	(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)	(9,262,409)
Other financing sources (uses):										
Bond proceeds	12,505,000	25,895,000	10,953,000	5,005,000	3,335,000	—	2,480,000	497,000	—	2,472,666
Bond premium (discount)	(81,154)	(30,060)	129,326	(18,745)	410,361	—	438,280	—	1,151,278	628,749
Issuance of refunding bonds	—	—	—	—	18,335,000	—	7,260,000	—	13,645,000	4,487,334
Capital lease proceeds	—	—	—	—	—	—	—	630,000	520,000	926,840
Payment to escrow agent	—	—	—	—	(18,393,616)	—	(7,335,000)	—	(17,707,066)	—
Transfers in	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	16,955,426
Transfers out	(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)	(17,367,239)
Total other financing sources	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)	8,103,776
Net change in fund balances	\$ (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)	(1,158,633)
Debt service as a percentage of noncapital expenditures	18.3%	13.8%	12.1%	16.2%	9.1%	11.1%	10.4%	8.9%	8.3%	9.5%

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>
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
2015	117,083,864	2,933,329	20,763,752	6,256,900	788,564	4,544,337	152,370,746
Change: 2006 – 2015	110.27%	30.68%	25.32%	96.12%	-21.14%	41.32%	86.04%

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
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
2015	2,242,393	463,584	2,705,977	0.6163	10,780,910	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		
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	
2015	0.0389	0.1858	0.1266	0.2650	0.6163	

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
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
2015	4.0719	0.1288	0.1288	0.0500	0.0474	0.2472	0.1494	0.0300

Schedule 8

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

Taxpayer	2015		2006	
	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value
Hammons, John Q	\$ 18,813,300	0.66%	\$ 2,334,750	0.10%
St Johns Health Systems	17,248,300	0.61%	9,147,840	0.41%
Hermel, Inc (Simon Property Group)	14,930,910	0.52%	10,279,100	0.46%
Jones, Jerral W Et al	10,605,591	0.37%	9,661,860	0.43%
Lester E Cox Medical Center	9,381,220	0.33%	9,489,350	0.42%
Farmers Park LLC	7,091,550	0.25%	—	0.00%
Battlefield Plaza LLC	7,028,290	0.25%	2,673,760	0.12%
James River Office Ctr LLC	6,630,200	0.23%	5,124,260	0.23%
Ferrell-Duncan Building Co. LLC	5,397,890	0.19%	5,241,020	0.23%
Bass Pro Inc.	5,561,600	0.20%	5,356,080	0.24%
New Prime	5,220,040	0.18%	2,726,970	0.12%
Lowe's Home Centers	4,944,670	0.17%	5,195,930	0.23%
Oreilly Automotive	4,919,010	0.17%	938,360	0.04%
Bass Pro Outdoor World LLC	4,915,860	0.17%	—	0.00%
	<u>\$ 122,688,431</u>	<u>4.30%</u>	<u>\$ 68,169,280</u>	<u>3.03%</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
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	17,634,611	16,907,056	96%	595,735	17,502,791	99%
2012	18,547,304	18,060,443	97%	448,875	18,509,318	100%
2013	18,756,294	17,835,012	95%	625,467	18,460,479	98%
2014	18,435,583	18,082,925	98%	—	18,082,925	98%

