

CITY OF ST. JOSEPH



FOURTH QUARTER FINANCIAL REPORT

Year Ended June 30, 2013

PURPOSE

This Financial Report is for the twelve month period ended June 30, 2013. The purpose of the Report is to help users focus on major issues, conditions or events effecting fund balances, revenues and expenditures and to assist management and policy makers in gauging their impact on future operations of the City.

Amounts included in this report are based on preliminary closing figures for the Fiscal Year and may change as a result of the annual audit and final reconciliation of account balances. However, we don't expect there to be significant audit adjustments and we believe that amounts included in this report are substantially accurate in all significant respects.

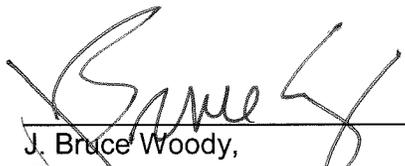
Please review the Report and contact the Administrative Services Department or City Manager's office if you have any questions.

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EXECUTIVE SUMMARY

The three most important indicators of financial health are adequate levels of ending fund balance, multi-year trends in which major sources of revenues keep up with or out-pace any increase in expenditures, and a positive revenue-to-expenditure relationship. A fund with lower than “ideal” fund balance, large deficit spending, and expenditure growth outstripping revenue growth is a fund that needs immediate attention.

The following matrix scores the funds which provide the City’s major services on these three factors. Two or more “negative” factors raise a red flag and the fund bears close attention. A more extensive discussion of each fund is provided in the remainder of this year-end report.

Major Service Providing Operating Funds	Did the Fund end the year with an operating Surplus or Deficit?	Excluding transfers, did the Fund end the year with revenue growth meeting or exceeding growth of expenditures?	Did the Fund end the year maintaining its target fund balance amount?
General Governmental fund:			
General	Surplus	No	Yes
Special Revenue funds:			
Streets Maintenance	Deficit*	No	N/A
Parks Maintenance	Surplus	Yes	N/A
CDBG	N/A**	N/A	N/A
Enterprise funds:			
Aviation	Surplus	No	No
Parking	Deficit	No	Yes
Water Protection	Surplus	Yes	Yes
Golf	Small Surplus	Yes	No
Transit	Surplus	Yes	Yes
Landfill	Deficit	No	Yes

*A “deficit” in this fund meant additional transfers were needed from the General Fund in order to bring revenues into line with expenses allowing the fund to break even.

**CDBG expenditures are kept within the entitlement funds provided through the federal government.

The General Fund went into the 2013 fiscal year with a budgeted operating deficit of about \$1.1 million (see the Chart on pg. 32). In other words, budgeted expenditures higher than anticipated revenues. However, there were overall budget savings of 2%, and revenues came in 3% over the original budget turning the budgeted deficit into an actual surplus of \$2,000,000.

Revenues were also higher than budgeted in the Parks Maintenance fund. The 8% higher revenues offset a 4% increase in expense over budget. No such revenue increase occurred in Streets Maintenance. The small amount of budget savings could not offset loss of (mainly) fuel tax revenue and the fund required an additional \$254,000 transfer from the General Fund to balance its year-end budget.

In the Enterprise Funds, Aviation and Golf experienced virtual breakeven status between revenues and expenditures. The Aviation Fund lost a major revenue source (ANG lease) a year and a half ago. The result was a major draw-down on existing fund balance. At the end of FY13, the City reached a mediated agreement with the ANG and a new lease was approved. The City received a check at the beginning of FY14, including back-pay for the prior year. With pro-rated back-pay applied to fiscal 2013 and a 9% savings in expenses due to vacancies, the Airport ended the year with a small surplus. However, the FY13 savings were a one-time event. And, although the AJUA lease has been reinstated, it comes with a

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much reduced level of revenue. Without increased revenue, the fund will quickly run through existing fund balance and either need to significantly cut expenditures or be re-categorized as a Special Revenue fund, supported by transfers from the General Fund.

City staff has had two years of actual experience managing the Municipal Golf course, and a year of taking over responsibility for the Pro Shop operations. Revenues have increased significantly. Expenditures, while over original budget, were covered by revenues. While Golf's fund balance isn't at its target amount, if the operation can maintain the revenue levels and decrease expenditures slightly, fund balance will come up.

Parking and Landfill continue to drain fund balances. Parking experienced a year-long vacancy in FY2012 (and elimination of that position in FY2013) which kept budget deficits down, but not eliminate them. It was hoped the newly formed Downtown CID would take on downtown parking maintenance efforts. When that didn't happen, the fund's Enterprise Fund status requires review.

Financial health continues to depend on a combination of expenditure control, fees and charges-for-service that keep up with the cost of providing services, and the performance of sales tax and property tax revenues for the General Fund.

Operating Surplus or Deficits

Operating surpluses occur when more revenues come in during a fiscal year than go out. While this is good, and definitely better than the reverse – expenses higher than revenues – a one-year surplus by itself doesn't indicate a fund in good fiscal health. An operating surplus can occur not because revenues are healthy, but because the expenses have been cut or deferred. If the cut is deep enough, services can suffer. It can also occur upon receipt of one-time revenues which help in the short-run, but do not reoccur.

Operating deficits can occur and not necessarily be "bad". If it is due to a one-time set of circumstances (the monies used in Landfill to provide cell construction) and is not an ongoing issue, then occasional operating deficits can be overcome.

On-going deficits eventually lead to the depletion of fund balance. When that happens, services can be permanently cut or curtailed. A graph of the major operating funds and whether each has experienced operating deficits or surpluses and by how much in FY2013 compared to FY2012 is found on the following page. Surpluses are good. Shrinking surpluses and/or deficits are not so good. Excluded from both revenues and expenses are CIP projects, the riverfront development program and cell phone transactions.

"Surplus" in the Streets Maintenance and Parks Maintenance funds means additional transfers from the General Fund were not needed to make up for a decrease in budgeted revenue or increase in budgeted expenditures. "Deficit" in either of the two funds means that amount needed to be transferred from the General Fund to create a break even result.

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ACTUAL OPERATING SURPLUS OR DEFICIT		
FUND	FY2012	FY2013
General Gov't		
General	S	S
	\$1.1M	\$2.0M
Streets Maintenance	D	D
	(\$3.61M)	(\$1.255M)
Parks Maintenance	D	S
	(\$1.0M)	\$167K
Enterprise		
Aviation	D	D
	(\$79K)	(\$82K)
Parking	D	D
	(\$86K)	(\$41K)
Water Protection	S	S
	\$5.0M	\$10.6M
Golf	D	S
	(\$31.6K)	\$580.00
Transit	S	S
	\$2.5M	\$2.9M
Landfill	D	D
	(\$267K)	(\$997K)

General Governmental Funds

Continuing operating deficits in the three general governmental funds in fiscal years 2008, 2009 and 2010 led to the need to eliminate positions in the FY2011 budget. That was avoided in FY2012 and increases in revenues allowed the City to avoid cuts in FY2013 and to even contemplate compensation adjustments for employees in FY2014 with the passage of a new operating sales tax for public safety.

Enterprise Funds

The on-going deficits in the Aviation and Parking funds have been concerns for several years. The Parking Fund manages to limp along on transfers from the Gaming Fund to make up for revenues lost to “free parking” provided to city-sponsored or community-benefit events downtown and to on-going vacancies. The Aviation Fund’s deficits are more recent and might be reversed somewhat by the recent mediated agreement with the Air National Guard to resume (lowered) AJUA payments. That fund still receives operating transfers from Landfill and, last year, from the General Fund.

The multi-year deficit spending in the Landfill Fund was finally addressed in the adopted FY2014 budget when City Council approved the first increase in the tipping fee in ten years. FY2013 left the Landfill with a respectable fund balance and the increased fees should help to reverse the fund’s downward trend. One more year at the lower fee and that fund balance would have been wiped out.

The Golf Fund, under direct City management, has begun to operate (slightly) in the black again. The remaining two enterprise funds (Water Protection and Transit) are operating in the black and with good fund balances.

Revenue-to-Expenditure Relationships

The best case scenario is when revenues increase more than expenditures (or while expenditures decrease and not just through deferred acquisitions, projects, or temporary salary savings).

An acceptable scenario exists if revenues decrease (as long as the fund has a comfortable fund balance or at least is not deficit spending) but expenditures go down an even bigger percentage.

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A worst case scenario occurs when revenues decrease while expenditures increase, or when revenues drop faster than expenditures are reduced; especially if a fund is below its targeted fund balance amount to begin with.

When one-time cell phone, riverfront development, CIP and Special Allocation revenues, were excluded, City operating revenues ended the year 7% (\$6,100,000) over the original budget and .01% (\$92,000) over projections. The majority of this \$6.1 million increase over budget was in sewer charges, operating grants, and transfers.

Compared to FY12 there was a 1.7% decrease in the overall sales tax category (which includes fuel, hotel/motel, cigarette and other specialty sales revenues) due to fuel revenue reductions, and a 2.25% decrease in property tax revenue, all of that due to the loss of personal property tax revenue. Charts and graphs relating to property tax revenues and assessed valuations in the Appendix to this report provide more detail. It should be noted that the amount of property tax decrease relative to FY2012 is slightly misleading. FY12 had a larger than normal bump from the release of a significant amount of protested property tax monies.

Operating expenditures were 1% less than original budget and 4% less than projected overall.

The chart below compares the percentage growth (or decline) of FY2013 revenues and expenditures compared to the prior year. Like the chart on page 4, this excludes general government transfers, cell phone revenues & expenditures, and capital projects in the operating funds

Specifics on changes in revenues and expenditures are discussed starting on page 8.

Percent Change from Prior Year Operating Revenues & Expenditures		
	Revenue	Expense
Fund	Increase/ (Decrease)	Increase/ (Decrease)
General	.26%	(.42%)
Streets Maintenance*	(5%)	(30%)
Parks Maintenance*	9%	(53%)
Gaming Initiatives	42%	29%
Museum Tax	(2%)	2%
Special Allocation	14%	6%
Capital Projects (all funds)	44%	8%
Aviation Operations	22%	(19%)
Parking Operations	2%	(8%)
Water Protection	23%	8%
Municipal Golf	62%	62%
Mass Transit	(1%)	(1%)
Landfill	(9%)	12%

*Revenue: excludes the transfers from the General Fund required to maintain balanced budgets. Expenditure decreases: the result of moving personnel costs from the Special Revenue funds into the General Fund.

(Table 7, page 94 provides the details on the percentages shown in the preceding chart.)

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Fund Balance Goals

The Government Finance Officers Association lays out the recommended level of unassigned fund balance for non-enterprise funds as two months (60 days) of operating expenses. At the very least 5% is recommended. The City's adopted fund balance policy sets a goal of 10% for the General Fund. Factors for maintaining balances at the higher level include drains on resources due to financial difficulties, growing budgets, or an area with exposure to natural disasters (like tornados, floods, ice storms). At the end of FY13 (as in FY12) only one fund, Municipal Golf, did not maintain a target fund balance.

Fourth Quarter Report - June 30, 2013

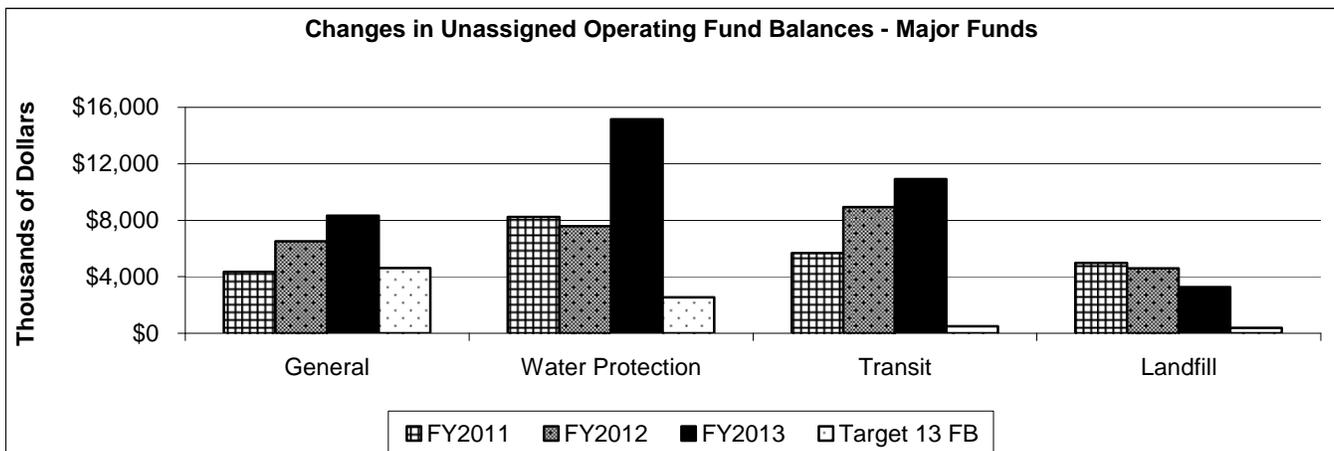
CHANGES IN OPERATING FUND BALANCES

Fund	Total Beginning*	FY13 Preliminary Actual		Designated Adjstmnt	Year End	Target Balance	Maintained
		Revenues	Expenditures		Projected Ending		Target FB
General	\$10,849,000	\$48,164,000	\$46,131,000	(\$4,550,000)	\$8,332,000	\$4,613,100	Yes
Streets Maintenance	590,000	4,338,000	4,928,000	0	0		n/a
Parks Maintenance	86,000	1,005,000	924,000	0	167,000		n/a
Gaming Funded Initiatives	361,000	1,155,000	1,243,000	0	273,000		n/a
Museum Tax	345,000	513,000	414,000	(353,000)	91,000		n/a
Aviation	(1,000)	572,000	532,000	(10,000)	29,000	61,385	Yes
Public Parking	152,000	367,000	409,000	(7,000)	103,000	47,192	Yes
Water Protection	7,659,000	22,989,000	15,400,000	(105,000)	15,143,000	2,531,507	Yes
Municipal Golf	13,000	794,000	794,000	(7,000)	6,000	91,615	No
Mass Transit	9,382,000	7,277,000	5,170,000	(578,000)	10,911,000	497,115	Yes
Landfill	9,036,000	2,979,000	3,976,000	(4,765,000)	3,274,000	382,308	Yes
Total Operating	\$38,472,000	\$90,153,000	\$79,921,000	(\$10,375,000)	\$38,329,000		

*Includes designated fund balances

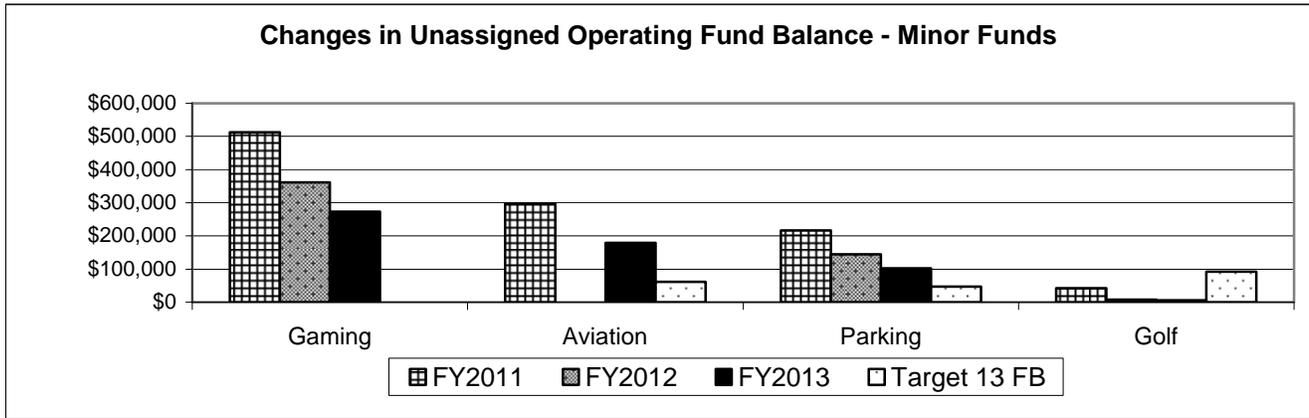
The table above provides the ending available fund balance increase or decrease compared to beginning fund balance and indicates if each fund managed to maintain its target unassigned ending balance amount. Inter-fund transfers have been included in this chart. As previously mentioned, there can be a surplus (i.e., no deficit spending) and a fund can still be below its targeted reserve. Deficit spending will result in a decrease in fund balance. However, a fund can still be within its target range. A fund is in need of corrective action when decreases become routine as they have been in Parking, Aviation and Landfill.

The graph below shows the changes in fund balance over the last three years for the larger operating funds.



The next graph shows the changes in fund balance over the last three years for the smaller operating funds. Because of their smaller dollar amounts, inclusion in the chart above obscured actual changes.

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The chart below compares the beginning and ending fund balances for what this report terms “non-operating” funds, for CIP programs and for the designated revenues & expenditures in the operating funds (like cell phone and riverfront development monies in the General Fund), none of which have a fund balance “target”.

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CHANGES IN NON-OPERATING AND DESIGNATED FUND BALANCES

Fund Designated/CIP	Total Beginning	FY13 Preliminary Actual		Designated Adjstmnt	Year End Projected Ending	Preliminary Inc (Dec) in Fund Balance
		Revenues	Expenditures			
Non-Operating Funds						
Special Allocation Fund	2,699,000	17,369,000	18,093,000	0	1,975,000	(724,000)
Capital Projects Fund	9,414,000	7,443,000	2,769,000	0	14,088,000	4,674,000
Special Purpose Designations						
General - Computer Escrow	\$358,000	\$59,000	\$235,000	\$0	\$182,000	(\$176,000)
General - Cell Phone	1,388,000	1,829,000	2,384,000	0	833,000	(555,000)
General - Riverfront ED Tax	317,000	438,000	10,000	0	745,000	428,000
General - Emergency Fund	1,025,000	0	0	0	1,025,000	0
Mass Transit Bus Replcmnt	444,000	0	0	134,000	578,000	134,000
Landfill Closure/PostClsr	4,411,000	0	0	354,000	4,765,000	354,000
27th Payroll Designations						
General Fnd - 27th PY	1,256,000	0	0	333,000	1,589,000	333,000
CDBG - 27th PY	9,000	0	0	3,000	12,000	3,000
Aviation - 27th PY	8,000	0	0	2,000	10,000	2,000
Parking - 27th PY	6,000	0	0	1,000	7,000	1,000
Water Protection - 27th PY	84,000	0	0	21,000	105,000	21,000
Municipal Golf - 27th PY	5,000	0	0	1,000	6,000	1,000
Landfill - 27th PY	24,000	0	0	6,000	30,000	6,000
Operating Funds' CIP Programs						
Museum CIP	286,000	100,000	33,000	0	353,000	67,000
Aviation CIP	277,000	45,000	167,000	0	155,000	(122,000)
Water Protection CIP	3,192,000	19,246,000	16,200,000	0	6,238,000	3,046,000
1 Municipal Golf CIP	0	33,000	35,000	0	(2,000)	(2,000)
Transit CIP	(284,000)	799,000	33,000	0	482,000	766,000

1. There are sufficient funds on the Golf operating side to maintain a positive fund balance overall for the fund.

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CITY-WIDE REVENUE & EXPENDITURE TRENDS

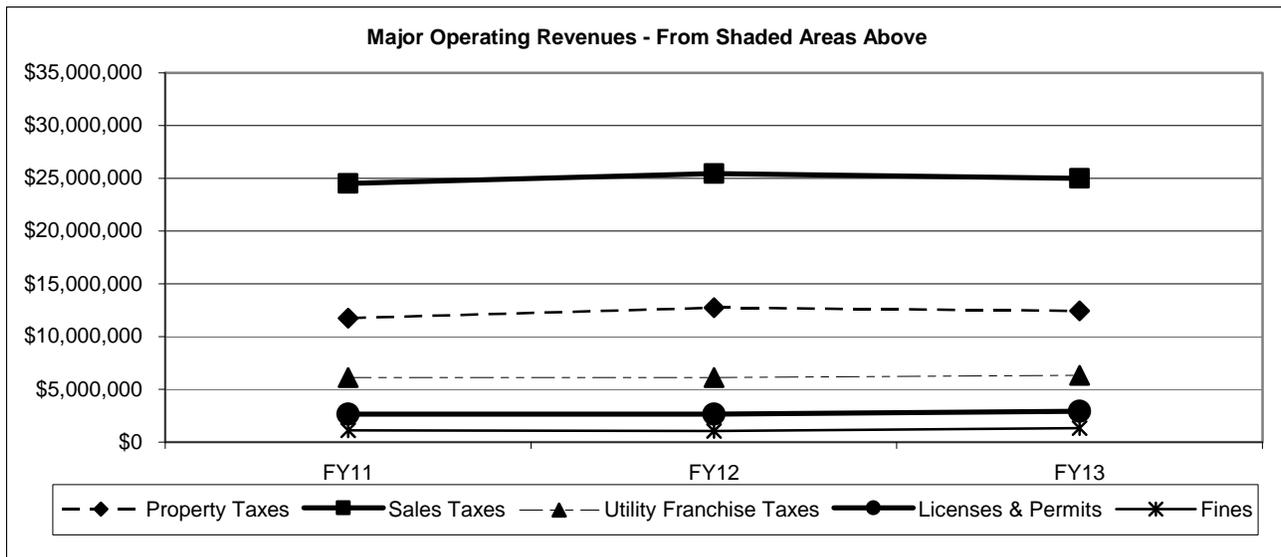
Problems, or opportunities, come to light when trends are examined. On the following pages, this report will look at the overall trends of various revenue and expenditure categories. Below is a look at the trends over the last three years of the major revenue sources for the departments that support city staff and provide the bulk of city services – Police, Fire, Health, Planning & Inspections, Parks & Recreation (excluding Golf), Public Works (excluding Parking, Airport, Landfill, Transit), and the general administrative departments.

COMPARISONS - FY2011:FY2013 BY MAJOR OPERATING REVENUE SOURCE

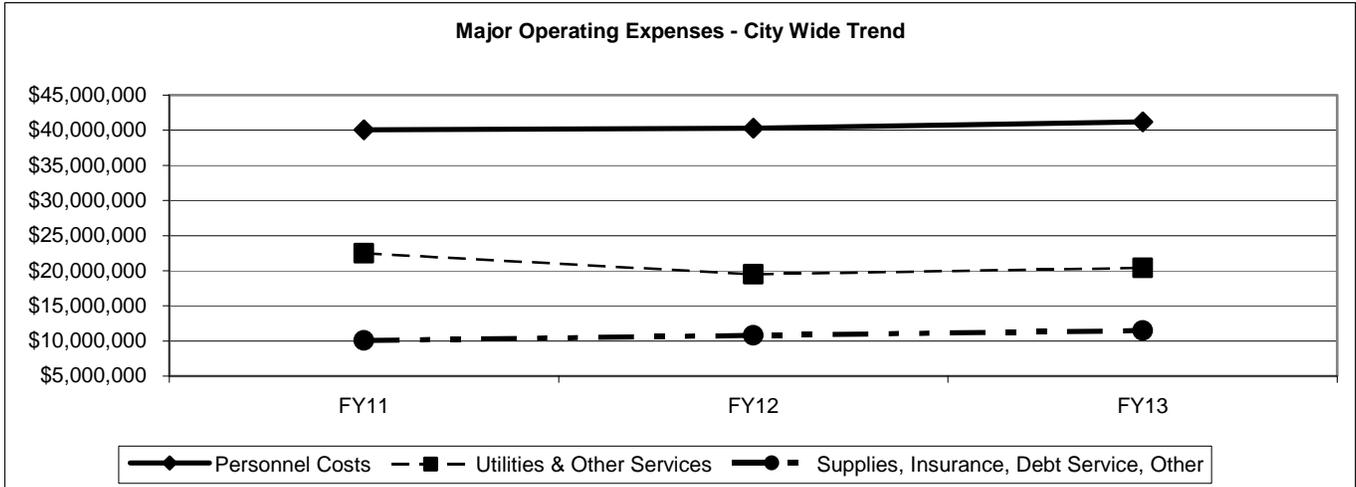
Type of Revenue	FY11 Actual	FY12 Actual	FY13 Actual	Over/(Under) Prior Year	
	Revenues	Revenues	Revenues		
Property Taxes	\$11,740,000	\$12,734,000	\$12,448,000	(\$286,000)	-2.25%
Sales Taxes	24,507,000	25,446,000	25,012,000	(434,000)	-1.71%
Utility Franchise Taxes	6,119,000	6,122,000	6,323,000	201,000	3.28%
Licenses & Permits	1,537,000	1,593,000	1,581,000	(12,000)	-0.75%
Fines	1,110,000	1,061,000	1,317,000	256,000	24.13%
Rents & Gaming Revenue	1,679,000	1,243,000	1,601,000	358,000	28.80%
Charges for Services	23,814,000	26,113,000	30,402,000	4,289,000	16.42%
Interest Earnings & Other	1,477,000	1,376,000	1,333,000	(43,000)	-3.13%
Op Grants & Entitlements	7,433,000	7,069,000	6,246,000	(823,000)	-11.64%
Total Operating Funds	79,416,000	82,757,000	86,263,000	\$3,506,000	4.24%

Excluding interfund transfers, sales taxes (Special Allocation & CIP), cell phone franchise and Riverfront Economic Development taxes

Put in graph form, it's obvious that although the major revenue sources for most of the city's non-enterprise funds decreased over the prior year, within the three year period they are basically flat. In order to meet this challenge, the FY2011 contained an 18 position reduction and departments held the line in every expenditure they had control over. Those conservative actions were continued in FY2012 and FY2013 as displayed on the next page.



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Utilities, insurances, and maintenance & repair costs were up slightly. Increases in pension and health insurance costs crept personnel expenditures back up to FY2011 and FY2012 levels. Fuel and fuel-based supplies as well as debt service expenditures pushed those categories' costs up.

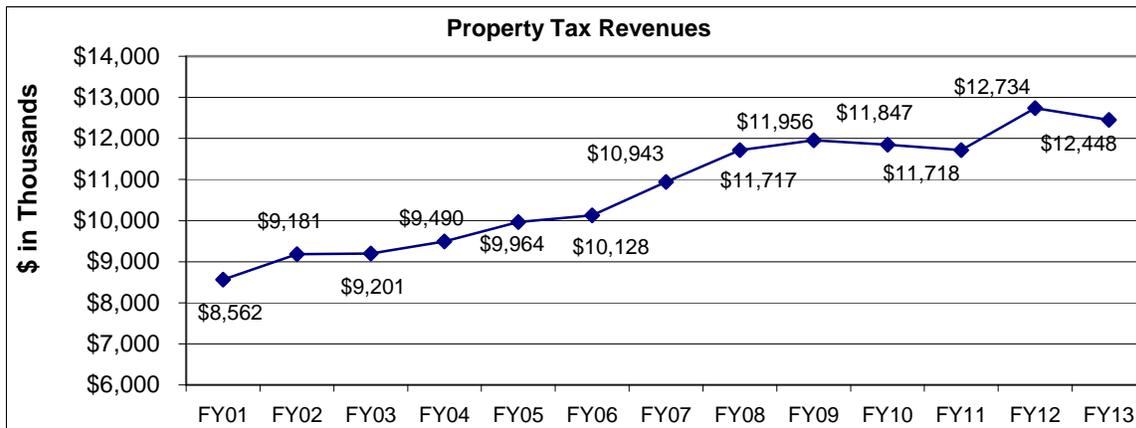
The series of graphs below chart revenue and expenditure trends for all funds combined over the last ten years. More specific information on how each revenue or expenditure type performed within separate funds can be found starting on page 21.

Property Taxes

As a result of SB711 and the depressed housing market, real property tax revenues (excluding the PILOTS generated by TIF projects) showed a two year decrease in FY10 (-1%) and FY11 (-2%). This trend showed a significant reversal in FY 12 with an increase of almost 8%. A majority of the increase was due to tax year 2011 (FY12) being a reassessment year and from the release of a significant amount of protested taxes being held in escrow. Per Buchanan County Clerk reports from July 2013, total current real property valuations were 1% (\$6.4 million) more than tax year 2011 (FY12).

Since tax year 2010, total current personal property valuations decreased \$52.4 million (18%) with the adoption of a new depreciation schedule by the County Assessor. Revenues were bolstered in FY12 with the County Collector's release of prior year protested personal property taxes from four major industrial taxpayers. But with virtually no increase in assessed valuation for the FY12 tax year, personal property tax revenues declined by \$491,000 (12.5%) from the prior year.

Since property taxes were budgeted very conservatively, total operating property tax revenue was over the original budget amount by \$339,000, and \$46,000 more than projected. Property taxes represented 14% of operating revenues.



[The above graph excludes the property tax revenues (PILOTS) recorded in the Special Allocation Fund.]

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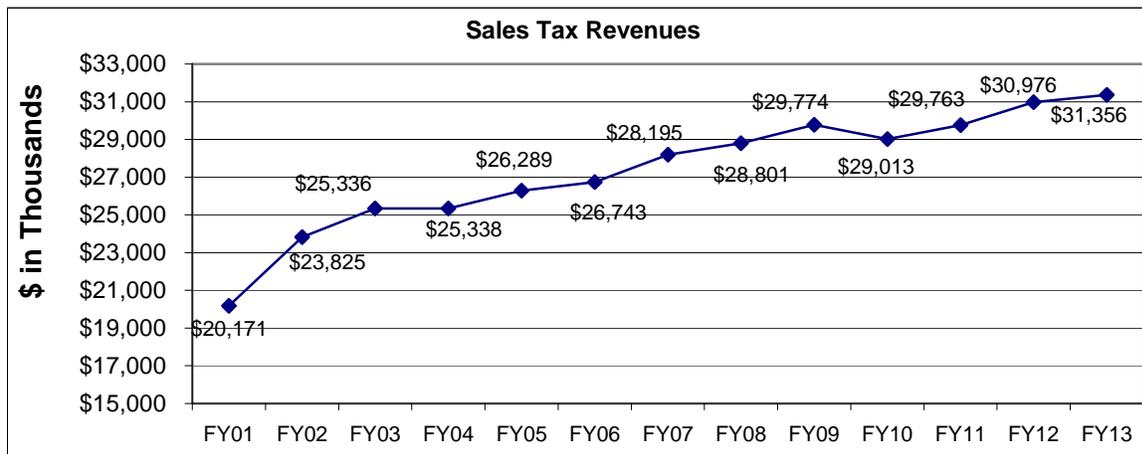
Sales Taxes

Overall, sales taxes had a very slight increase 0.2% from \$34,923,000 to \$34,992,000. Excluding the \$4,073,000 that went into various TIF programs in the Special Allocation Fund and \$5,500,000 of CIP Sales Tax revenue to the Capital Projects Fund, remaining sales tax revenues decreased 1.7%, \$434,000.

City-wide this category reflects a combination of local general (gross sales), cigarette, CIP, EATS (the City's portion from TIFs), transit, motor vehicle, fuel, and hotel/motel taxes helping to fund six of the City's major funds. Actual revenues came in \$561,000 or 2% more than originally budgeted, but slightly less (\$193,000) than mid-year projections.

The only sales tax category to fall significantly short of budget was that of fuel taxes. Not counting transfers in from the General Fund, fuel taxes are the major funding source for the Streets Maintenance Fund. Those revenues came in \$91,000 under original budget and \$60,000 under projections.

The various sales tax revenues account for approximately 27% of the City's operating funds and are the source of 36% of the funding for FY2013 capital improvement projects. Staff monitors this revenue source closely.



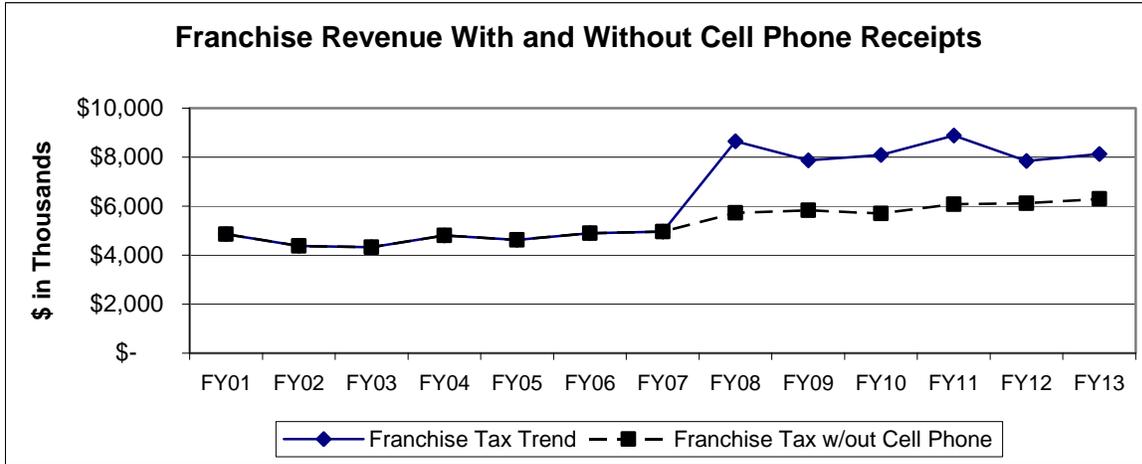
[The above graph excludes the sales tax revenues (EATS) recorded in the Special Allocation Fund TIFs.]

Utility Franchise Fees

Utility franchise fees are assessed on the gross receipts of utility companies who deliver or provide services to local residents and businesses (electric, water, natural gas, cable, communications). Franchise fee revenue had been all but flat. Revenues in FY07 were only 2.2% higher than they were in FY01.

However, with the settlements between Missouri cities and most of the cell phone carriers, revenues in this category started to increase. \$2,917,000 of the FY08 amount represents the one-time cell phone revenue of two years' back taxes from four of the five major telecommunications companies. Cell phone revenues make up \$1,829,000 of FY13 revenue. The last amount of one-time, back tax settlement monies was received in FY11. FY12 and FY13 represent the on-going amounts the City can expect from this revenue source, at least until the telecommunications industry finds a way to avoid paying the taxes. Excluding the cell phone revenue, utility taxes represent 7% of the City's operating revenues. Franchise revenues are recorded in the General and Transit funds.

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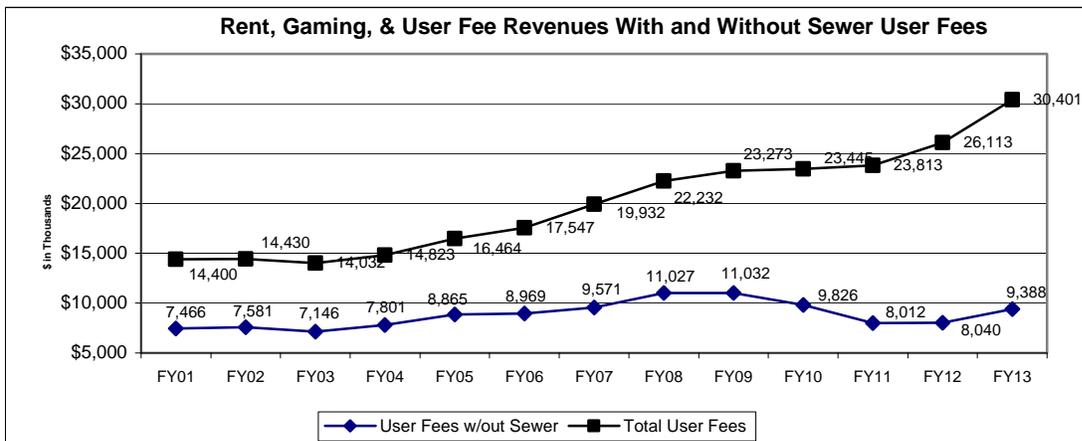


As can be seen in the above chart, excluding the revenues from the wireless services, franchise revenues remain fairly flat. There was a slight up-tick with an FY08 settlement with AT&T, compelling the land-line company to pay franchise taxes on services it previously excluded. But the various phone utilities continue to resist paying taxes through both court actions and through attempts to curtail municipalities' taxing authority through federal legislation.

Significant year-to-year fluctuations in the gas, electric and water franchise fee revenues frequently occur in response to unusual seasonal climates. Warm winters and cold/wet summers have a downward impact of gas, electric and water franchise fee revenues whereas the opposite is true for cold winters and hot/dry summers. During most years these climactic conditions average out producing no noticeable or significant volatility in revenues overall. However, the additional complication of constantly fluctuating rates themselves makes projections in this area extremely difficult. Actual FY13 revenues came in 2% (\$164,000) more than originally adopted, but 6% (\$572,000) less than projected.

User Fees

The City's twelve categories of user fees, rents, and gaming revenues totaled \$30,401,000 in FY13 and represent 35% of total City operating revenue. User fees include revenues from downtown parking; Gaming (casino admission and gaming taxes); health services; parks, recreation, and civic facility fees and concessions; golf fees; bus fares; sewer charges; landfill tipping fees; aviation rents; and other miscellaneous user fees including charges for street cut repairs, fire district contracts, and weed abatements. User charges are found in virtually every operating fund in one form or another.



Total user fee revenue increased 16%, climbing \$4,300,000 from the FY12 actual of \$26,113,000. Almost all of the increase came from sewer user fees which increased \$4,100,000 as a result of the fee increases required to meet state and federal Clean Water mandates.

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The biggest percentage of user fee revenues (81%) comes from sewer and landfill charges. These are fairly reliable sources of revenue, although landfill receipts are more susceptible to market forces than sewer fees. In these two Enterprise funds, revenues can be more easily adjusted to meet the demands of the expenditures. Transit fees are a minor contributor to the overall support of the bus system, mainly operated with federal subsidies and the dedicated transportation sales tax.

Other user fees are dependent on factors beyond City control – user preference, other entertainment or recreation opportunities, etc. When fees are generated at outdoor venues (swimming, golf, ball fields) weather can have a big impact. It is in these areas that expenditures must be reviewed constantly in comparison with revenues generated. Although most of the services provided are not meant to be self-supporting, small fund balances mean that increasing cost of service levels must be met with some corresponding increase in revenues. Otherwise service levels will face cutbacks.

Licenses & Permits

License revenue is derived from business, liquor, dog, garage sale, trade exam licensing activities; from local vehicle fees (city stickers) billed annually with City property taxes; and from a variety of permits from building construction, septic tank installation, special events, dangerous buildings, special uses and more. Together these revenues generated \$1,581,000 or 1.7% of the City's total revenues. There was an overall decrease of \$12,000 from FY12. Actual revenues were 1% less than revised projections.

Fine Revenue

Fine revenue increased for the first time in three years. FY10 saw a 13% decline (\$185,000); FY11 fell 10% (\$127,000). FY12 went down 4.4% (\$49,000). FY13 realized an increase of 24% (\$256,000) for total fine revenue of \$1,581,000. Fine revenue represents a little over 1% of the City's total revenue; however, it has been a fairly important source for the General Fund (up to 3.5% of total fund receipts in the past). With the FY13 increase, the revenue now provides 2.4% of General Fund revenues. Actual fine revenues came in higher than both the original and projected budgets.

Interest Earnings

Interest earnings continue their not-so-slow decline. Even with the additional cell phone funds sitting in the bank, record low interest rates generated city-wide total revenue of \$836,000. This may look like an increase over last year's total, \$301,000. But, of this amount, \$203,000 represents special assessment interest in the Water Protection Fund and \$522,000 is a result of bond interest flowing from the refinancing of one of the Triumph TIF's bond series. That leaves only \$111,000 in interest earnings spread between all funds. It represents a \$47,000 decrease from FY12. This is the sixth straight year in a row of decline in interest earnings. They now represent a negligible amount (0.2%) of all City revenues.

Grants

During FY2013, grant revenue increased by \$1,484,000. Year-to-year fluctuations are not necessarily significant from an operational point of view. They result mostly from timing of capital improvement projects and other grant-funded activities. The major portions of the FY13 increase came from an ARRA Energy Grant of \$555,000 that funded several projects and from \$799,000 in various grant funds the Aviation Fund received for the on-going CIP projects at the airport. Actual receipts were below the projected and budget amounts due to postponement of grant supported capital projects.

Donations, Bond Proceeds, and Other Revenues

Donations, bonds, and other revenues increased FY2013 from \$14.65 million to \$29.5 million. These revenues represented 21% of total City revenues. \$18.8 million of the total amount this year is attributable to bond proceeds recorded in the Water Protection Fund. \$8.9 million of the total resulted from the refinancing of the MDFB Series 2004C bonds in the Special Allocation fund.

Besides the various bond proceeds, major contributors to the FY12 amount in this category were:

- \$451,000 of Sewer Reserve Charges. This is an annual payment from Triumph Foods which goes to pay the debt service on one of the TIF bonds issued for that project;
- \$366,000 "developer's contribution" which is Chapter 100 Personal Property PILOTs from Triumph Foods sent directly to the bond trustee;

FY2013 YEAR END FINANCIAL REPORT

- \$381,000 in Missouri BUILD tax credits in the Sewer Fund, funneled through Triumph Foods in order to support the MDFB Series C bond payments;
- \$100,000 from the casino as a contribution toward improvements & equipment for Heritage Complex;
- \$247,000 in various donations across all departments with a majority of the monies recorded in the Capital Projects fund from the \$171,000 reimbursement from Heartland Health towards exercise stations at the new YMCA community park, and from \$39,000 received in various Parks & Recreation programs
- \$26,000 in gift certificate revenue and/or donations at the golf course;
- \$77,000 in receipts from the sale of fixed assets throughout the City. The major portion represented by the \$60,000 sale of equipment in the Water Protection program;
- \$41,000 in recycling revenues (\$26,000 from the Recycling Center and the remainder generated by departments selling scrap metals).
- Remaining \$111,000 a combination of insurance proceeds, various reimbursements, non-refundable bid deposits, etc.

Except for the Triumph sewer reserve charges, BUILD tax credits, and PILOTS, sources such as these are very unpredictable and therefore rarely budgeted.

Fund Transfers-In

Transfers-in from other funds totaled \$6,170,000 or 4% of total City revenues. This is \$3.1 million less than the prior year total, \$9,284,000. The major reason for the drop in transfers comes from the decision to budget all streets maintenance and parks maintenance personnel costs in the General Fund directly, thus avoiding the large transfers from the General Fund to the two special revenue funds.

The details behind these revenues are provided under the EXPENDITURES section, on page 17. The difference between fund transfers-in and fund transfers-out represent monies received by the CDBG fund from off-budget sources such as the Revolving Loan Funds as reflected in the CDBG Fund chart on page 38.