CITY OF SPRINGFIELD, MISSOURI

Taxable Sales by Category

Last Ten Fiscal Years

(Dollars are in thousands)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Fiscal year 2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Apparel stores	\$ 170,335	171,893	174,861	172,720	166,508	163,050	155,170	146,246	63,670	252,152
General merchandise	910,031	884,637	866,731	845,434	829,383	832,515	821,033	849,356	853,678	860,249
Food stores	364,457	369,686	344,548	355,545	321,988	312,089	323,268	319,481	238,419	260,620
Eating and drinking establishments	521,069	489,906	474,811	458,395	433,926	420,717	424,668	419,757	395,061	361,963
Home furnishings and appliances	209,397	245,791	236,709	220,000	183,188	185,505	259,922	314,205	245,444	239,828
Building materials and farm tools	250,966	307,168	299,922	305,726	275,621	291,156	333,298	456,034	465,446	576,128
Auto dealers and supplies	102,518	105,495	106,436	115,648	112,263	109,716	128,079	160,187	101,307	49,557
Service stations	79,022	75,782	72,372	74,163	69,324	68,690	65,758	60,684	92,260	53,717
Other retail stores	434,015	454,774	470,024	453,490	410,691	418,556	394,890	521,096	521,238	465,810
All other outlets	1,056,508	994,741	936,038	928,573	904,543	878,546	602,101	617,503	1,078,485	832,345
Total	<u>\$ 4,098,318</u>	<u>4,099,873</u>	<u>3,982,452</u>	<u>3,929,694</u>	<u>3,707,435</u>	<u>3,680,540</u>	<u>3,508,187</u>	<u>3,864,549</u>	<u>4,055,008</u>	<u>3,952,369</u>
City direct sales tax rate	2.125%	2.125%	2.125%	2.125%	2.125%	1.375%	1.375%	1.375%	1.375%	1.375%

Source: Missouri Department of Revenue.

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

Fiscal year	City direct rate	Greene County
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
2015	2.125	7.600

CITY OF SPRINGFIELD, MISSOURI

Principal Sales Taxpayers

June 30, 2015

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, 2015, the City of Springfield's one cent general sales tax generated approximately \$42.5 million in revenue.

Springfield Top Ten Taxpayers by Industry	Tax Collected	% of Total
Department Stores	\$ 8,215,042	19.29%
Eating Establishments	5,250,489	12.33%
Lumber and other Building Materials	2,536,596	5.96%
Grocery Stores	2,369,887	5.57%
Personal Credit Institutions	2,306,123	5.42%
Clothing Stores	1,976,370	4.64%
Motor Vehicle Sales	1,393,654	3.27%
Sporting Goods, Hobby and Specialty Shops	1,160,760	2.73%
Home Furnishing Stores	1,008,864	2.37%
Convenience Stores	932,346	2.19%
	<u>\$ 27,150,131</u>	<u>63.77%</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/capital leases			
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
2015	—	11,563	—	59,686	45,137	355	1,608	—	212,889	25,635	356,873	5.96	2,094

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				
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
2015	—	11,563	11,563	0.43	69.91	2,705,977	165,378

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Governmental Activities Debt

June 30, 2015

(Dollars in thousands)

Governmental unit	Debt outstanding	Estimated percentage applicable	Estimated share of direct and overlapping debt
Debt repaid with property taxes:			
Springfield R-12 School District	\$ 347,093	81.71%	\$ 283,610
Ozarks Technical Community College	32,878	45.92%	15,098
Greene County	46,412	61.71%	28,641
Greene County Library District	2,375	61.71%	1,466
Subtotal, overlapping debt			328,815
City direct debt			118,349
Total direct and overlapping debt			\$ 447,164

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Springfield. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, or each overlapping government.

Source: Assessed value data used to estimate applicable percentages provided by Greene County and each governmental unit. Debt outstanding data provided by each governmental unit

CITY OF SPRINGFIELD, MISSOURI

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	\$ 2,705,977
Debt limit (30% of assessed value)	\$ 811,792
Debt applicable to limit:	
Total bonded debt:	
General obligation and special assessment	114,586
Less amount in debt service funds available for retirement of general obligation debt	(10,474)
Public building corporation bonds outstanding	(30,192)
Center city development corporation bonds outstanding	(24,855)
Land clearance for redevelopment authority bonds outstanding	(4,590)
Special obligation bonds outstanding	(43,645)
Total net debt applicable to limit	830
Legal debt margin	\$ 810,962

	Fiscal year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 666,545	689,528	731,283	748,611	774,161	784,670	816,716	821,205	796,972	811,792
Total net debt applicable to limit	16,363	4,593	2,382	494	3,307	2,920	3,552	4,237	1,451	830
Legal debt margin	\$ 650,182	684,935	728,901	748,117	770,854	781,750	813,164	816,968	795,521	810,962
Total net debt applicable to the limit as a percentage of debt limit	2.45%	0.67%	0.33%	0.07%	0.43%	0.37%	0.43%	0.52%	0.18%	0.10%