EXPENDITURES

Salaries and Wages

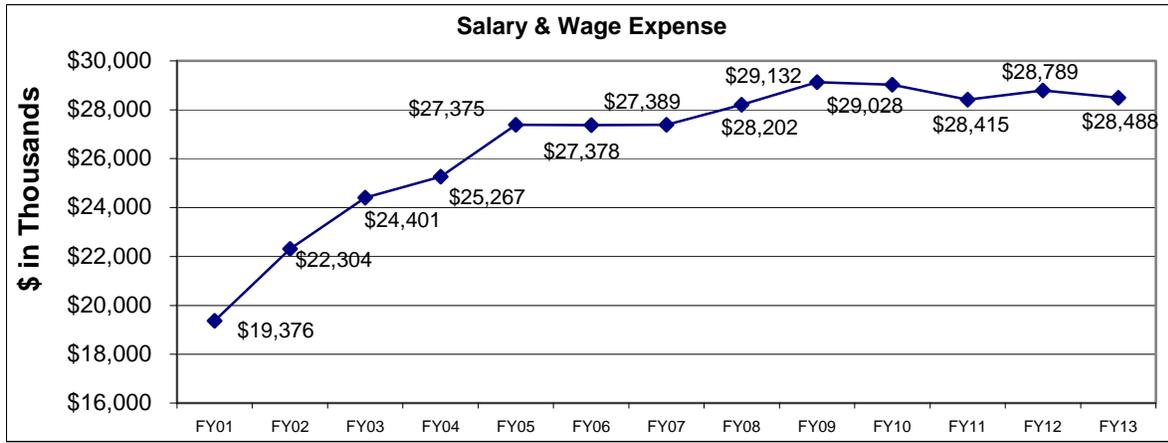
Salaries and wages were basically flat from FY05 to FY07 as can be seen on the chart on the next page. The cost of a 27th payroll in FY05 almost exactly matched the cost of the normal matrix salary increases in FY06. FY07 expenses reflect the fact there were no salary or wage increases. In fact, there is only an \$11,000 difference between FY05 and FY07 salary & wage expenses. Overtime costs incurred during the ice event and overall harsh winter also contributed to the 3% increase in expenditures in FY07. There was a 3% increase in salaries in FY09, but an actual decrease in FY10 expenses as a result of vacancy savings and a decreased use of overtime.

FY2011 wage & salary costs decreased another \$613,000, the result of vacancy savings as well as a 20 position reduction in order to balance the FY2011 budget. The \$374,000 increase in FY12 was the result of one-time \$1,000 pay-for-performance checks to city employees (offset \$200,000 from position vacancy savings).

With no wage adjustments in FY13; with a close watch on overtime costs; and with various position vacancy savings overall costs in the area declined by \$301,000 from the prior year.

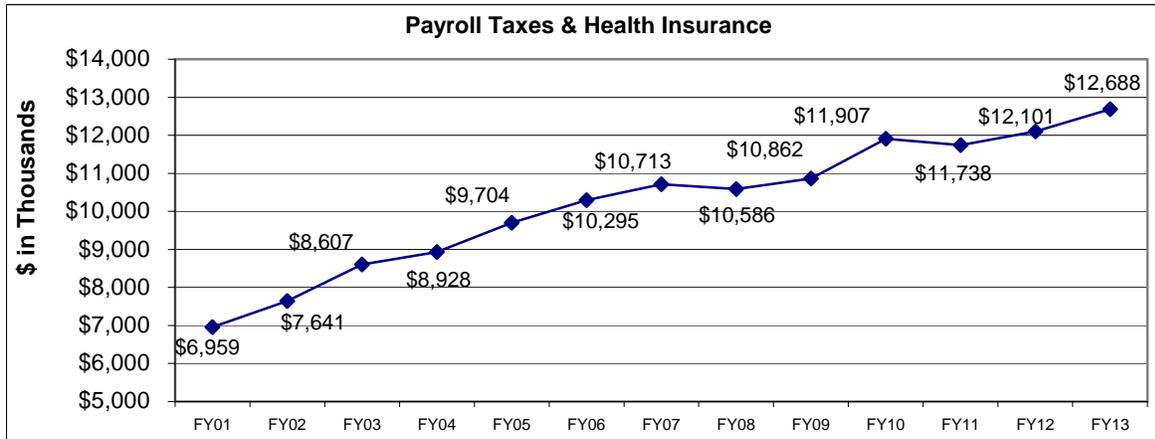
Salaries and wages (including overtime, out-of-title pay, and wages for temporary/part-time employees) make up 35.3% of total City operating expenditures. Actual FY13 expenditures reflected a 4% savings from the original budget and finished the year 1% less than mid-year projections.

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Employee Benefits

Employee “benefits” represent 16% of operating expenditures and cover payroll related taxes (social security), contributions to employee pension plans, contributions to health and dental coverage, life insurance, long-term disability coverage, workers compensation, mileage reimbursement and training/travel expenses. As can be seen in the chart below, this category increased \$587,000 (almost 5%) in FY13 from \$12,101,000 to \$12,688,000. While the \$301,000 savings in salaries & wages translated to a corresponding savings in pension, social security, and other payroll related expenses those savings were offset by increases of the city’s contribution rates to all of the employee pension plans. There was also a 3.4% increase in the cost of health insurance. Benefit expenses for FY13, were 4% under original budget and 1% under projections.



Materials & Supplies

Material and supply expenditures were basically flat in FY13, increasing only \$41,000 (0.8%) from the prior year, slightly under even FY08 levels.

As a category, materials & supplies represented 4% of the City’s total expenditures. The year-end actual amount was 5% under both the adopted budget and projected expense.

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Services (Utilities, Maintenance & Repairs, Professional Services, Contributions)

The cost of services paid for by the City decreased \$3,435,000 (12%), from \$28,536,000 to \$25,101,000. Services represented 21% of the City's total budget. This category contains the most diverse types of expenditures. The major components of the city's "service" costs included:

- *Professional Services* account decreased by a net \$5.22 million. For FY13 professional services equaled \$4.405 million compared to FY12's \$9.628 million. Outside legal services decreased dramatically (down \$168,000) from last year as there were no extended labor negotiations, nor major City participation in utility rate cases before the Missouri PSC. Architectural, engineering, and design work for projects in the Capital Projects Fund and Water Protection Fund decreased by \$913,000 and \$4.5 million respectively. Specialized outside engineering, design work for the MPO division decreased by \$254,000 with the switch to in-house design work by the MPO staff. These decreases were offset by increases, here and there, in the normal course of business.
- *Utility payments* (communications, gas, electric, water, solid waste) totaled a combined \$4.462 million (a 4% increase from FY12). Largest single portion of the expense was the cost of the street and traffic lighting systems (\$1.6 million), a \$130,000 increase from FY12. A close second was electric service at the Water Protection Plant (\$1.2 million) which experienced a \$121,000 increase.

Utility expenses amounted to \$858,000 within the Parks & Recreation department for all of the electric/gas/water usage at their facilities, grounds and the parkway system. Most of the \$204,000 increase expense in those areas came from increased utility rates. A portion of it came from expanded services. Compared to FY12's flooded out ball season, Heritage Complex had a full complement of games and tournaments increasing utility use by \$15,000. With expanded programs, the new REC Center incurred \$36,000 more in utilities than its predecessor, Muchenberger Center. Increased activity at the Civic Arena also increased utility use by \$20,000.

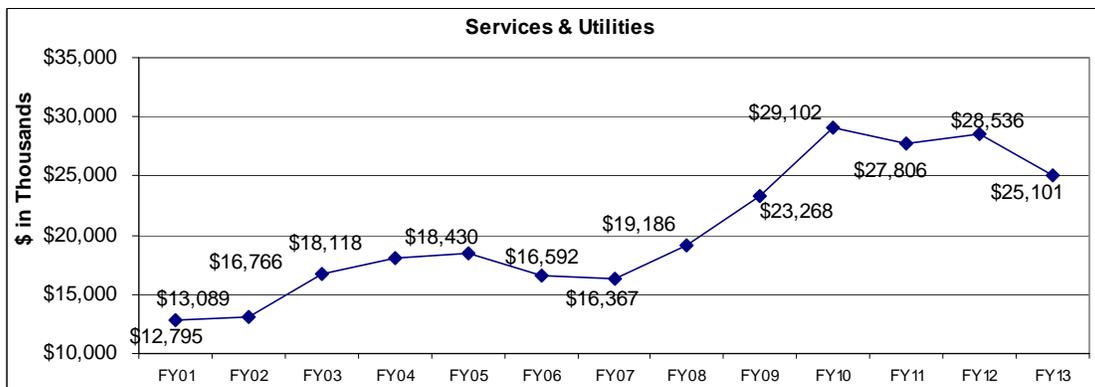
The final utility expense that hit the triple digit level is the \$146,000 cost in Police Communications for various emergency service communications;

- *Maintenance and repair of equipment, buildings, vehicles* at \$4.921, decreased \$154,000 from last year. A major portion of the total costs was made up of \$1,064,000 for computers, software licenses and new/upgraded emergency communications equipment. Excluding those computer/communication expenses, maintenance & repair of buildings, vehicles and equipment totaled: \$1,607,000 in Water Protection Fund divisions (where most of the decrease in M&R costs occurred), \$695,000 in the Streets divisions, \$396,000 in all Parks & Recreation Department divisions, \$393,000 in the Transit division, \$153,000 in the Landfill divisions, \$306,000 in the Police & Fire departments and the remaining \$307,000 scattered among the other departments and divisions in the City;

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- *Federal pass-through monies* in the CDBG Fund to various public service agencies and community development organizations and activities accounted for \$2,022 million an increase of \$743,000 from last year's expenditures. The increase came with additional mid-year ARRA grant monies for slum/blight/neighborhood improvement efforts;
- *Gaming Fund* provided \$490,000 covering expenditures such as the contract with the Chamber of Commerce for economic development activities, the contribution to MO-KAN, the Downtown Partnership contract, the match for the Downtown DREAM initiative, festival funding, etc;
- *Municipal tax* funds reimbursed St. Joseph Museum, Inc for their management of one of the City's museums, per contract, for a total of \$304,000;
- Use of *temporary work crews* in Property Maintenance, Water Protection, Parks & Recreation, and Streets departments totaled \$477,000;
- *TIF programs* generate \$708,000 in administrative and collection fees paid to the City and County for tax collection and administration of the TIF programs;
- "*Special Contributions*" and "*Other Services*" accounts contain expenditures such as the \$398,000 payments to the LEC for the City's space in that building, the \$411,400 contribution to the Social Welfare Board recorded in the Health department, \$65,000 was paid to the water company for collecting City sewer fees for the three months before the City took over the billing, \$395,000 was paid to Buchanan County for collecting City property taxes;
- Finally, all of the *salaries, benefits, contractual service costs for the mass transit system* were expended in a "Services" line item and totaled \$3.546 million.

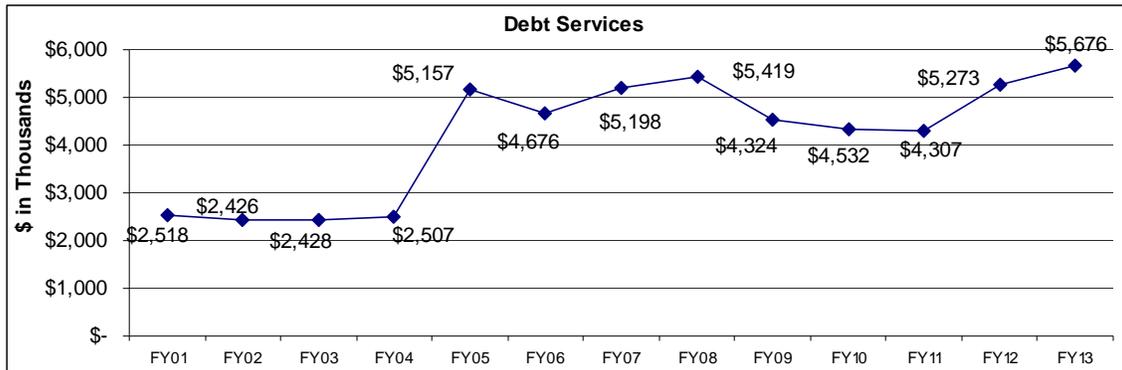
Expenditures were 2% (\$468,000) under the original and 19% (\$5.8 million) under the projected budgets with the deferral of both CIP and sewer improvement projects anticipated to start before the end of the fiscal year. As detailed above, year-to-year fluctuations in service costs are mainly due to the number and magnitude of capital improvement projects (with their significant engineering/architectural design costs) and the amount of federal pass-through monies allocated in any one-year in the CDBG Fund.



Debt Service (excluding \$17.238 million in Special Allocation reimbursements & debt service)

Debt service expenditures (principal and interest payments on bonds and loans) stand at just over \$5.67 million. The Water Protection Fund accounts for \$5.2 million of that expense and all of the \$403,000 increase from last year.

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The \$17.238 million in Special Allocation which shows up as “debt service” was actually comprised of three types of expenditures in FY13. \$5.5 million represents actual principal & interest payments on bonds issued in three of the City’s TIFS. \$9.6 million is from the refunding of the MDFB 2004C series of bonds in the Triumph TIF (the proceeds used to buy out the old bonds and reissue the debt at a lower interest rate). The remaining \$2.14 million represents payments to developers in pay-as-you-go TIFS. The City’s outside auditors insisted on reclassifying these expenditures as “debt”, thus overstating the long-term payment commitments the City is obligated to make from its own revenues.

As a part of the various Redevelopment Agreements the City may have pledged to reimburse approved costs. However, with pay-as-you-go TIFS, if the project does not generate incremental revenues it gets no reimbursements. When the 23-year statute of limitations on a TIF is over, and the total amount has not been reimbursed, the developer loses it.

This category came in significantly over budget due to the late year bond refunding. As a whole, the “debt service” category represented 19% of the FY13 city expenditures.

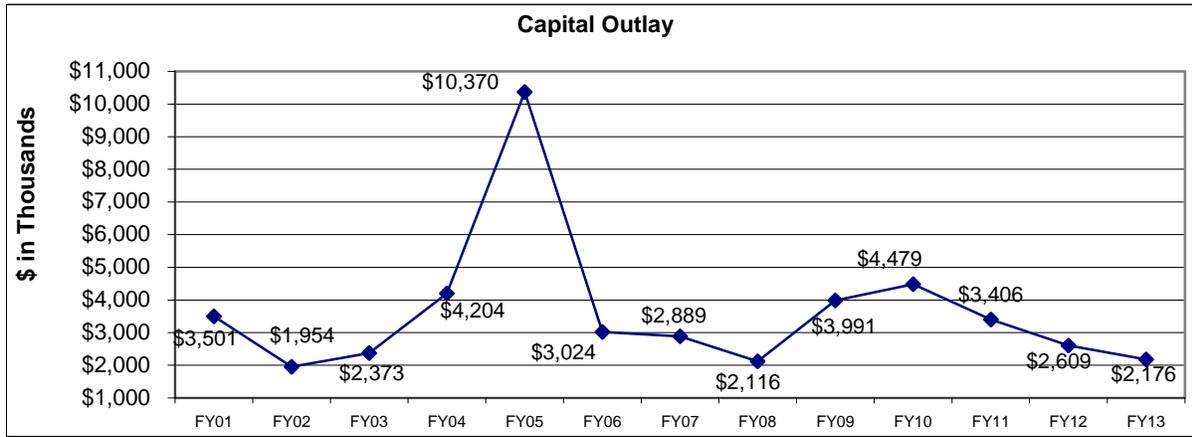
Insurance & Other Charges

The FY13 total for this category was \$935,000, a \$223,000 increase from FY12. The major reason for the increase was a \$160,000 refund the CDBG Fund had to provide the US Dept of Housing & Redevelopment (HUD) monies provided to three Uptown St. Joseph Redevelopment projects. The projects were never completed and therefore found to be in default. Category costs also included two City elections at \$65,000; Transit vehicle liability insurance at \$100,000; City property and general liability insurance premiums of \$523,000 (a \$9,000 increase from the prior year), and City property damage and liability claims (\$86,000). Claims expenses were made up of: Water Protection for sewer back-ups (34%), Streets divisions (15%), Police Department (26%), Parks & Recreation divisions (19%), and Health divisions (6%). This expenditure category has historically been a minor portion of the whole. In FY13 it represented 0.007 of total expenditures.

Capital Outlay

As can be seen in the graph on the following page, capital outlay expenditures can fluctuate significantly from year-to-year depending on the City’s capital equipment needs and whether capital equipment is funded by CIP sales tax funds. FY13 capital outlay decreased from \$2,609,000 to \$2,176,000 (1.8% of total expenditures). The spike in capital outlay that occurred in FY05 resulted from the \$8 million purchase of the Public Safety Communication System.

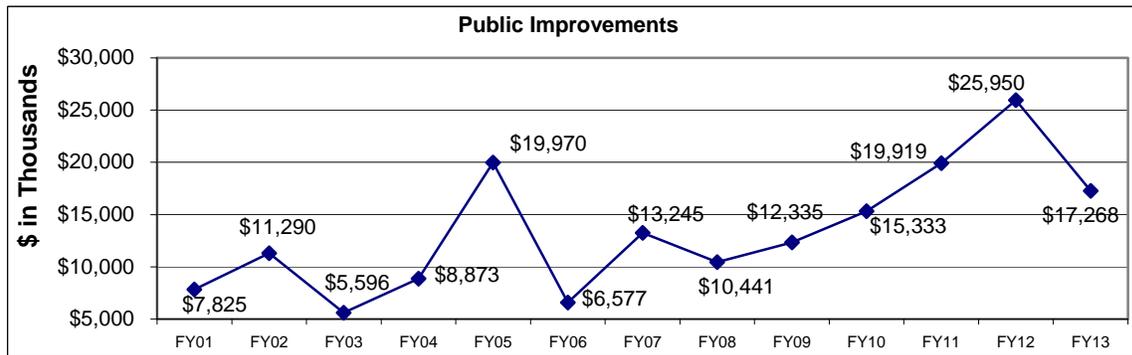
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Large capital purchases in FY13 included \$173,000 for new, upgraded or replacement hardware and software throughout the City; \$281,000 worth of police vehicles and other equipment; \$606,000 for Landfill equipment; \$724,000 in rolling stock and other equipment in the Streets and Water Protection divisions; the \$64,000 in lease expense for exercise equipment in the REC Center; and \$328,000 in equipment needed at the Water Protection Plant in order to meet EPA and MDNR mandates.

Public Improvements

Public improvement expenditures can, and usually do, fluctuate annually in response to the timing, nature and cost of projects outlined in the City's Five-Year CIP and the EPA/DNR mandated sewer system improvements.



FY05 was an example with an almost \$11.1 million dollar increase from FY04. The projects that year included the \$8.8 million Police Communications System upgrade and the capacity improvements at the Water Protection Plant totaling over \$11 million. The FY07 jump to \$13,245,000 included several unusually large projects: expansion of the LEC, Nature Center Construction, Felix Streetscape Phase One, start of construction at the site of the new Eastowne Business Park and continued improvements at the airport related to the MOANG expansion.

FY2009 began to see the use of the large, one-time cell phone settlement funds for projects as well as the large-scale projects at the Water Protection plant, bring total expenditures of \$12.335 million. FY2010 public improvement costs took another \$3 million jump for a total of \$15.3 million with Water Protection projects fueling the increase. FY2011 major improvement projects took a \$4.6 million hike to \$19.9 million. A third went to Capital Projects Fund projects, the largest of which was the \$4.5 million REC Center. Almost 40% constructed the first phase of the ANG Alpha Taxiway Rehab project. 20% covered WP Plant improvements.

FY2012 was no different with a \$6 million increase to \$25.950 million, the biggest portion the result of \$20.7 million in various projects relating to state & federal Clean Water and EPA mandates.

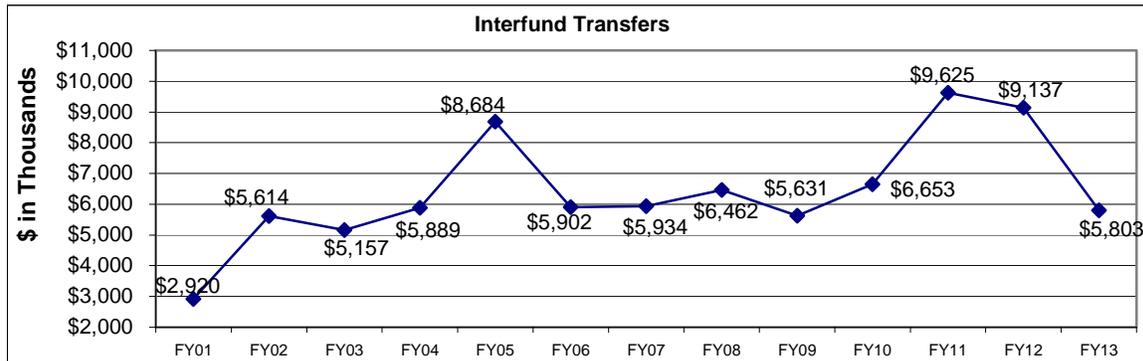
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For the first time in four years, public improvement project costs decreased to \$17.260 in FY13. Public improvement projects made up 14% of the year's expenditures. The \$8.69 million decrease was the result of 2008 CIP Sales Tax projects neared completion. It also reflected a one-year respite from mega-water protection projects. While the Water Protection fund expended \$13.3 million (77% of total public improvement expenditures) with the onset of the Whitehead Creek Stormwater Separation Conduit Design project, it was still a decrease from FY12's \$20.7 million output and much less than the anticipated \$82.4million for the construction phases of the EPA/MDNR mandated project(s) coming in FY14.