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	
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	20,496	6,205	2,115	2.46	4,066	4,912	8,978	2,425	4,359	1.32	567	1,160	442	0.35
2015	38,504	15,977	22,527	6,386	1,937	2.71	4,356	5,004	9,360	2,585	4,235	1.37	598	530	457	0.61

CITY OF SPRINGFIELD, MISSOURI

Demographic and Economic Statistics

Last Ten Calendar Years

Calendar year	Population	Personal income	Per capita personal income	Median age	Education level in years of schooling	Public school enrollment	Unemployment rate
2005	150,797	\$ 4,448,512	\$ 29,500	34.90	13	24,257	4.2%
2006	151,580	4,204,526	27,738	33.50	13	24,285	4.2
2007	154,777	4,413,930	28,518	34.90	13	23,802	4.9
2008	156,206	4,620,105	29,577	34.90	13	23,942	8.5
2009	157,360	4,702,425	30,104	34.90	13	23,959	8.2
2010	159,498	5,064,699	31,754	34.90	13	24,352	8.2
2011	160,600	5,312,969	33,082	34.90	13	24,876	6.2
2012	162,191	5,505,249	33,943	36.70	13	24,878	6.1
2013	164,122	5,570,793	33,943	36.30	13	24,849	5.7
2014	165,378	5,807,248	35,115	37.60	13	24,905	5.1

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

CITY OF SPRINGFIELD, MISSOURI

Principal Employers

Current Year and Three Years Ago

	2015		2012	
	Employees	Percentage of total city employment	Employees	Percentage of total city employment
Employer:				
St Johns Health System (Mercy Health Systems)	9,030	3.89%	9,004	4.02%
Cox Health Systems	7,891	3.40%	7,891	3.52%
Wal-Mart Stores	3,917	1.69%	3,567	1.59%
Springfield Public Schools	3,199	1.38%	3,206	1.43%
Bass Pro Shops/Tracker Marine	2,862	1.23%	2,554	1.14%
United States Government	2,400	1.03%	2,400	1.07%
State of Missouri	2,317	1.00%	2,326	1.04%
Missouri State University	2,184	0.94%	2,583	1.15%
Citizens Memorial Health Care	1,900	0.82%	1,607	0.72%
City of Springfield	1,596	0.69%	-	
SRC Holdings	1,500	0.65%		
O'Reilly Auto Parts	1,460	0.63%	1,458	0.65%
	<u>40,256</u>	<u>17.35%</u>	<u>36,596</u>	<u>16.33%</u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General operating fund departments:										
Building development services	27.50	27.50	27.50	28.50	28.50	28.50	27.50	32.50	32.50	32.70
City attorney	18.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	21.00	22.00
City clerk	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
City manager	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	9.50	9.50
Finance	32.00	34.00	35.00	35.00	35.00	35.00	35.00	35.00	35.75	35.75
Fire	217.00	217.00	217.00	217.00	217.00	204.00	205.00	218.00	218.00	227.00
Human resources	14.50	14.50	14.50	14.50	14.50	14.50	15.50	15.50	16.50	16.50
Information systems	23.00	23.00	23.00	23.00	23.00	23.00	28.00	27.00	28.00	28.20