As 2008 CIP Sales Tax projects wound down in FY13, only \$2.3 million in expenditures were made. The major projects included the 5th & Edmond Parking Lot, Fire Station No. 4 renovations, computer system upgrades and redesign of the City's web site, renovations of the City Hall break room, energy-saving related projects paid from an ARRA energy grant, Blacksake Creek feasibility study, narrow banding of weather sirens.

Transfers-Out

FY13 saw a significant decrease in transfers, from \$9.1 million to \$5.8 million. [The \$367,000 difference between fund transfers-in and fund transfers-out represent monies received by the CDBG fund from off-budget sources such as the HOME Revolving Loan Fund (\$341,000) and the Rehab Loan Fund (\$26,000).]



Transfers occur for several reasons.

- The *computer escrow transfers* decreased slightly in FY13 from \$60,000 to \$59,000. Transfers for maintenance, upgrades and replacement of network components are calculated and adjusted annually depending on projected expenditures for the upcoming year;
- Transfers to cover General Fund support departments' *administrative costs* from the Enterprise funded departments totaled just over \$2.5 million;
- The cell phone program in the General Fund contributed \$72,000 to the total \$160,000 reimbursement the CDBG Fund sent to HUD (referenced above).
- Landfill provided \$500,000 in transfers to support the property maintenance function and \$325,000 to Streets Maintenance for 8.5 months support of the Alley Maintenance program;
- Transfers from one fund to another help cover *operating costs* and/or as a reimbursement for services: the General Fund transferred almost \$1.3 million to Streets Maintenance and almost \$10,000 to the Golf Fund to help those two funds break even; the Gaming Fund transferred \$6,500 to Parking to help offset loss of revenues from free parking granted to various events and \$60,000 to Aviation to offset the loss of ANG lease monies; \$50,000 went from the Museum Fund tax to help operations at the City-operated museum (Nature Center); Water Protection provided \$48,000 to Aviation to offset loss of rental property revenue to sludge deposits;

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- The Gaming Fund transferred \$145,000 to various funds to support specific projects, purchases, or other operations; and
- Transfers to help fund *capital projects* – A total of \$594,000 was transferred for this in FY13. The Capital Projects Fund received \$250,000 of that amount from the CDBG Fund and \$354,000 from the General Fund's cell phone program for work at the parking lot at 5th and Edmond; \$134,000 from the Gaming Fund for mandated narrow banding of the weather sirens; \$33,000 from the Museum Fund for improvements at the Wyeth-Tootle Mansion. In turn, the Capital Projects fund sent \$14,000 to Aviation as a match for projects at the airport and \$163,000 to the General Fund cell phone program to repay monies provided to the Capital Projects Fund for flood repairs before FEMA/SEMA reimbursements arrived.

The following sections provide a more detailed analysis of the City's budgeted funds' performance in FY2013 compared to FY2012. The report takes a look at how revenues and expenditures compare to budget and to prior year's experience. The analysis is provided in narrative format, sprinkled with graphs, and ends with a spreadsheet of each fund's sources and uses of monies. To meet the requirements of the GASB Statement No. 54, ending fund balances are separated into "assigned" and "unassigned" and "reserved".

GENERAL GOVERNMENTAL FUNDS

GENERAL FUND

SPECIAL REVENUE FUNDS

STREETS MAINTENANCE

PARKS MAINTENANCE

CDBG

GAMING INITIATIVES

MUSEUM

SPECIAL ALLOCATION

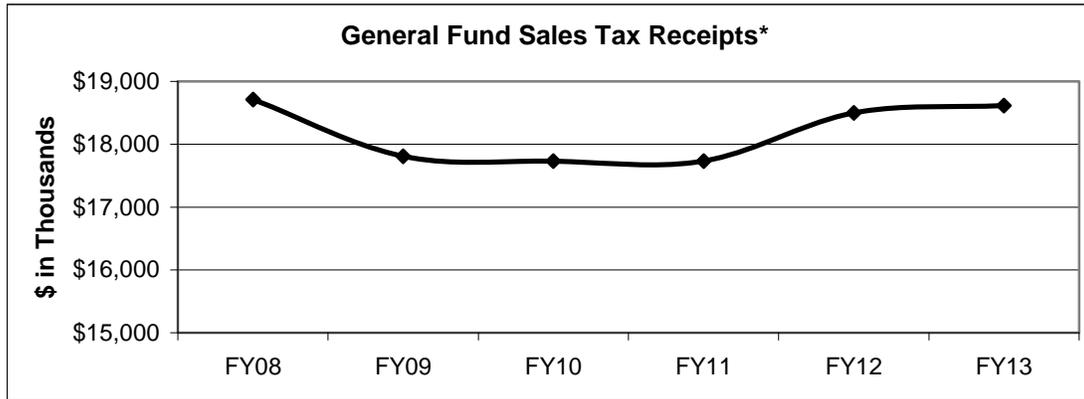
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GENERAL FUND

Revenues

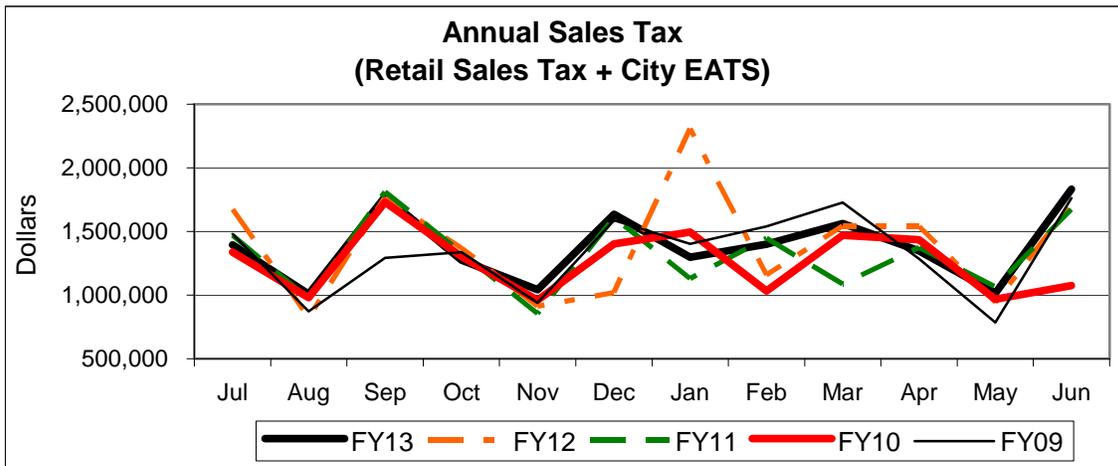
As discussed in the opening sections, **general sales tax revenues** saw a decrease in this fund for two years in a row starting in FY2008. FY2012's local economy had a small turn-around and presented the City with a significant increase in FY2012. Total increase was over \$494,000.

FY13 annual sales tax finished slightly above projections by 0.6%, but \$212,000 less than FY12.



* Category includes sales tax, City EATS, Cigarette Tax, Hotel/Motel Tax, Vehicle Fees

According to the graph below, showing receipts on a month-by-month basis, revenues had steadily increased since December, tailed off a little in May, but finished strong in June. June's collection was the biggest of the year, with the second biggest being in September. Black Friday and the holiday shopping season receipts were included in the third quarter. Revenues from the holiday shopping have been on the decline due to increased sales throughout the year and promotions offered online which generate no sales tax.



Cigarette tax revenue met budget. Projections had been reduced compared to those of previous fiscal years as cigarette sales had been on the decline in recent years. In comparison to FY12, 3.7% less was collected. Revenues avoided a bigger potential hit when the Council voted to not place a city-wide smoking ban on the ballot.

Vehicle sales have been healthy the last couple years and continue to do so. As a result motor vehicle sales tax revenues were above trend by \$116,000, 31% above the total year budget, despite the two year ban on sales tax collection from vehicles purchased outside of the state. Legislative action to restore the tax in 2012 was vetoed by the governor. However, the 2013 session produced a slightly different bill, HB184, which passed and was signed by the governor. The bill reinstates the sales tax on out-of-state

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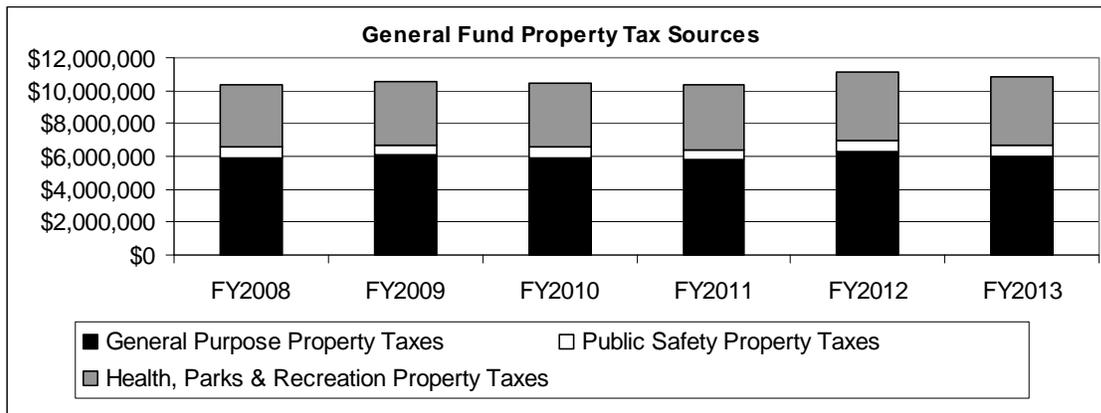
vehicle purchases, but requires those municipalities NOT having a use tax to take to the voters the question on whether such tax should be abolished or not. The City will have to hold such an by November 2016, otherwise the city portion of the tax will be eliminated. (The County, with an approved use tax, will be able to continue charging the sales tax.)

Hotel/Motel taxes were 2.9% less than budgeted target (\$13,000 under trend). Conditions for tourism should have improved this year. Unlike FY12 there were no major flooding events hindering travel and business. All major softball tournaments were held as scheduled. The Kansas City Chiefs held their team training camp at Missouri Western for the third consecutive year and had no issues with the exception of above average temperatures. An election late in late FY11, saw voters approve a 3% increase to the tax with a 20 year sunset clause. The increase produced \$440,000 which is solely dedicated riverfront economic development opportunities.

Real and Personal Tax Revenues

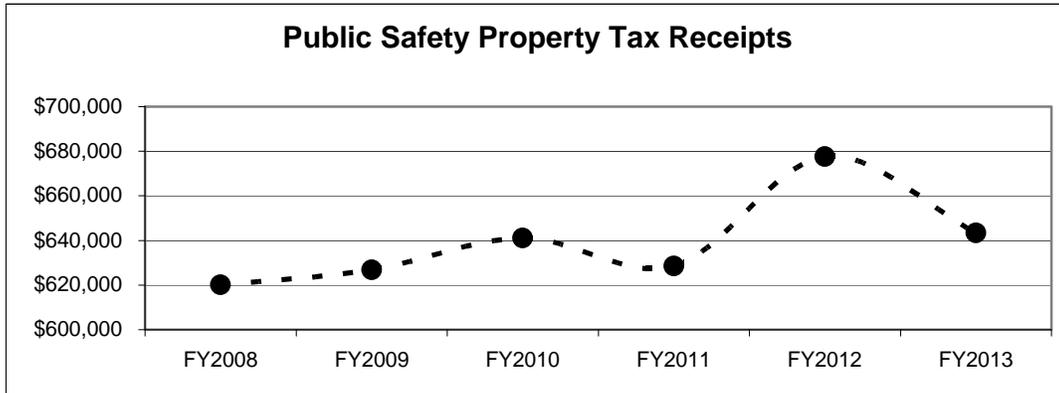
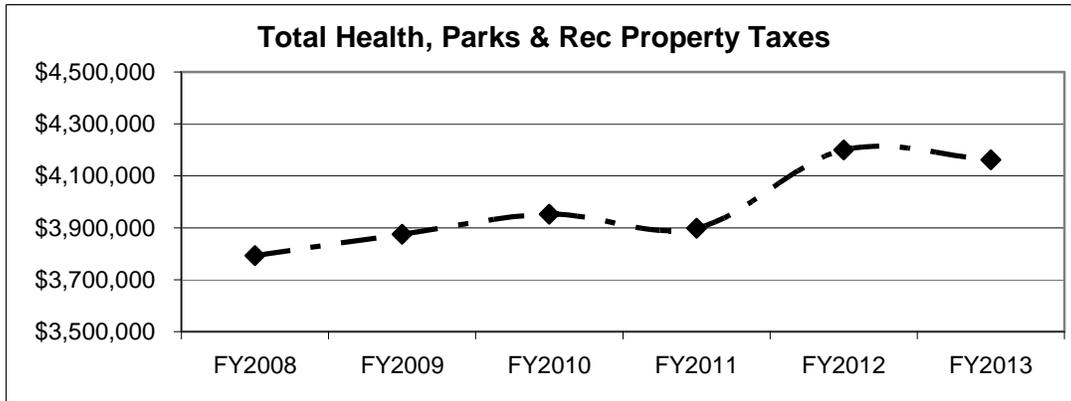
As a result of the 2012 reassessments, revenues for **real estate** for General Fund – Non Departmental surpassed projections by 5.9% (\$220,000 above total budget). This was an increase of 1.3% compared to the prior fiscal year. The General Fund can no longer implement a Hancock increase. **Personal property** for General Fund – Non Departmental was down 14% from FY12, \$189,000 under budget. As a result of 2012 revised Missouri state statutes allowing accelerated depreciation of personal property, assessed valuations dropped markedly and revenues decreased by \$217,000 from one year ago. . Compared to past years, fewer owners paid under protest which resulted in less carryover in prior year payments. Prior real estate was 12% less than the previous year and prior personal also showed a decline in revenues (down 44% compared to the previous year).

Real Estate revenues for the other two property tax-supported departments in the General Fund all surpassed budget comfortably and improved from the previous year: Parks (3.5%) and Health (5.9%). Similar to General Fund – Non Departmental, personal property revenues for Parks and Health were negatively impacted by the accelerated depreciation state statute, both falling below projections by an average of 10%.

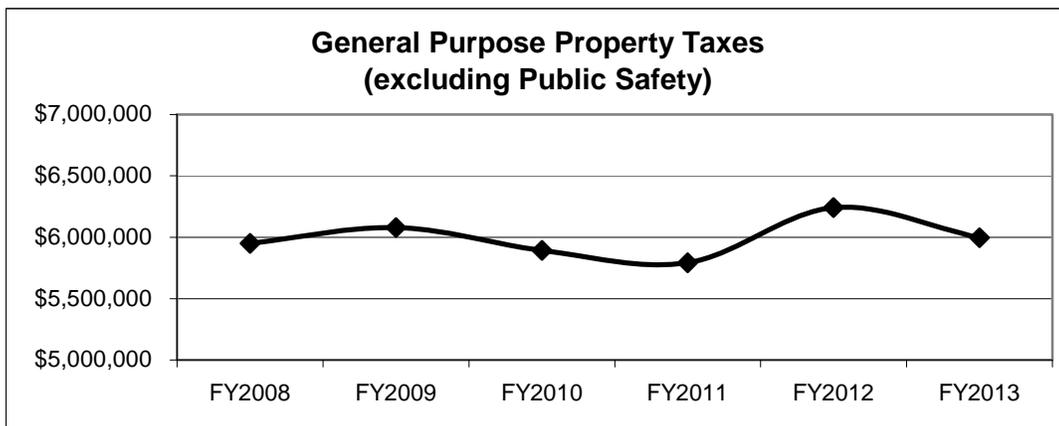


The impact of receipts of the general purpose property taxes can be seen in the three charts starting on the next page. Each of them decreased overall due to depressed personal property receipts.

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The third chart shows the decrease in general purpose taxes in FY10, FY11 and FY13. The increase realized in FY12 while positive, didn't show as much rebound as in the tax sources not affected by SB711.



Utility Taxes

In total, **utility taxes** for the General fund exceeded trend by 1.2% (\$79,000). Gas and telephone franchise revenues were the only revenues significantly under trend. Although the winter was a cold one, gas revenues were still fell short (\$113,000) due to the year's mild fall. Telephone revenues continued to decline, down 3.5% from FY12. More customers are dropping their land line service in favor of wireless as their primary source of telecommunication. The direct result led to only 77% of the budget collected.

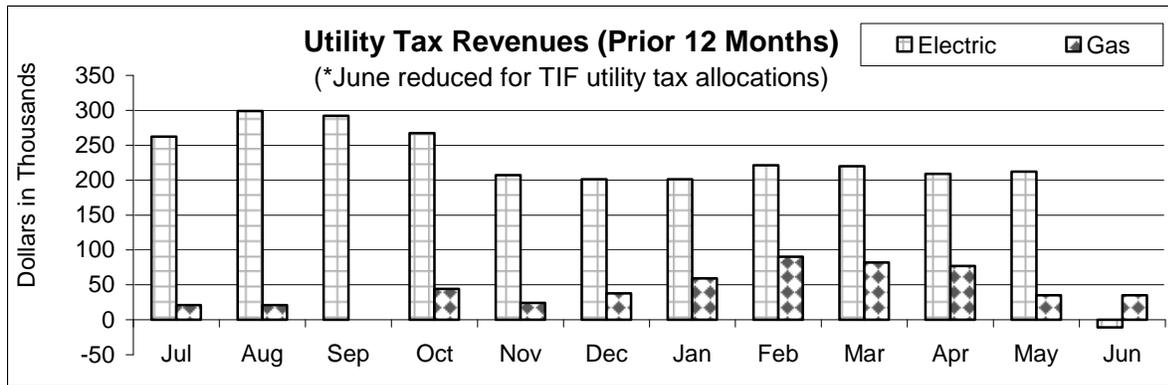
On the bright side, electric franchise revenues more than canceled out the shortages at \$400,000 above trend. The combination of the extreme heat at the beginning of the fiscal year and mild, fall temperatures led to an increase of 6.2% (\$150,000 over FY12). In addition, KCP&L was approved a rate increase of 12.3% in January which took effect later that month. The combined total of gas and electric netted out to a \$223,000 surplus. As shown in the graph below, the relationship between gas and electric is cyclical. In

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the warmer months, electric is high and gas is low. In colder months, electric decreases and gas increases.

Water revenues finished the year above the mark by \$32,000. Total revenues collected were nearly equal to a year ago. Although collections were high earlier in the year with the summer/fall drought, the spring experienced more moisture than the previous year which resulted in less watering. Cable utility taxes were just under budget at 97%. Market shares have slowly dwindled since Cablevision was bought out by Suddenlink during summer of 2011. Revenues showed a decrease of 1% compared to FY12.

Month to month remittances by the cell phone companies (program 0011) fell just 3% short of projections. Total collections were down \$67,000 from FY12. Revenues were budgeted for \$100K less than in FY12. With the end of telecom settlements for back taxes, revenues from FY12 forward will reflect ongoing remittances.



Municipal Court fine revenues had a bounce-back year finishing 11% above the total budget. Revenues were \$75,000 above original projections (a 12% increase compared to FY12) in large part to speeding violation fines being raised one dollar per each mile over. It should be noted that the budget had been decreased for FY13 by over \$100,000 (13% less) given the trends of the last two to three years. Compared to prior year, 16% (2,499) more citations had been filed from the Police Department. Parking Control and Code Enforcement, respectively, had 155 and 121 more violations filed compared to FY12. The only department that showed any significant decrease was Animal Control, down 9%. Cases completed increased by 15% (2,549 more). Over 1,600 more cases that were held before a judge or by jury were paid compared to the previous fiscal year.

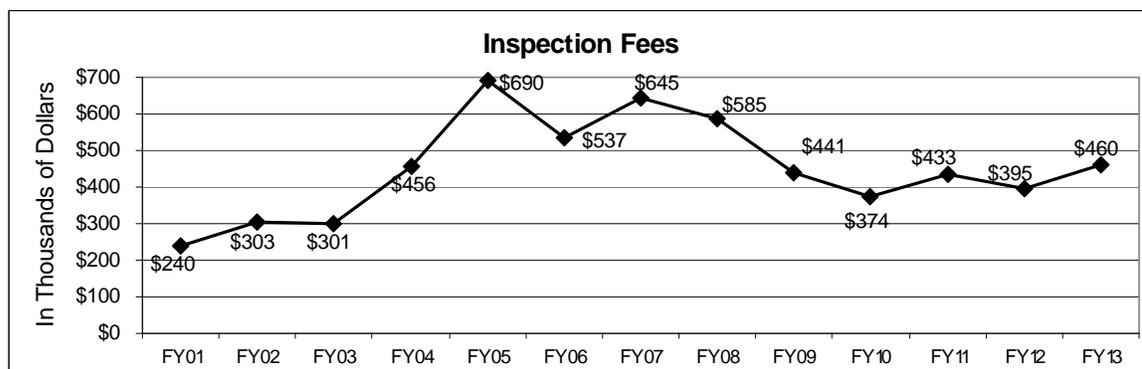
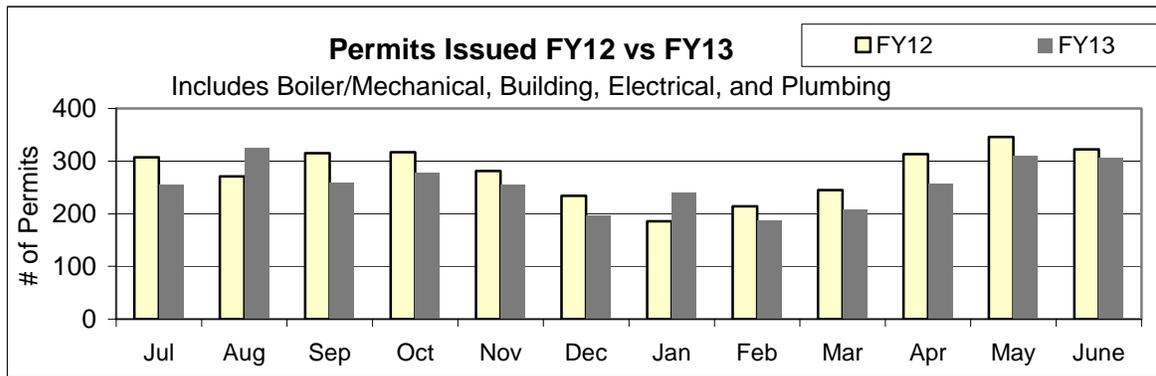
DWI enforcement revenues in the Patrol Operations program were above projections with enforcement supported by continual grant funding. **Police processing fees** were up 38% (a surplus of \$20,000) from the previous fiscal year due to higher volume of warrant processing and FTA fees. **Server licenses**, a fee for training servers of alcohol that was established in FY10 tailed off a little this year but still topped budget by 9%. As expected, revenues dropped by 13% when compared to FY12. Total fees collected (shown in the Support Services program) were almost \$4,000 less in comparison. The server license is a three-year license which means fluctuations will occur from one year to the next. The first group of renewals was due December 2012.

The **Red Light Camera** program went live in March with two separate locations on the Belt Highway. In the four months it was operable, the program collected \$113,000 although approximately 50% of that revenue went back to American Traffic Solutions as their fees for managing the program.

Overall, **Building Development permits** had a very successful year. As indicated by the following graph, during the second half of the year revenues were up each month from the year before with the exception of March. The months of January, April, and June showed a significant increase. The biggest contributor was **Building** permits which showed an improvement of 35% compared to FY12. Budgeted projections were surpassed by \$50,000. **Boiler** permits were doing well at 38% above budget, \$2,000 more than one year ago. **Electrical** permits met the targeted mark, and improved by 10% compared to the previous

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year. **Plumbing** permits equaled projections, but showed a decline over \$3,000. The mild temperatures in the fall and an uptick in the economy spurring more development around the city have provided a major boost to revenues.



The extended winter into mid-spring had **garage sale permit** fees revenues at only 80%, down \$4,000 from last fiscal year. For the third consecutive year, Council approved a four-day free garage sale weekend in August where the permit fee was waived. It is very possible that many citizens wait for the designated weekend to hold their garage sales.

Business Licenses and **Liquor Licenses** were billed in May. Business licenses were received at 95%, about \$49,000 short of projections. Liquor licenses were collected at a 100% rate and increased by \$4,000 from a year ago.

Health Department charges for services overall were 1.0% more than the prior year and \$5,000 above target.

Animal Control revenues met projections, slightly down 2.4% from FY12. A large portion of the dog license fees were received in May with a total collection rate of 4% beyond anticipated figures. Although they surpassed their projected budget, they were down \$2,000 from the prior year. Shelter fees were just shy of budget at 95%. Microchip revenue and cremation services were also solid and finished close to projections. Court fines and costs met trend despite 150 less violations being filed compared to FY12.

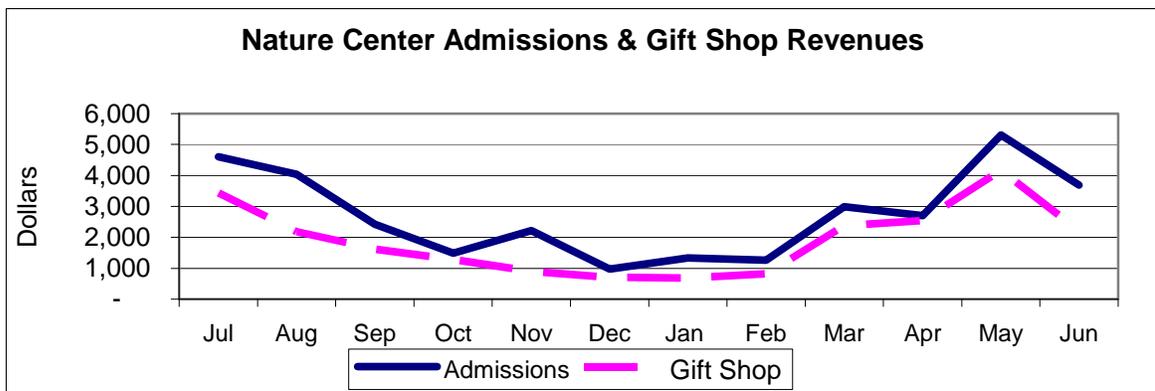
Birth & Death certificates were on the rise in FY13 with an increase of 4% from the previous year. With the economy showing signs of improvement possibly more consumers are traveling abroad. Revenues for **food establishment permit** renewals arrived in May and June and were 11% greater than expected (\$9,000 above projections).

The most improved department of FY13 would have to be **Parks, Recreation & Civic Facilities**. Revenues were up \$164,000 compared to the prior year. A reason for the increase is due in part to Heritage Park and the Nature Center being closed during first quarter of FY12 due to flooding. The Civic

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Arena was home to many more attractions and events than in previous years. In addition, new revenues generated by the REC Center have helped as well.

- **Park Rentals** and **Shelter Reservations** each completed the year above budget. Park Rentals were very popular this year topping budget by 76%, \$10,000 above projections. Shelter reservations were solid this year and increased 8% over the previous year.
- League fee revenues for **Summer Softball** were collected at 89%. This was up \$5,000 from the FY12 season delayed due to the condition of the fields from the flood. Fall softball exceeded trend by 29%. Although complex revenues only garnered 75% of its budget, they were up \$16,000 from FY12 with a full slate of league games and tournaments.
- **Swimming** was impacted significantly by the cooler May and June temperatures. The weather was never consistent enough to draw attendance as in the past. The below average conditions led to only 72% of the budgeted revenues collected, a difference of \$79,000 less when compared to FY12. The hardest hit was the Aquatic Park which suffered a 35% drop from a year ago. Hyde and Krug also finished below the mark, more than \$9,000 under budget. Punch cards and swimming lessons also showed decreases. [While it was hoped the FY14 season would bring plenty of sun, warm temperatures, and bigger crowds to the pools, the July and August numbers were not encouraging. With 2/3rds of the season behind the program, only 32% of budgeted revenues have been collected.]
- Much like Heritage Park, the **Nature Center** had a nice bounce-back year from flood-ravaged FY12. As usual, the final quarter was its strongest and topped budget by 8%, \$5,000 over trend. At 92%, Admissions were the only item not to hit the target, but were still up \$11,000 from FY12. Gift shop revenues did well and finished above budget for the first time since operations began. As indicated by the graph below, revenues dipped in December, but began to improve in March with numerous field trips and events taking place. Historically, the first and fourth quarters are the most successful for the Center. Rental of the meeting room ended the year \$2,000 above target. Educational programs for the Nature Center more than doubled its expected output on the year. Programs such as “Mock Dig” and “Animals and You” had the line item above trend by \$2,000.

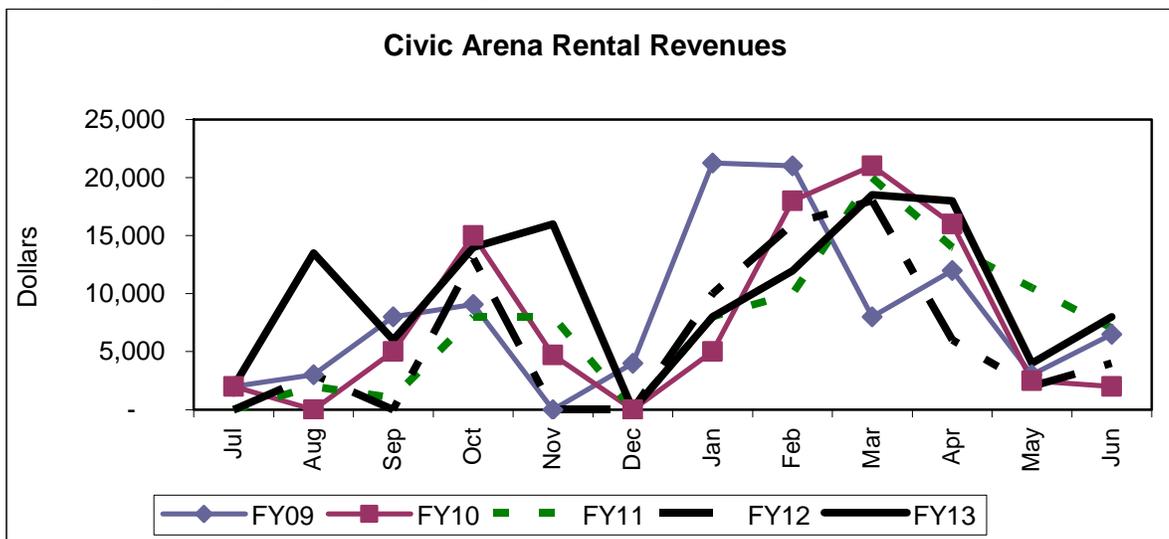


- The **Senior Center** was in good shape for most of the year and finished ahead of projections by \$6,000. Recreation fees cleared projections by 33%, an increase of \$1,000 from FY12. The cafeteria was not as utilized and under trend by \$2,000 due to closures from winter weather. Memberships were collected during the third quarter and at a high rate meeting budget for the year. A majority of donations were received later in the year and topped budget by \$5,000. This was down 5% from the previous year's total.
- The **REC Center** (formerly Muchenberger) opened in July at its new location. Along with volleyball and youth basketball, many additional programs created new streams of revenue. Since most of the programs are new and in a much improved environment, an accurate comparison to prior year will not be available until after the first quarter of FY14. Volleyball leagues are held during the fall

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and winter seasons and came in less than expected at 80% of budget. New line items included individual day passes which received close to \$47,000 for the year. Fitness memberships, their largest revenue generator, collected a total of \$170,000. Fitness classes matched budget while REC center rental and concession each collected about two-thirds of their projected budgets.

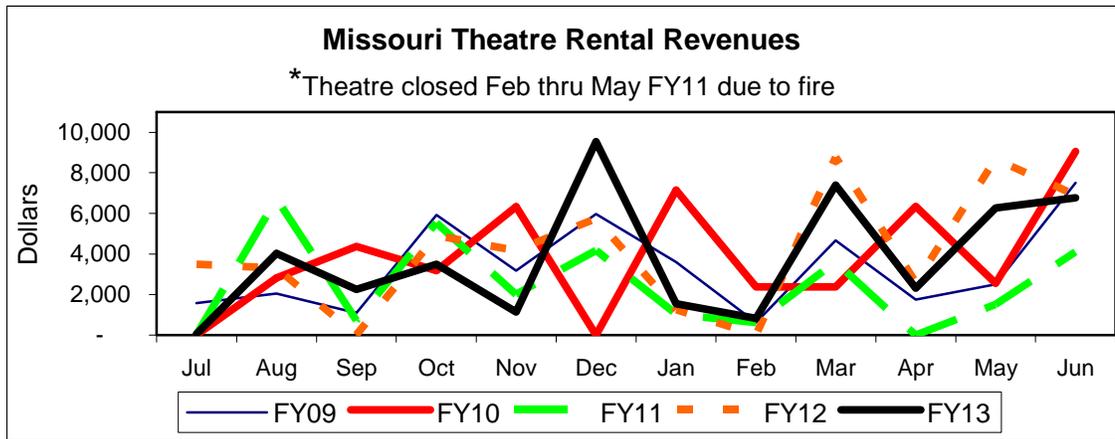
- The **Bode Recreation Complex** fell significantly below budget at 84%. Ice rink admissions slowed the fourth quarter and ended \$4,000 short of projections although this was a 2% increase compared to FY12. Rental time for hockey teams seem to be on the decline as revenues decreased overall by 17% when compared to the previous year. General ice rental was also well under budget at 76%. Revenues had been mostly positive since the closing of a Kansas City rink during FY11, but have shown a decrease this year of 30%. Rental for figure skating and skating lessons both met their targets and showed increases from FY12 (figure skating rental up \$3,000).
- Other than the Nature Center, revenues for **Parks Concessions** were down across the board. Ball fields were only able to collect 65% of budgeted amount. Unseasonable winter weather in April to start the 2013 calendar year season and not a full schedule of fall tournaments at Heritage due to flood recovery led to the low numbers. As documented above, below average temperatures hindered pools in attracting business which directly impacted pool concessions as well. Concessions for the three public pools showed a combined decrease of \$32,000 when compared to FY12, which was much warmer. In total, concessions were \$105,000 below projections for the year.
- Fiscal year 2013 was one of the most successful in recent memory for the **Civic Arena**. Rental of the facility started strong out of the gates and never let up throughout the year as they brought in \$9,000 more than budget. The biggest impact came with the addition of new roller derby team matches that utilized the location each month during its season. Professional wrestling (which had canceled the previous two occasions), ultimate fighting matches, and concert events also contributed. The third and fourth quarters included the traditional events such as the various trade shows and the Shriner's Circus which was at or near capacity at all showings during the weekend they were in town. All of these events added up to a remarkable increase of \$52,000 more than FY12 (a 72% surplus). As noted by the graph below, the first half of the fiscal year is typically the weakest for the arena. FY13 excelled well beyond historical trends. Other arena revenues were successful too. Equipment rental was \$38,000 above budget. **Concessions** spiked 87% from FY12, \$55,000 above budget. Overall the program increased revenues by 66% compared to the previous year. Hopefully the arena can carry the momentum into FY14.



- The **Missouri Theatre** was a solid producer and met its budget revenue target. The theatre received 10% more revenues than the prior fiscal year. Numbers were especially high in the fourth quarter as they collected \$15,000. The following graph shows a comparison between the five most

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recent fiscal years. Office rental met budget. For the first time all spaces were fully operational for an entire fiscal year since a fire damaged the offices in FY11.



The majority of programs in the Parks & Recreation department exist to provide citizens and visitors the opportunity to engage in sports, arts, entertainment, exercise, educational experiences. As revenues decrease and budgets tighten, policy makers and the citizenry will need to determine how much these amenities should be supported by the taxpayers and how much by the end-users.

The chart on the following page compares each program’s expenditures to the revenues it generates. It includes the programs’ self-supporting status in FY11, FY12 and FY13 for comparison. The percent of cost not covered by self-generated revenues (paid by the individuals or groups that use the service) are paid for by the taxpayers.

Only the **Civic Arena, Civic Arena Concessions and Missouri Theater** (when considered as a group and when Hotel/Motel tax revenues are included) generate more revenue than expenditures. Without the Hotel/Motel tax, this set of programs generated 63% of revenue needed to cover expenses. **Fairview Golf Course** hit the break-even point. This past year the **Parks Concessions** program (which includes concessions at the pools and the ballparks) and the new **REC Center** programs covered at least 70% or more of their needs. The **Swimming** program suffered from cool weather in FY13, however the Aquatic Park would actually be a money-maker if the two, underutilized neighborhood pools were closed.

Parks Maintenance, discussed in more detail later in this report, gets almost a half its revenues from parks & recreation property taxes (on top of the specific property tax assessment for parks) and the remainder from general fund operating subsidies.

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	FY2013 Actual		% Self-Supported (SS)	% SS in FY2012	% SS in FY2011
	Revenue	Expenditure			
Recreation	61,000	141,000	43.26%	48.00%	47.02%
Softball/Baseball (1)	107,000	256,000	41.80%	55.30%	59.04%
Swimming	166,000	343,000	48.40%	73.27%	70.75%
Nature Center (2)	71,000	214,000	33.18%	27.18%	33.00%
Senior Citizens Center	82,000	221,000	37.10%	39.22%	38.49%
REC Center (3)	376,000	508,000	74.02%	10.41%	19.15%
Bode Recreation Complex	182,000	344,000	52.91%	70.03%	68.03%
Parks Concessions	248,000	282,000	87.94%	88.95%	86.56%
Civic Arena, Concessions & MO Theater (4)	922,000	769,000	119.90%	127.84%	104.64%
Municipal Golf Course	794,000	794,000	100.00%	96.17%	95.57%
	3,009,000	3,872,000	77.71%	80.42%	77.68%
Parks Maintenance (5)	1,005,000	924,000	108.77%	48.22%	41.55%
Restricted Parks	8,000	10,000	80.00%	27.70%	131.35%
Parks Administration & Prks Mnt Personnel	2,077,000	1,647,000	126.11%	54.37%	134.63%

(1) Loss of the summer tournament season at Heritage Park in FY2012 resulted in a significant loss of revenue. FY2013 revenues had an increase of 50%. However, FY2013 expenditures in Softball/Baseball almost doubled, from \$129,200 in FY2012 to over \$256,000.

(2) Excluding the transfers from the Museum & Gaming funds. With the transfers, 80% of the program's expenses are covered.

(3) Expenditures more than doubled over those of FY12 as the set-up costs for the new REC Center were finalized. The Center officially opened July, 2013 and the year's revenues increased over 17 times. (Total FY12 revenue for the old Muchenberger Center was \$21,450.)

(4) Revenues include the Hotel/Motel tax receipts

(5) Personnel costs are expensed in the General Fund. The Parks Maintenance Fund covers all of the other parks maintenance operating costs.

Amount of General Fund operating revenue budget collected at year-end: 103%

Expenditures

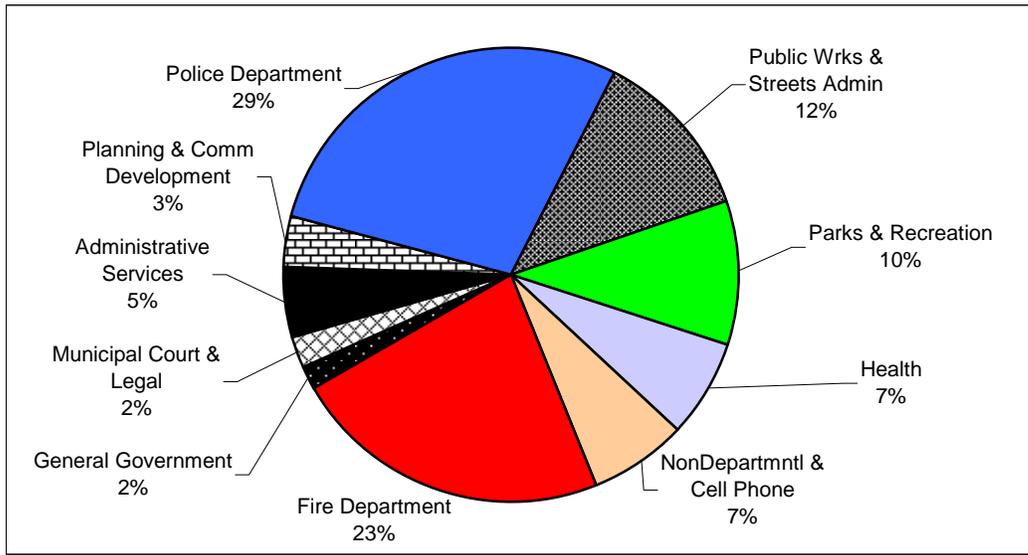
While there were some budget deficits they were, overall, covered by savings elsewhere:

- There were some significant **Personnel** cost issues throughout the fund at year end. **Property Maintenance** was \$12,000 over budget on salary & wages due to turnover in the program and the need of additional staff. The overage has the total program over the limit by 0.9%. Health insurance savings in the **Planning** covered the additional expense. **Police Operations** was above budget by \$24,000 on overtime. On a positive note, this was a decrease of 12% from FY12. Savings in salaries and wages offset the deficit. In August, the public voted in a public safety tax that will go into effect in January 2014. Along with Fire and Health, the new tax will supply funding for additional patrol officers which could alleviate the overtime issue. **Fire Suppression** nearly doubled its allotted overtime budget (\$150,000 over trend) and had the program overextended by \$57,000. FLSA overtime was also above budget by an additional 23%.
- **Temporary/Part-Time** wages for **Police Support Services** budget were exhausted by \$9,000. However, savings in overtime within the program provided coverage. Temp/PT budgets for five Parks & Recreation Department programs: **Recreation, Swimming, Nature Center, REC Center, and Bode Complex** were over by a combined \$34,000. The largest being **REC Center** in the red by \$19,000. In its first year of operation, the budget for PT support had only been a guesstimate and that budget was increased significantly for FY14. A combination of savings from the Temp/PT of remaining Parks programs and overall less expense in Civic Arena canceled out the overage. **Engineering** needed \$8,000 in part-time help July thru April that was not budgeted. The program came in well under trend and could easily cover the deficit.