Mayor and Council	—	—	—	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor's commission	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	19.11	18.11	18.11	18.74	18.74	18.11	18.29	18.29	19.29	19.49
Police	304.00	304.00	305.00	305.50	305.50	305.50	307.50	307.50	306.50	322.00
Public health services	81.00	81.00	82.00	82.00	82.00	79.00	—	—	—	—
Public information office	14.00	14.50	6.50	6.50	7.00	7.00	6.50	6.50	7.50	8.50
Public parks	91.70	107.70	95.70	95.70	95.70	95.70	—	—	—	—
Public works	99.90	99.90	99.90	99.90	99.90	99.90	100.40	98.90	95.90	95.10
Public works – transportation	99.60	99.60	99.60	99.35	99.35	99.35	—	—	—	—
Grants and special revenue funds:										
Art museum	13.38	13.38	13.38	13.50	13.50	13.50	13.50	13.50	13.50	13.50
Emergency communications	61.00	61.00	61.00	73.00	73.00	73.00	73.00	73.00	73.00	77.00
Law enforcement	86.00	90.00	90.00	90.00	91.00	91.00	73.00	73.00	73.00	73.00
Public health services	—	—	—	—	—	—	79.00	78.00	78.00	78.00
Hotel/motel tax	0.50	0.50	0.50	0.50	1.00	1.00	—	—	—	—
Drury/SMSU	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
Public parks	—	—	—	—	—	—	96.70	79.54	83.97	85.87
Parks sales tax	34.80	34.80	66.80	66.80	72.80	76.80	81.80	116.96	119.53	121.63
Public works - transportation	—	—	—	—	—	—	97.35	98.10	102.10	102.10
Telecable	—	—	—	—	—	—	8.00	8.00	8.00	8.00
Grants:										
Community development	10.23	11.23	11.23	11.60	11.60	11.94	11.65	11.65	11.65	11.65
Fire department	—	—	—	—	—	13.00	13.00	—	9.00	—
Home investment	3.50	2.50	2.50	2.50	2.50	2.90	3.01	3.01	3.01	3.01
Planning	4.16	7.16	6.16	5.16	5.21	0.05	0.05	0.05	0.05	0.05
Police	6.00	2.00	2.00	2.00	2.00	2.00	17.00	22.00	22.00	7.00
Public health	11.50	12.00	12.00	10.80	10.00	12.00	12.00	6.00	6.00	5.00
Telecable	—	—	8.00	8.00	8.00	8.00	—	—	—	—
WIC program	8.00	10.00	10.00	10.00	10.00	11.00	14.00	16.00	16.00	16.00
Workforce development	45.00	49.00	52.00	54.00	54.00	54.00	56.00	57.00	57.25	57.25
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	75.00	82.00	82.00	83.00	89.00	93.00	93.00	93.00	93.00	93.00
Clean water services	84.30	84.30	84.30	84.55	84.55	84.55	84.55	105.05	108.55	108.75
Solid waste	28.70	28.70	28.70	28.70	28.70	28.70	28.70	32.95	38.45	38.45
Print shop	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Self-insurance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00
Service center	22.40	22.40	22.40	22.40	22.40	22.40	22.40	23.00	23.00	23.00
Total	<u>1,608.78</u>	<u>1,644.78</u>	<u>1,669.78</u>	<u>1,686.20</u>	<u>1,699.45</u>	<u>1,702.40</u>	<u>1,715.40</u>	<u>1,763.00</u>	<u>1,794.00</u>	<u>1,803.50</u>