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- Consistent fuel prices for most of the year allowed some relief on **motor fuel & lubricants** budgets which had been set high for FY13. Total fuel expense came in under budget by \$31,000. The only program that was significantly above the mark was **Fire Maintenance** with a negative variance of \$12,000. Fuel cost for the fund was down 10% when compared to FY12.
- The **Outside Services** category includes such accounts as: Professional Services, Utilities, Maintenance & Repair, and Special/Other Contributions. Maintenance & Repair accounts (Equipment, Vehicles, & Buildings) combined to go over budget by \$60,000 fund-wide. **REC Center** (a new program for FY13) was over by \$16,000 in M&R Building with two major expenses in April (electric edger and door installation). The **Civic Arena** also had issues with M&R Building (\$6,000 over trend) with \$20,000 of major repairs to the heating/cooling unit in January. Public Works **Equipment Support** was significantly over budget (\$97,000) from countless motor vehicle repairs, up 22% from FY12. Maintenance and repair of the City's facilities and equipment is an ever-growing segment of the annual expenditures. **Health Administration** nearly doubled their advertising budget (\$11,000 more than projected) with the use of several outlets (television, radio, internet, newspaper, etc.) for grant supported programs. However, the Health Department's total costs were down 30% compared to FY12.
- Several individual departments had issues with **utility costs**. However, when one segment of utilities spikes there is usually a corresponding drop in another. The fund in total was \$62,000 over budget for electric service. At the same time gas service and water service were a combined \$49,000 under projections to net out to a deficit of \$13,000 for General Fund utilities. Total utility costs increased \$120,000 from the previous fiscal year.

Amount of General Fund operating budget expended at year-end: 97.4%



The performance of each department (budget deficit or surplus) is shown on the following page.

General Fund (Revenue : Expenditure - \$48,164,000 : \$46,122,000)

The ending available unassigned fund balance amount is \$3,628,000 above the target set in the City's financial policy, of ten percent of total budgeted expenditures (\$4.7 million), and is 110% of the GFOA recommended amount of 60 days reserve (\$7.58 million).

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GENERAL FUND

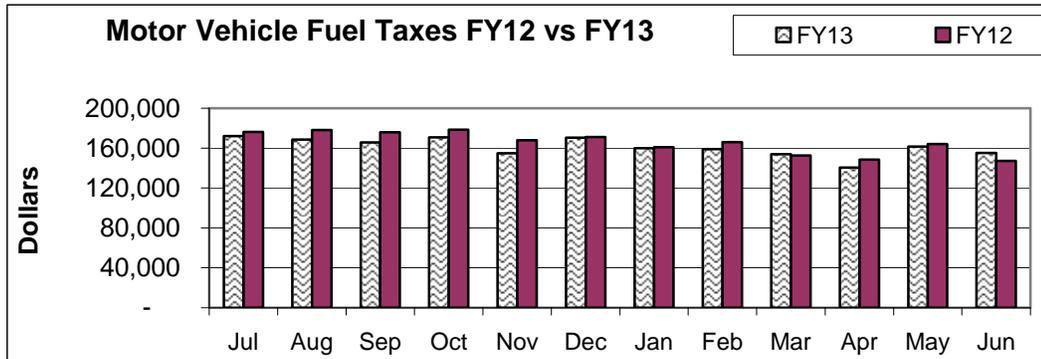
	2012-2013		%over/(under)		
	Adopted Budget	Projected Budget	Preliminary Actual	Adopt Proj	
Proj Beginning Unassigned FB:			\$6,505,000		
Computer Escrow FB:			358,000		
Cell Phone FB:			1,388,000		
27th Payroll FB:			1,256,000		
Riverfront Econ Dvlp Tax FB:			317,000		
Emergency Reserve:			1,025,000		
			<u>\$10,849,000</u>		
SOURCES					
Property Tax	11,004,000	11,217,000	11,250,000	0.02	0.00
Utility Franchise Fees	5,046,000	5,546,000	4,997,000	(0.01)	(0.10)
Cell Phone Franchise Fees	1,700,000	1,700,000	1,829,000	0.08	0.08
Sales Tax	18,000,000	18,782,000	18,615,000	0.03	(0.01)
Licenses/Permits	1,409,000	1,412,000	1,385,000	(0.02)	(0.02)
Fines	927,000	1,062,000	1,171,000	0.26	0.10
Inspection Fees	384,000	386,000	460,000	0.20	0.19
Charges for Service	3,698,000	3,648,000	3,539,000	(0.04)	(0.03)
Other Revenue/Bond Proceeds/Tower Leases	171,000	311,000	301,000	0.76	(0.03)
Investment Earnings	13,000	13,000	24,000	0.85	0.85
Intergovernmental/Other Grants	1,528,000	1,673,000	1,525,000	(0.00)	(0.09)
Transfers In	2,832,000	2,994,000	3,068,000	0.08	0.02
TOTAL SOURCES	<u>46,712,000</u>	<u>48,744,000</u>	<u>48,164,000</u>	0.03	(0.01)
USES BY CATEGORY					
Salaries & Wages	24,608,000	24,240,000	23,965,000	(0.03)	(0.01)
Payroll Taxes & Insurances	11,356,000	11,166,000	11,043,000	(0.03)	(0.01)
Materials & Supplies	1,776,000	1,870,000	1,773,000	(0.00)	(0.05)
Utilities, M&R, & Other Services	7,354,000	7,173,000	6,577,000	(0.11)	(0.08)
Claims/Debt Service/Election Exp/Other	782,000	812,000	802,000	0.03	(0.01)
Transfers Out	1,000,000	1,647,000	1,695,000	0.70	0.03
Capital Equipment	255,000	323,000	267,000	0.05	(0.17)
TOTAL USES BY CATEGORY:	<u>47,131,000</u>	<u>47,231,000</u>	<u>46,122,000</u>	(0.02)	(0.02)
USES BY DEPARTMENT					
Mayor/City Council	222,000	222,000	196,000	(0.12)	(0.12)
City Clerk	209,000	208,000	209,000	0.00	0.00
Municipal Court	411,000	415,000	410,000	(0.00)	(0.01)
City Manager's Office	428,000	414,000	411,000	(0.04)	(0.01)
Legal Services	523,000	507,000	505,000	(0.03)	(0.00)
Planning & Community Services	1,609,000	1,614,000	1,594,000	(0.01)	(0.01)
Administrative Services	2,455,000	2,419,000	2,387,000	(0.03)	(0.01)
Police Department	13,454,000	13,195,000	13,148,000	(0.02)	(0.00)
Fire Department	10,524,000	10,580,000	10,491,000	(0.00)	(0.01)
Public Works Admin (inc. trf to Strt Mnt)	5,805,000	5,906,000	5,638,000	(0.03)	(0.05)
Parks & Recreation (inc. trf to Prks Mnt)	4,634,000	4,743,000	4,735,000	0.02	(0.00)
Health	3,328,000	3,278,000	3,166,000	(0.05)	(0.03)
Non-Departmental (inc. Transfers Out)	1,029,000	938,000	848,000	(0.18)	(0.10)
Non-Departmental (Cell Phone)	2,500,000	2,792,000	2,384,000	(0.05)	(0.15)
TOTAL USES BY DEPARTMENT	<u>47,131,000</u>	<u>47,231,000</u>	<u>46,122,000</u>	(0.02)	(0.02)
Net Surplus (Deficit)			2,042,000		
Ending Unrestricted Fund Balance:			<u>\$12,891,000</u>		
Computer Escrow Reserve:			(358,000)		
Reserve for 27th PY (2016):			(1,589,000)		
Cell Phone Balance:			(833,000)		
Riverfront Econ Dvlp Tax:			(745,000)		
Emergency Reserve:			(1,025,000)		
Ending Unassigned Fund Balance: Goal=10% Exp	\$4,713,100		<u>\$8,341,000</u>		

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STREETS MAINTENANCE FUND

Revenues

Fuel prices were steady for most of the year, hovering around \$3.20 to \$3.50 a gallon. Motor vehicle fuel taxes were shy of budget in the Streets Maintenance Fund at 96%, and showed a decrease of 2.7% when compared to FY12. As indicated by the following graph, with the exception of March and June, each month was lower than the corresponding month in FY12 for a total decrease of \$54,000 from the previous year. Fuel taxes are distributed on the basis of usage rather than cost.



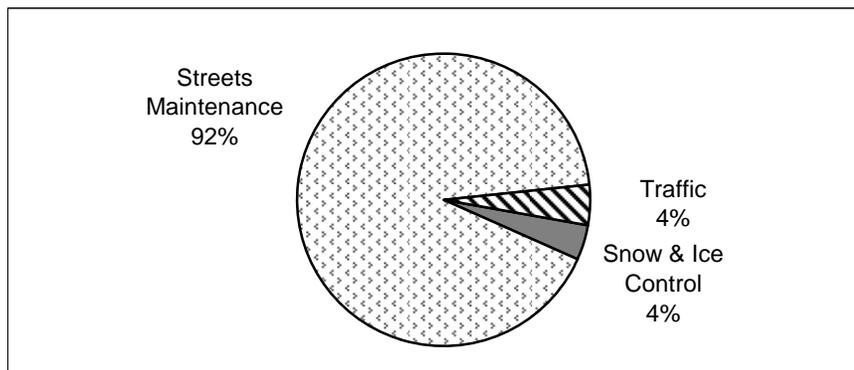
Road and Bridge Tax revenues were received from the county in May and \$5,000 less than budget.

Amount of Streets Maintenance operating revenue budget (excluding transfers from the General Fund) collected at year-end: 96%

Expenditures

- All **personnel-related** costs were moved to the General Fund for FY13 and going forward. This significantly reduced the expense budget for the fund.
- **Maintenance & Repair and Utilities** had the biggest variances to note. Traffic exceeded its **M&R Motor Vehicle** budget by \$24,000. The total account expense had increased by 34% from FY12. Among other items, a \$3,000 purchase of gutter brooms in July led **Minor Equipment** in the Street Maintenance program over budget by 14%.
- Between Traffic and Street Maintenance, **electric service** surpassed budget by a total of \$159,000, with \$151,000 of the variance belonging to Street Maintenance. Total utilities for the fund were only \$4,000 more than the prior year.

All budgeted deficits of specific line items within the fund could be covered by significant savings in the Snow/Ice Control program due to the relatively mild winter.



Amount of Streets Maintenance operating budget expended at year-end: 98%

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STREETS MAINTENANCE FUND

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Projected Fund Balance:			590,000		
SOURCES					
Sales Tax	2,688,000	2,657,000	2,597,000	(0.03)	(0.02)
Permits	1,000	0	0	0.00	0.00
Charges for Service (Utility Street Cuts)	200,000	150,000	113,000	(0.44)	(0.25)
Other Revenue	0	42,000	44,000	0.00	0.05
Investment Earnings	7,000	7,000	5,000	(0.29)	(0.29)
Intergovernmental/Other Grants	0	0	0	100.00	100.00
Transfers In	1,325,000	1,566,000	1,580,000	0.19	0.01
TOTAL SOURCES	<u>4,221,000</u>	<u>4,422,000</u>	<u>4,339,000</u>	0.03	(0.02)
USES BY CATEGORY					
Materials & Supplies	1,274,000	1,197,000	1,078,000	(0.15)	(0.10)
Utilities, M&R, & Other Services	1,621,000	1,607,000	1,781,000	0.10	0.11
Claims/Debt Service/Other	2,000	2,000	1,000	(0.50)	(0.50)
Capital Equipment	511,000	546,000	527,000	0.03	(0.03)
Capital Improvements	1,604,000	1,604,000	1,541,000	(0.04)	(0.04)
TOTAL USES BY CATEGORY:	<u>5,012,000</u>	<u>4,956,000</u>	<u>4,928,000</u>	(0.02)	(0.01)
USES BY PROGRAM					
Streets Maintenance	4,484,000	4,482,000	4,526,000	0.01	0.01
Traffic	209,000	232,000	216,000	0.03	(0.07)
Snow/Ice Control	319,000	242,000	186,000	(0.42)	(0.23)
TOTAL USES BY PROGRAM:	<u>5,012,000</u>	<u>4,956,000</u>	<u>4,928,000</u>	(0.02)	(0.01)
Net Surplus (Deficit)			1,000		

Streets Maintenance Fund (Revenue : Expenditure - \$3,081,000 : \$4,928,000)

The restructuring required by GASB brought most of the divisions in the previously structured SIM&R Fund into the General Fund, leaving Streets Maintenance, Traffic, and Snow/Ice Control divisions in this Special Revenue Fund. The revenue to expenditure deficit when considering only those revenues legally dedicated to maintaining streets was huge. This had required a substantial transfer from the general fund to maintain a balanced budget.

To reduce the amount of transfers and to see what expenses could be supported with the revenues legally restricted to street maintenance efforts, all personnel costs were moved to the General Fund in FY13. At the end of the year, even \$1,000,000 in cell phone revenues transferred to support purchase of rolling stock and \$325,000 transferred from the Landfill to support alley maintenance efforts could not cover all costs. The General Fund transferred an additional \$255,000 to maintain a balanced budget.

If the annual \$1.5-1.6 million expenditure for concrete street repairs and asphalt overlays could be financed as a part of a long-term GO Bond issue for street improvements, this fund would only need the occasional transfers for rolling stock replacement.

FY2013 YEAR END FINANCIAL REPORT

PARKS MAINTENANCE FUND

Revenues

Overall revenues for the Parks Maintenance Fund finished over the adopted budget for the year by 23%. Fortunately, SB711 does not impact the Special Parks property tax levy. The fund collected \$6,000 more in property taxes than in FY12.

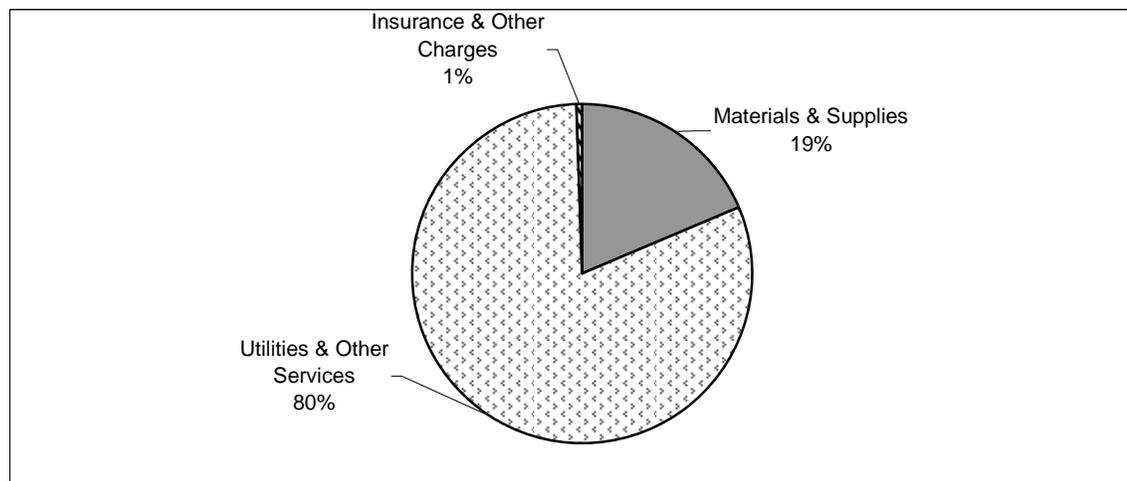
Horace Mann rent finished the year 17% above budget. In September the Community Action Partnership lease was increased by 1.3%.

The fund also received almost \$25,000 in **FEMA/SEMA** reimbursements not anticipated in the original budget. The **Parks Maintenance Trust** almost doubled its contribution which may indicate it sent two years' worth of trust monies which will lead to a shortfall in FY14.

Amount of Parks Maintenance operating revenue budget collected at year-end: 123%

Expenditures

- Similar to the Street Maintenance Fund, all **personnel-related** costs were moved to the General Fund for FY13 and going forward. The move reduced the expense budget by over one million dollars.
- **Employment services** utilized \$27,000 more than budgeted. The majority of the additional staffing was for the spring and summer months. The expense on employment services for the fiscal year totaled \$157,000. During the previous there were no expenses booked to the line item.
- Boiler repairs to the Horace Mann building and a transformer replacement at Hochman Park (\$6,000 each) resulted in **M&R Building** expenses over the budget by \$65,000. The variance would have been much smaller, but \$30,000 of the budget was moved to motor fuel to cover a significant deficit there. A steam line repair to the Horace Mann building and inmate labor increased **Other Services** by 22% from FY12. Savings from **utilities** totaling \$106,000 offset the overages within the fund.



Amount of Parks Maintenance operating budget expended at year-end: 99.7%

FY2013 YEAR END FINANCIAL REPORT

PARKS MAINTENANCE FUND

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
SOURCES					
Special Parks Property Tax (on land only)	599,000	673,000	686,000	0.15	0.02
Licenses (City Sticker & Penalty)	96,000	96,000	97,000	0.01	0.01
Rents	44,000	51,000	51,000	0.16	0.00
Other Revenue	0	5,000	6,000	0.00	0.20
Investment Earnings	0	0	0	100.00	100.00
Intergovernmental/Other Grants	70,000	95,000	155,000	1.21	0.63
Transfers In	10,000	10,000	10,000	0.00	0.00
TOTAL SOURCES	819,000	930,000	1,005,000	0.23	0.08
USES					
Materials & Supplies	137,000	167,000	172,000	0.26	0.03
Utilities & Other Services	779,000	720,000	746,000	(0.04)	0.04
Insurance & Other Charges	2,000	2,000	6,000	2.00	2.00
TOTAL USES	918,000	889,000	924,000	0.01	0.04
Net Surplus (Deficit)			167,000		

Parks Maintenance Fund (Revenue : Expenditure - \$1,005,000 : \$ 924,000)

The restructuring required by GASB brought most of the divisions in the previously structured Parks, Recreation & Civic Facilities Fund within the General Fund, leaving Parks Maintenance Division in this Special Revenue Fund. In FY13 the decision was made to move personnel expenses to the General Fund. This eliminated the need for a transfer from the General Fund since the remaining expenses for Parks Maintenance were covered by the dedicated revenues, at least for FY13.

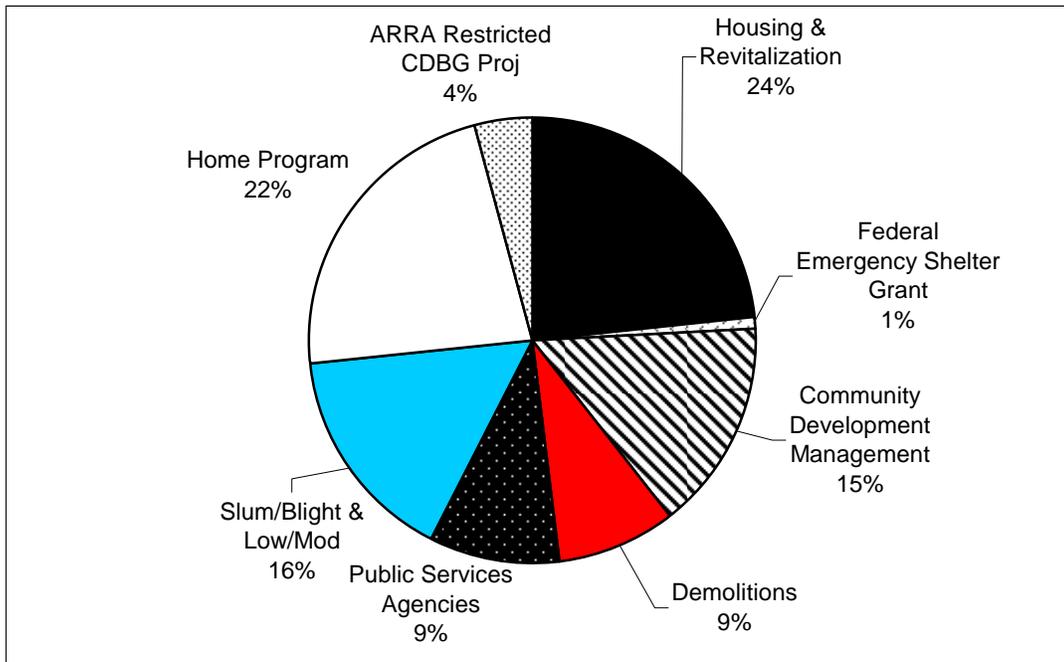
FY2013 YEAR END FINANCIAL REPORT

CDBG FUND

There were no outstanding revenue issues for the end of the year. While money for administrative activities is limited by federal guidelines, large increases or decreases of federal grant funds can be accommodated by adjustments to grant funded activities.

There was only one expenditure issue for the fund in FY13. The City of St. Joseph provided HOME funds for acquisition costs in the amount of \$159,992.00 for the three Uptown St Joseph Redevelopment projects. On October 5, 2012 the City reimbursed the US Dept of Housing & Redevelopment (HUD) these funds due to the fact that the projects were never completed and therefore found to be in default.

Total operating costs for the fund were only \$5,000 higher, nearly equal to FY12.



Amount of CDBG operating budget expended at year end: 137%

Amount of CDBG operating budget expended at year-end without budget adjustments: 76%

FY2013 YEAR END FINANCIAL REPORT

CDBG FUND

	2012-2013			%over/(under)	
	Adopted & Amended	Projected	Preliminary	Adopt	Proj
	Budget	Budget	Actual		
SOURCES					
Special Assessments/Interest Earnings	16,000	38,000	38,000	1.38	0.00
Intergovernmental/Other Grants	2,306,000	4,815,000	3,022,000	0.31	(0.37)
Other Revenue	0	66,000	74,000	0.00	0.12
Transfers In-fm Unbudgeted Funds	0	98,000	438,000	0.00	3.47
TOTAL SOURCES	<u>2,322,000</u>	<u>5,017,000</u>	<u>3,572,000</u>	0.54	(0.29)
USES BY CATEGORY					
Salaries & Wages	327,000	325,000	325,000	(0.01)	0.00
Payroll Taxes & Insurances	142,000	133,000	125,000	(0.12)	(0.06)
Materials & Supplies	14,000	8,000	7,000	(0.50)	(0.13)
Utilities, M&R, & Other Services	1,632,000	3,374,000	2,121,000	0.30	(0.37)
Claims/Debt Service/Other	12,000	172,000	164,000	12.67	(0.05)
Transfers Out	195,000	193,000	442,000	1.27	1.29
TOTAL USES BY CATEGORY:	<u>2,322,000</u>	<u>4,205,000</u>	<u>3,184,000</u>	0.37	(0.24)
USES BY PROGRAM					
Housing & Revitalization	1,035,000	1,230,000	744,000	(0.28)	(0.40)
Community Development Management	347,000	494,000	487,000	0.40	(0.01)
ARRA Restricted CDBG Funds	0	615,000	130,000	0.00	(0.79)
Demolitions	369,000	360,000	274,000	(0.26)	(0.24)
Federal Emergency Shelter Grant	0	22,000	28,000	0.00	0.27
Slum/Blight & Low/Mod	0	469,000	506,000	1.00	0.08
Public Services Agencies	300,000	300,000	300,000	0.00	0.00
Home Program	271,000	715,000	715,000	1.64	0.00
TOTAL USES BY PROGRAM:	<u>2,322,000</u>	<u>4,205,000</u>	<u>3,184,000</u>	0.37	(0.24)
Net Surplus (Deficit)			388,000		
esignated Reserve for 27th PY (2016):			(11,700)		

FY2013 YEAR END FINANCIAL REPORT

GAMING INITIATIVES FUND

Revenues

The **Gaming Initiatives** fund was below trend the entire year and ended \$126,000 under target. The majority of the negative variance was State Admissions (\$93,000). The economy could be a factor in the decline of revenues. The fund took a significant hit in FY12 when the casino was forced to close its doors from the last week of June until October due to flooding resulting in a fund shortfall of 71% of its budget for the 2012 fiscal year. Recently it was decided by the City Council that the issue of the city becoming smoke-free would not be placed on the ballot. A smoke-free casino could have further impacted revenues.

Expenditures

Some budgeted expenditures did not go forward, for example, work at the Living History area, use of much of the gaming monies for demolitions and abatements, some capital purchases, etc. The fund ended the year 2% under original budget with no issues.

GAMING FUND

	2012-2013		%over/(under)	
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt Proj
Projected Beginning Fund Balance:			361,000	
SOURCES				
Gaming Revenue	1,157,000	1,022,000	1,030,000	(0.11) 0.01
Donations/Grants/Transfers In	0	171,000	125,000	(0.27)
Interest Earnings	1,000	1,000	1,000	0.00 0.00
TOTAL SOURCES	<u>1,158,000</u>	<u>1,194,000</u>	<u>1,156,000</u>	(0.00) (0.03)
USES BY CATEGORY				
Minor Equipment	31,000	31,000	31,000	0.00 0.00
Outside Services	774,000	809,000	736,000	(0.05) (0.09)
Transfers Out	341,000	426,000	372,000	0.09 (0.13)
Capital Equipment	116,000	116,000	104,000	(0.10) (0.10)
TOTAL USES BY CATEGORY:	<u>1,262,000</u>	<u>1,382,000</u>	<u>1,243,000</u>	(0.02) (0.10)
Net Surplus (Deficit)			(87,000)	
Total Ending Fund Balance:			\$1,604,000	

FY2013 YEAR END FINANCIAL REPORT

MUSEUM TAX FUND

Revenues & Expenditures

As in the other property tax-supported funds, **Real Estate** revenues surpassed budget comfortably and improved from the previous year by 3.3%. The Museum Fund was able to benefit from a Hancock increase. Like other funds however, **Personal Property** tax revenue was negatively impacted by the accelerated depreciation state statute falling below projections. Overall, revenues came in higher than originally budgeted (\$7,000), right on the projected budget.

The general operations budget, covering County assessment and collection fees, public notices, administrative fees and a transfer to the city-run museum, the Nature Center, came in \$1,000 less than the projected budget.

The \$300,000 payment to St. Joseph Museum Inc for management of the Wyeth-Tootle mansion was made per contract. A late year budget amendment allowed an additional \$3,000 to cover certain repairs at the Mansion.

Capital improvements to the Wyeth-Tootle Mansion continued and \$33,000 transferred to the Capital Improvements Fund for that purpose.

The ending fund balance is divided between that which is available for CIP projects at the Wyeth-Tootle (or other museum as approved by City Council) and the balance for other operational expenses at the City's direction.

MUSEUM FUND

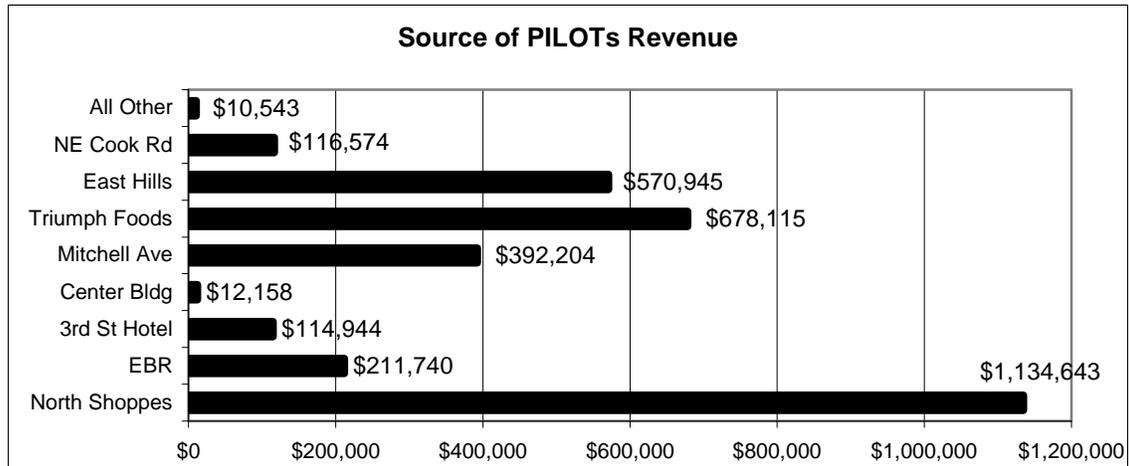
	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Projected Beginning Ops Fund Balance:			59,000		
Wyeth-Tootle CIP Fund Balance:			286,000		
			<u>345,000</u>		
SOURCES					
Property Tax	505,000	512,000	512,000	0.01	0.00
Interest Earnings	1,000	1,000	1,000	0.00	0.00
TOTAL SOURCES	<u>506,000</u>	<u>513,000</u>	<u>513,000</u>	0.01	0.00
USES BY PROGRAM					
Museum Tax Initiatives - Operations	78,000	78,000	77,000	(0.01)	(0.01)
Museum Tax - SJMI Contract	300,000	314,000	303,000	0.01	(0.04)
Museum Tax Initiatives - CIP	100,000	32,000	33,000	0.00	0.03
TOTAL USES	<u>478,000</u>	<u>424,000</u>	<u>413,000</u>	(0.14)	(0.03)
Net Surplus (Deficit)	28,000	89,000	100,000		
Ending Operations Fund Balance:			\$92,000		
Ending CIP Fund Balance:			353,000		
Total Ending Fund Balance:			\$445,000		

FY2013 YEAR END FINANCIAL REPORT

SPECIAL ALLOCATION FUND

Revenues & Expenditures

In the **Special Allocations** fund, Payment-In-Lieu-Of-Taxes (PILOT) tax revenue was billed by the Buchanan Collector in November. All funds were received during the third quarter. The graph below indicates the amount of PILOTs generated by each TIF and STRA (Sales Tax Reimbursement Agreement) project:

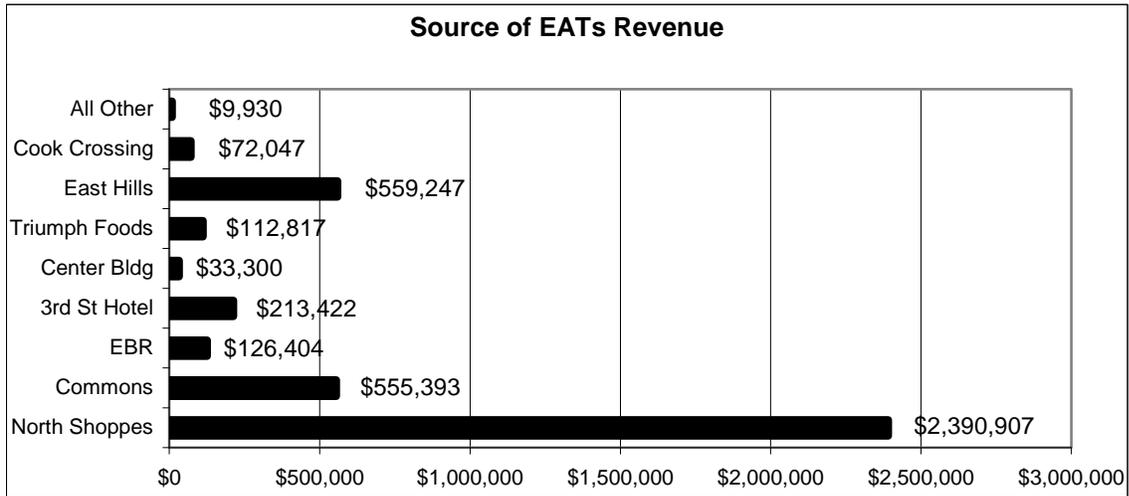


EATs (sales and franchise tax) revenues were steady for most of the TIF Plans:

- City EATS for **North Shoppes** were under trend by 7.7%. The development collected \$79,000 less than this time the previous fiscal year. Vacant pads will be filled soon with the addition of new tenants. Kirkland's and Ulta Cosmetics opened, sharing the spot previously occupied by Borders. In addition, a new mattress store has also opened recently in the development.
- **EBR** TIF City EATS met projections. For first time since opening, revenues for the development were flat for the year.
- The **Third Street Hotel** City EATS collected were significantly under target at 67%. By the end of the third quarter revenues were actually above trend. However, nothing was received for the final three months. The Department of Revenue collects the TDD and distributes the revenues to the City, creating a lag of 60 days in the collection cycle.
- Although the **Commons** revenues exceeded budget by 3%, totals were 4.6% less than FY12. Additional Menards opening in the Kansas City area began to impact sales at the St. Joseph location. When a planned Menards opens in Platte City, revenues could very well decrease further. Construction began in June for a fitness center.
- City EATS for the **Center Building** had been stagnant thru FY12, but the addition of Ground Round within the development showed a noticeable improvement in FY13. By the end of the year, \$9,000 more had been collected compared to the prior fiscal year. (The restaurant relocated into Em Chama's spot in June 2012.) Upscale Resale and Clarity Yoga Wellness moved into the site late in the fiscal year. Aqua Vitae Salon and 2 Trendy left the development mid-year.
- The **Cook Crossing** development opened in late April, 2012 and continues to expand. Dick's Sporting Goods, ALDI grocery, and Pet Smart all opened between late FY12 and early FY13. A dental office, Starbucks, and Verizon opened recently in the southeast corner of the lot. The development collected \$72,000 for city EATS during the fiscal year.

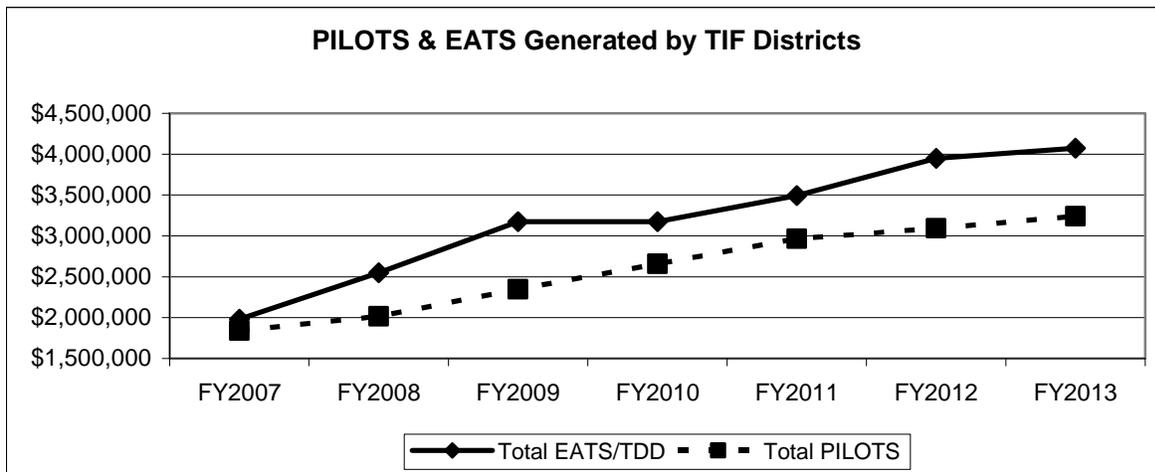
The graph on the following page illustrates where EATs have been generated over the prior twelve months.

FY2013 YEAR END FINANCIAL REPORT



As can be seen in the chart below, EATS had an almost imperceptible decline from FY09 to FY10, but a healthy increase overall in FY11 and FY12, indicating the strong performance of the retail and restaurant establishments in the City's TIF districts. In FY13, the pace of the increase in revenues slowed. As discussed above, they were flat or declined slightly from FY12. The overall increase was due to the contribution of new projects like Cook Crossing.

The other significant revenue generated by the TIF and economic development districts is their Payments-In-Lieu-Of-Taxes (PILOTS). TIF districts receive 100% of the real property taxes generated within the district above the base tax revenues received before the district was established. As additional TIFs are triggered, the amount of PILOTS received has increased. Another positive is that the \$.63 school district levy, missing in FY10 and affecting PILOT revenues in the Special Allocation TIF programs, returned in FY11 as it was voted to be reinstated.



TIF generated revenues deposited to their respective TIF districts are used in one of two ways:

Bonded TIFs: For the following TIFs, revenues are used to meet bonded debt issued to meet project eligible reimbursements.

- EATS for **North County Shoppes** finished \$79,000 less than FY12. However, with the PILOT payments, the TIF generated (\$3.5 million), sufficient to meet bond and professional service payments for the year (\$3.2 million).
- The major revenue sources for the bonds issued in the **Triumph Foods'** TIF are PILOTS and payments made directly by the developer to service the debt (Sewer Reserve Charges and PILOTS on Chapter 100 bonds issued to the company). Total revenues (\$2.13 million) were

FY2013 YEAR END FINANCIAL REPORT

sufficient to meet debt service payments (\$2.0 million). Given the favorable interest rates and bond market, one of the bond issues was refinanced. Bond proceeds of \$8.685 million were used to buy off the old bonds and reissue at a lower interest rate.

- **Mitchell Woods Corridor** TIF began as a pay-as-you-go TIF. However, bonds were issued and purchased by the developer (American Family) in FY09. Expenses now exist as debt service payments. The PILOTS and small amount of EATS generated by the district (\$401,000) was short of the \$412,000 debt service payment. There were sufficient reserves left from prior year revenues to cover the debt service. In addition, the company turned in its final reimbursement request (\$392,000), covered by the remaining bond proceeds. As available reserves are used, the company may find itself in a position of paying the difference between PILOTS generated and debt service requirements directly in the not too distant future.

Pay-as-you-go TIFS: The following economic development projects are pay-as-you-go. This means developers are reimbursed their approved TIF expenditures only the amount of EATS/PILOTS/Interest generated by their district during the year. Of the remaining ten TIFS and one STRA, the only ones generating any significant activity in FY13 were:

- A total of \$240,800 in EATS and PILOTS were received for the **EBR** TIF. After 30% of the additional revenues were deposited to a designated account by the City for future infrastructure improvements (up to \$1M as per the Redevelopment Agreement) and various legal and other expenses paid, \$200,500 of eligible expenses was reimbursed to the developer.
- The **Third Street Hotel** TIF, by not submitted its last quarter sales tax, gained little ground. The bank servicing the hotel's debt received \$224,000.
- Sales tax revenues from **The Commons** development, an economic development district with a City-only sales and real property tax reimbursement agreement, increased significantly in FY12. On the representation that a major retail business would be moving into the development, the first agreement was amended and the City agree to release the base amount of revenue received from Menards and consider all revenues as "incremental". FY12 EATS equaled \$582,000 versus the FY11 amount of \$380,700. Together with PILOTS, the bank servicing the Commons' debt received \$563,000 in FY13.

Gaming Fund had to transfer monies to cover the almost \$20,000 in legal fees the City experienced due to the complications of the developer claiming a Chapter 11 bankruptcy in the last quarter of the year. The "company" filing the Chapter 11 is not the entity with which the City entered into the Common's Agreement. However, the Agreement has been drug into the matter and requires legal bankruptcy expertise to safeguard City interest.

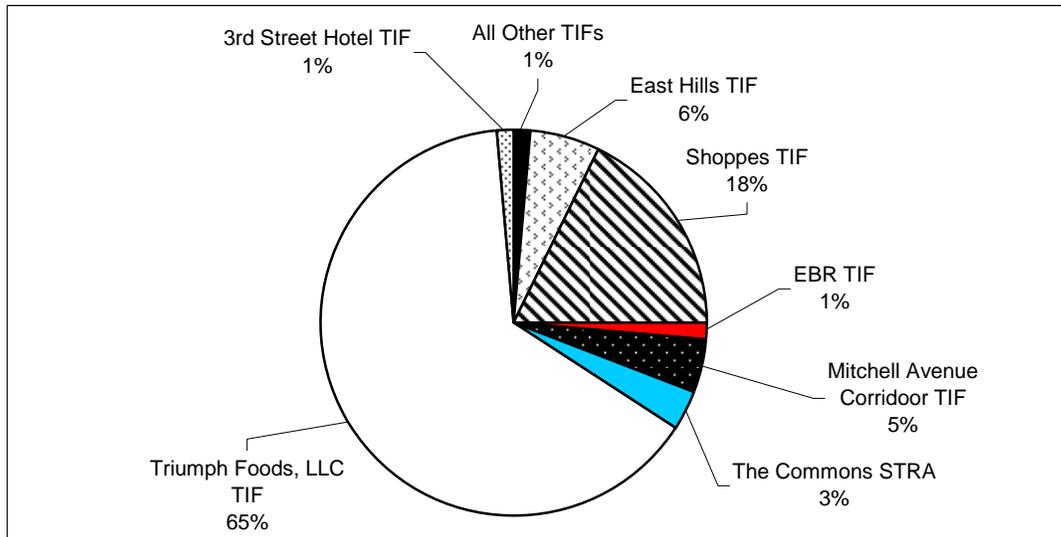
- **East Hills** met its base of \$1.4 million and generated \$151,000 in EATS, \$23,000 more than prior year. The East Hills' Community Improvement District (CID) and its additional 1 cent sales tax on sales within the TIF generated \$340,000 (\$19,000 less than the prior year), pledged toward TIF reimbursement. Through the CID revenues, EATS, and the year's receipt of PILOTS a total of \$998,000 was reimbursed, slightly less than in FY12. The developer hopes to issue bonds in FY14 and use future TIF and CID revenues to pay the debt service. A phalanx of attorneys, bond counsels, financial advisors and market consultants for both the developer and the City are working on that possibility now.
- As stated earlier, the **Center Building** TIF began to generate EATS and PILOTS again when a popular, established restaurant moved into the space. The project received \$44,000 in reimbursement.
- As the **North East Cook Road** residential TIF continues to develop, so does revenue from PILOTS and sewer system development fees. City retained TIF franchise revenues for the fund overall were significantly higher (\$31,000) in large part to Greystone as developers had completed more homes this year than the previous fiscal year.

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The developer has been completely reimbursed. Revenues are now transferred to the Water Protection Fund, reimbursing the upfront expense of extending sewer service to the area. A little over \$130,000 was transferred for this reason in FY13.

- The newest TIF, **Cooks Crossing**, opened several additional businesses. While EATS have increased, PILOTs won't be received until the current year. As it was, a little over \$76,000 in reimbursements was distributed.

The remaining TIF projects (Uptown Redevelopment, Downtown Redevelopment, Ryan Block, Fountain Creek, Tuscany Towers) generated little to no FY2013 activity.