Source: City of Springfield Annual Budget.

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Function/program:										
Public works:										
Street signs manufactured	3,018	3,189	4,735	3,609	5,061	5,812	4,291	3,636	2,969	3,787
Streets resurfaced (miles)	126	68	20	26	23	77	46	46	67	49
Trees maintained (Tree City USA)	2,301	20,579	4,200	2,801	2,800	3,500	3,556	4,617	3,127	1,767
Street cleaning – curb miles	895	895	1,100	1,100	3,502	3,502	4,732	1,238	1,062	1,309
Street cleaning – times per year	10	10	5	5	5	12	5	5	5	5
Right-of-way mowing (acres)	1,080	1,080	1,200	1,200	1,200	1,043	3,405	1,050	1,049	1,050
Right-of-way mowing – times per year	7	7	5	5	5	5	5	5	5	5
Refuse collection:										
Refuse collected (tons per day)	335	404	361	513	569	659	657	697	673	709
Sanitary services:										
Average daily sewage treatment (thousands of gallons)	33,000	38,500	49,850	48,500	44,150	45,000	31,840	36,360	32,500	35,220
Police:										
Moving violations	27,739	25,709	30,714	27,534	23,605	11,159	28,231 *	14,374	22,790	16,624
Parking violations	6,818	4,575	5,931	5,126	4,905	2,748	3,375 *	5,779	4,908	5,763
Accident summary	6,996	6,915	8,252	8,178	7,887	8,359	8,077	8,031	7,863	7,160
Fire:										
Calls for service	14,724	15,020	15,801	12,608	13,155	12,828	13,492	14,388	14,923	15,506
Smoke detectors installed	928	751	575	489	490	1,056	719	626	681	595
Fire safety information contacts	45,851	36,623	34,770	32,968	17,551	519	25,126	25,749	30,345	36,011
Parks and recreation:										
Rounds of golf played at City golf courses	112,560	108,474	101,649	102,584	99,297	100,109	102,458	96,611	93,082	96,006
Visitors to the City's Dickerson Park Zoo	173,516	173,093	176,557	209,166	213,548	221,959	227,618	221,320	217,633	208,061
Admissions to baseball/softball complexes	137,280	107,505	121,590	143,602	167,577	169,236	169,166	144,627	125,971	127,637
Admissions to City pool facilities	58,177	51,662	54,387	46,740	48,630	67,357	95,961	80,127	68,567	68,768
Public health:										
Vaccinations provided	20,780	20,823	23,510	23,924	23,895	26,052	19,417	13,968	11,913	12,089
Public water supply tests	16,453	16,735	1,443	1,288	1,040	1,101	1,252	1,157	1,229	1,220
Impounded animals	3,883	4,076	4,894	5,059	4,566	2,854	3,344	3,221	2,881	2,656
Certified copies of birth certificates issued	17,304	22,268	17,971	17,510	15,551	15,397	11,918	12,021	13,120	13,424
Air monitoring samples collected	25,256	49,266	93,344	89,374	86,673	58,363 **	— **	— **	— **	— **
Licensing division:										
New permanent businesses	1,797	1,762	1,603	1,491	1,353	1,304	1,218	1,156	1,339	1,388
New temporary businesses	2,865	2,979	3,151	3,116	3,263	3,413	3,279	3,695	3,390	3,366
Business license renewals	11,680	13,105	12,172	11,729	11,780	11,678	11,681	11,727	11,858	11,942
Building development services:										
Building permits issued	915	1,468	1,364	1,034	829	923	923	1,038	957	1,150
Building inspections conducted	5,778	5,463	4,396	22,163	16,717	12,027	12,459	15,764	7,137	13,086
Airport Services: ***										
Aviation activity (total number of flights)					1,484	1,285	1,111	771	759	733
Aviation activity (total number of passengers)					795,063	766,683	753,084	750,596	799,910	864,944
Enplanements					398,152	383,433	376,617	375,249	399,990	433,659
Number of Cargo Flights					1,484	1,285	1,111	771	759	733
Cargo Landed weights					189,378,507	191,260,802	206,758,716	193,570,205	220,913,174	197,250,171

* 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 Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Function/program:										
Public works:										
Dump trucks	63	59	68	61	62	80	63	59	66	48
Street sweepers	12	16	16	16	8	7	7	7	7	7
Backhoes	10	9	9	13	15	17	14	13	13	8
Tractors/mowers	45	53	49	44	20	23	68	82	58	30
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol cars	265	295	236	268	200	151	147	140	147	94
Fire:										
Stations	11	11	12	12	12	12	12	12	12	12
Emergency response vehicles	28	29	43	48	23	29	22	26	26	28
Parks:										
Acreage	2,707	2,707	2,930	2,961	3,200	3,200	3,200	3,200	3,200	3,200
Park facilities	89	89	93	93	102	102	102	102	102	102
Baseball diamonds	11	11	11	11	11	11	11	11	11	11
Softball diamonds	27	27	27	27	27	28	28	28	28	28
Community centers	4	4	4	4	4	4	4	6	6	6
Wastewater:										
Sanitary sewers (miles)	1,125	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,196
Sanitary sewer manholes	2,646	26,413	27,619	27,750	27,865	28,054	28,423	28,185	28,193	28,289
Storm sewers (miles)	500	510	520	532	532	637	637	650	652	693
Treatment capacity (thousands of gallons)	56,000	56,000	59,500	65,000	121,000	121,000	168,000	117,000	121,000	117,000
Refuse collection:										
Bulldozers	5	6	5	5	5	5	5	5	5	6
Compactors	3	3	2	2	2	2	2	2	2	2
Loaders	3	3	2	2	2	2	2	2	2	3

CITY OF SPRINGFIELD, MISSOURI

Areas Largest Banks and Savings

Last Three Calendar 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