FY2013 YEAR END FINANCIAL REPORT

SPECIAL ALLOCATION FUND

	2012-2013		%over/(under)	
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt Proj
Projected Beginning Fund Balance:			2,699,000	
SOURCES				
PILOTS	3,068,000	3,243,000	3,242,000	0.06 (0.00)
EATS/TDD/NonIncremental Sales Tax	3,945,000	4,024,000	4,073,000	0.03 0.01
Bond Proceeds	0	8,685,000	8,685,000	100.00 100.00
Recovery/Reimbursement/Other Revenue	42,000	40,000	4,000	(0.90) (0.90)
Refunds Prior Year Expenditure	0	0	0	- 0.00
Developer Contributions	809,000	809,000	366,000	(0.55) (0.55)
Sewer System Development Fees	5,000	0	8,000	1.00 100.00
Interest Earnings	42,000	43,000	523,000	11.45 11.16
Sewer Reserve Charges	793,000	973,000	451,000	(0.43) (0.54)
Transfers from Other Funds	5,000	3,000	17,400	2.48 4.80
TOTAL SOURCES	<u>8,709,000</u>	<u>17,820,000</u>	<u>17,369,400</u>	0.99 (0.03)
USES BY CATEGORY				
Professional Services	719,000	753,000	725,000	0.01 (0.04)
Debt Service, PAYGO Reimbursements	7,248,000	16,503,000	17,238,000	1.38 0.04
Transfer Out	0	0	130,000	
TOTAL USES BY CATEGORY:	<u>7,967,000</u>	<u>17,256,000</u>	<u>18,093,000</u>	1.27 0.05
USES BY PROJECT				
Center Building TIF	24,000	40,000	46,000	0.92 0.15
Uptown Redevelopment TIF	0	1,000	1,000	0.00
Ryan Block TIF	1,000	0	0	(1.00) 0.00
Cooks Crossing TIF	2,000	64,000	80,000	39.00 0.25
Downtown Revitalization TIF	0	1,000	1,000	0.00
Mitchell Avenue Corridor TIF	432,000	434,000	824,000	0.91 0.90
The Commons Development (EDC)	547,000	565,000	577,000	0.05 0.02
North East Cook Road TIF	54,000	114,000	136,000	1.52 0.19
East Hills TIF	1,045,000	1,075,000	1,030,000	(0.01) (0.04)
Shoppes at North Village TIF	3,228,000	3,226,000	3,216,000	(0.00) (0.00)
EBR Development TIF	239,000	327,000	253,000	0.06 (0.23)
Triumph Foods, LLC TIF	2,073,000	11,076,000	11,690,000	4.64 0.06
Fountain Creek TIF	0	0	0	0.00
3rd Street Hotel TIF	322,000	333,000	239,000	(0.26) (0.28)
Tuscany Towers TIF	0	0	0	0.00 0.00
TOTAL USES BY PROJECT:	<u>7,967,000</u>	<u>17,256,000</u>	<u>18,093,000</u>	1.27 0.05
Net Surplus (Deficit)	742,000	564,000	(723,600)	
Total Ending Fund Balance:			\$1,975,400	

More detailed information on the various TIF districts can be found in the Supplemental Reports section starting on page 83.

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Rosecrans Airport (Aviation Fund)

Revenues

Aviation revenues met budget. **Hangar rent** was up 3% from FY12 as some tenants had vacated due to flood in FY11. Sale of **gas and oil**, also affected by the flood in FY12, increased by 7% (\$1,000). For the most part, fuel sales have been in a steady decline since winter 2008. The **airport restaurant rent** was only collected at a 60% rate. The space was vacant the first two months of the fiscal year. The owner vacated again towards the end of the fiscal year and (determined by ordinance) was not required to pay the entire rent.

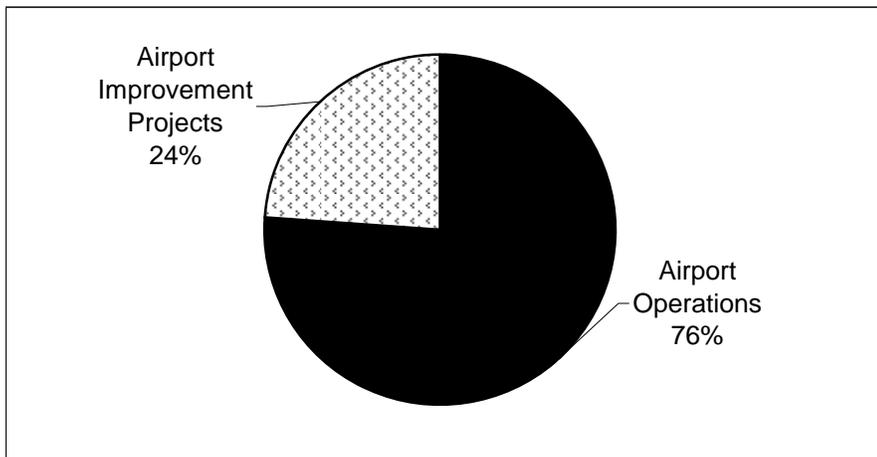
In FY12 the **Air National Guard (ANG)** determined they did not owe the City lease payments and stopped them shortly after the first of that fiscal year. The City received only \$26,600 out of an anticipated \$184,200. The City and ANG entered mediation and an Agreement was reached in July 2013. Lease payments will resume at a much lower rate than before. As part of the Agreement the City was awarded 12 month's back payment of which \$139,000 was credited to FY13.

Amount of Aviation operating revenue budget collected at year-end: 121%

Expenditures

No major overages for the fund. Electric service was over budget by \$6,000, but more than enough savings in categories such as salary and maintenance & repair covered the extra expense. With no Airshow this year, the fund showed significant improvement with total costs (down 28% from FY12).

Amount of Aviation operating budget expended at year-end: 95.0%



FY2013 YEAR END FINANCIAL REPORT

AVIATION FUND

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Projected Beginning Op Fund Balance:			(\$9,000)		
Designated 27th Payroll FB:			\$8,000		
			(\$1,000)		
Projected Beginning CIP Fund Balance:			\$277,000		
SOURCES					
Rents	343,000	339,000	442,000	0.29	0.30
Other Revenue	21,000	22,000	22,000	0.05	0.00
Investment Earnings	0	0	0		
Transfers In	108,000	108,000	108,000	0.00	0.00
Airport CIP Revenues	1,450,000	186,000	45,000	(0.97)	(0.76)
TOTAL SOURCES	1,922,000	655,000	617,000	(0.68)	(0.06)
USES BY CATEGORY					
Salaries & Wages	263,000	235,000	225,000	(0.14)	(0.04)
Payroll Taxes & Insurances	17,000	14,000	75,000	3.41	4.36
Materials & Supplies	50,000	52,000	31,000	(0.38)	(0.40)
Utilities, M&R, & Other Services	139,000	156,000	162,000	0.17	0.04
Claims/Insurance	22,000	21,000	21,000	(0.05)	0.00
Transfers Out	68,000	68,000	68,000	0.00	0.00
Capital Improvements	1,450,000	203,000	117,000	(0.92)	(0.42)
TOTAL USES BY CATEGORY:	2,009,000	749,000	699,000	(0.65)	(0.07)
USES BY PROGRAM					
Airport Operations	559,000	546,000	532,000	(0.05)	(0.03)
Airport CIP Improvements	1,450,000	203,000	167,000	(0.88)	(0.18)
TOTAL USES BY PROGRAM:	2,009,000	749,000	699,000	(0.65)	(0.07)
Net Surplus (Deficit)			(82,000)		
Operating Fund Balance:			\$39,000		
Designated Reserve for 27th PY (2016):			(10,000)		
Ending Avilbe Op Fund Balance:	Target: \$61,385		\$29,000		
Ending CIP Fund Balance:			155,000		

Aviation Operations Fund (Revenue : Expenditure - \$572,000 : \$532,000)

FY2013 Aviation operating fund balance increased by \$28,000 from a beginning deficit of \$1,000 (when the designated 27th payroll was included) and ended well below its target reserve amount. While revenues in hangar rents and various leases have been going in a positive direction, the loss of lease revenues from ANG for almost two years bit deeply into reserves. Even with a supplemental transfer from the General Fund in FY12, the fund ended the year in a \$76,500 budget deficit even with significant budget savings.

In very early FY14 an agreement was reached with the ANG. Lease payments will continue. The amount received in July included \$139,000 owed for FY13. This infusion of revenue allowed the fund to maintain a (barely) positive fund balance.

FY2013 YEAR END FINANCIAL REPORT

Public Parking Fund

Revenues

Revenues for the Public Parking fund were in good shape at 1.9% above the adopted budget. The addition of a popular restaurant downtown seemed to have a positive impact on **parking fee** revenues for that area. The garage at 5th and Felix collected 26% more than the expected original revenue, an increase of \$6,000 when compared to FY12. The relocation of Universal Guardian from downtown to the Belt and Kansas City has had lasting impact on the garage at 6th and Jules. The garage was under budget by \$8,000 which was a drop of 9% from a year ago. The 9th and Felix lot fell short of trend at 91% as the remainder of the Family Guidance staff moved to the 22nd Street location in the final quarter. The lot at 8th and Felix was practically unused for the entire first quarter, but managed to finish just below trend (94%) with several businesses using the space. As mentioned before, the Ground Round restaurant relocation to downtown has attracted more parking for both employees and patrons at several places within the area. Revenues for Other Parking Permits/Fees doubled total year budget by with the increased amount of Ticketmaster events that had been held at the arena and certain businesses that held luncheons or meetings that required event parking fees.

Parking violation fine revenues were above projections, and increased by 5% when compared to the same timeframe of the prior fiscal year. Two Parking Control staff members were patrolling downtown and writing tickets a majority of the year until June when a garage attendant position suddenly became vacant. A possible decrease in tickets is in the future as the staff must now rotate on a daily basis to fill the position. By the end of the year, 1,458 more tickets had been written by the Public Parking staff in comparison to FY12. In addition, the Administrative Services Revenue Technician has been able to research registered owner information on a more consistent basis. As indicated by the graph below, revenues climbed significantly during the third quarter as the result of sending out legal letters in February and of the increased volume of tickets issued. There has also been higher summons activity during the fiscal year. Effective April, City Council voted to change timed parking. Cars will not to be ticketed until 15 minutes have elapsed. This is an extension of 10 minutes from the previous ordinance. The combination of the new ticketing policy and the short-staff situation could impact ticket revenues in FY14.



Amount of Public-Parking operating revenue budget collected at year-end: 102%

Expenditures

Electric services were \$4,000 over budget and a \$2,000 sweeper repair in September had M&R Motor Vehicle over projections by an equal amount. Savings in other areas of maintenance & repair and out of title pay canceled out the negative variances.

Amount of Public-Parking operating budget expended at year-end: 97.0%

FY2013 YEAR END FINANCIAL REPORT

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Proj Beginning Op Fund Balance:			\$145,000		
Designated 27th Payroll FB:			\$6,000		
			<u>\$151,000</u>		
SOURCES					
City Sticker/Penalty	95,000	95,000	97,000	0.02	0.02
Parking Fines	142,000	142,000	146,000	0.03	0.03
Parking Fees	116,000	116,000	118,000	0.02	0.02
Other Revenue/Interest Earnings	1,000	0	0	(1.00)	
Transfers In	7,000	7,000	7,000	0.00	0.00
TOTAL SOURCES	<u>361,000</u>	<u>360,000</u>	<u>368,000</u>	0.02	0.02
USES BY CATEGORY					
Salaries & Wages	155,000	149,000	146,000	(0.06)	(0.02)
Payroll Taxes & Insurances	61,000	61,000	60,000	(0.02)	(0.02)
Materials & Supplies	5,000	9,000	9,000	0.80	0.00
Utilities, M&R, & Other Services	61,000	59,000	56,000	(0.08)	(0.05)
Claims/Insurance/Debt Service	89,000	89,000	86,000	(0.03)	(0.03)
Transfers Out	52,000	52,000	52,000	0.00	0.00
TOTAL USES BY CATEGORY	<u>423,000</u>	<u>419,000</u>	<u>409,000</u>	(0.03)	(0.02)
Net Surplus (Deficit)			(41,000)		
Operating Fund Balance:			\$110,000		
Designated Reserve for 27th PY (2016):			(7,000)		
Ending Available Op Fnd Balance:	Target: \$47,192		<u>\$103,000</u>		

Public Parking Fund (Revenue : Expenditure - \$368,000 : \$409,000)

Ending available fund balance showed a decrease of \$41,000 from prior year. Small increases in revenues and savings in budgeted expenditures could not offset continuing imbalance between revenues and expenditures. Ending fund balance is above target. However an on-going operating deficit will eventually erode that cushion, especially if transfers from other funds are discontinued.

Water Protection Fund

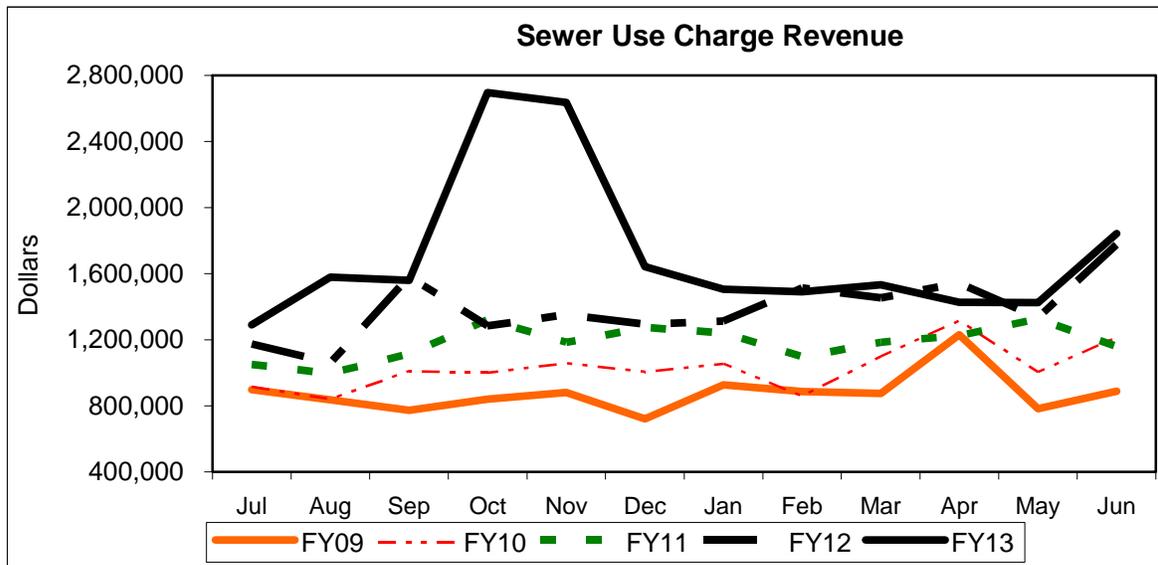
Revenues

Sanitary Sewer charges finished the year above target by 13%. With an 11% rate increase at the beginning of July 2012, sewer service charges exceeded budget by \$2.4 million, and showed an increase of 24% when compared to FY12. The higher than normal revenue stream was not just due to higher rates.

In October 2012, City staff took over billings for the sewer which resulted in a more consistent daily cash flow. When Missouri American Water Company was responsible for the billings, they transferred payments to the City on a monthly basis, a lag time of 45 to 60 days between billings and collections. MAWC also applied all payments to all water balances due before applying payments to City sewer. Now sewer payments come directly to the City. The water company will now have to start collecting their past due amounts in ways other than appropriating payments that should have gone toward past due sewer bills. The City is also making a concerted effort to collect past due amounts remaining from Missouri American Billings and have retained the services of a collection agency to pursue non-payments.

According to the graph below, revenues spiked October and November at the point when City staff took over billing from MAWC and began immediate collections. Since December receipts have leveled out.

The South St. Joseph Sewer District increased 13% from this time a year ago. Sewer service penalties were 24% above projections (\$75,000 above trend).



Amount of Water Protection operating revenue budget collected at year-end: 105%

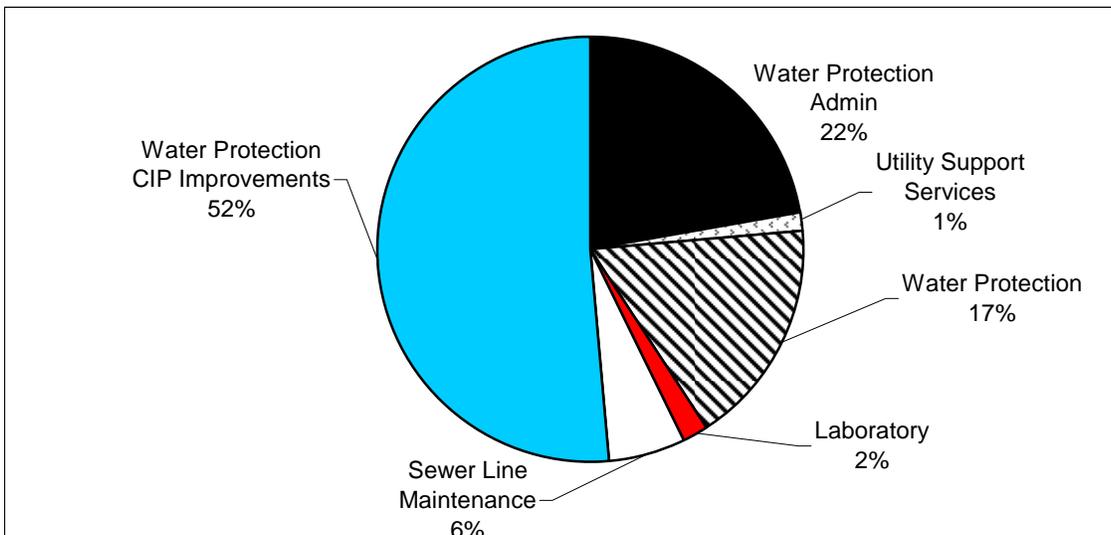
Expenditures

- **Overtime** was not an issue as has been in the past. Laboratory was the only program in the fund over budget, and only by a small margin of \$3,000. The fund decreased its overtime use by 27% compared to FY12. Out of title pay for the fund was over the mark by a combined total of \$13,000.
- Like other funds, **motor fuel** issues were evident. Sewer Maintenance experienced an overage of \$24,000 (41% over budget).
- **Minor equipment** for Laboratory nearly doubled its allotted budget, surpassing the limit by \$37,000. **Professional services** for Water Protection were a major variance at \$124,000 over budget. A majority of the costs were from Black and Veatch and Midland GIS. Water Protection also endured a deficit of \$28,000 in **vehicle and equipment rental** for numerous crane rentals. These were well down from a year ago with a decrease of \$58,000. Between **M&R of Building**

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and **M&R of Motor Vehicles** there was a combined overage of \$92,000 also for Water Protection. Despite all the deficits for Water Protection in these areas, significant savings of over \$400,000 from the original budget for **Major Repair & Replacement** could cover all existing variances for the program and fund.

- The **Utility Support Services** program completed nine months of actual operation with the on-set of billing for City sewer services and as a billing service provider for Country Club Village. A number of expenditures were not included when the FY13 budget was developed in mid-FY12 since many issues were still up in the air at that time. Major budget amendments occurred as FY13, and actual experience, occurred. The original budget for the program was \$167,000 – mainly for staff and a few known up-coming expenses. Mid-year projections anticipated expenses of a little over \$600,000. Actual year-end expenditures came in at \$422,000. While this is \$178,000 more expense than the City realized when paying MAWC to do its billing, it has been more than recovered with the \$2.2 million increase in revenue over and above what was anticipated with the 11% rate increase. While some of that is the result of City pursuit of legacy payments owed since MAWC did the billing, increased effectiveness in the operation should maintain some additional revenue.



Amount of Water Protection operating budget expended at year-end: 97.7%

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WATER PROTECTION FUND

	2012-2013		%over/(under)	
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt Proj
Projected Beginning Op Fund Balance:			\$7,575,000	
Designated 27th Payroll FB:			84,000	
			<u>\$7,659,000</u>	
Projected Beginning CIP Fund Balance:			\$3,192,000	
SOURCES				
Sanitary Sewer Charges	19,620,000	20,895,000	22,186,000	0.13 0.06
Missouri BUILD Tax Credits	388,000	388,000	381,000	(0.02) (0.02)
Other Revenues	8,000	71,000	69,000	7.63 (0.03)
Interest Earnings/Special Assessments	276,000	277,000	206,000	(0.25) (0.26)
SEMA Reimbursement	0	13,000	13,000	1.00 0.00
Transfers In	3,000	3,000	133,000	1.00 43.33
Sewer CIP Revenues (Bond Proceeds/Int)	26,879,000	27,795,000	19,246,000	(0.28) (0.31)
TOTAL SOURCES	<u>47,174,000</u>	<u>49,442,000</u>	<u>42,234,000</u>	(0.10) (0.15)
USES BY CATEGORY				
Salaries & Wages	3,077,000	2,775,000	2,734,000	(0.11) (0.01)
Payroll Taxes & Insurances	1,141,000	1,054,000	1,023,000	(0.10) (0.03)
Materials & Supplies	583,000	583,000	596,000	0.02 0.02
Utilities, M&R, & Other Services	7,176,000	10,543,000	6,534,000	(0.09) (0.38)
Claims/Debt Service/Other	5,570,000	5,670,000	5,525,000	(0.01) (0.03)
Transfers Out	1,495,000	1,583,000	1,495,000	0.00 (0.06)
Capital Equipment	1,180,000	634,000	357,000	(0.70) (0.44)
Capital Improvements	27,532,000	27,236,000	13,336,000	(0.52) (0.51)
TOTAL USES BY CATEGORY:	<u>47,754,000</u>	<u>50,078,000</u>	<u>31,600,000</u>	(0.34) (0.37)
USES BY PROGRAM				
Water Protection Administration	7,203,000	7,383,000	7,031,000	(0.02) (0.05)
Utility Support Services	167,000	605,000	422,000	1.53 (0.30)
Water Protection	5,857,000	5,968,000	5,490,000	(0.06) (0.08)
Laboratory	548,000	541,000	546,000	(0.00) 0.01
Sewer Maintenance	1,983,000	1,878,000	1,911,000	(0.04) 0.02
Sewer CIP Improvements*	31,996,000	33,703,000	16,200,000	(0.49) (0.52)
TOTAL USES BY PROGRAM:	<u>47,754,000</u>	<u>50,078,000</u>	<u>31,600,000</u>	(0.34) (0.37)
Net Surplus (Deficit)			10,634,000	
Operating Fund Balance:			\$15,114,000	
Operating Funds Used in CIP Projects:			\$0	
esignated Reserve for 27th PY (2016):			(105,000)	
Ending Available Op Fund Bal:	Target: \$2,531,507		<u>\$15,009,000</u>	
Ending CIP Fund Balance:			\$ 6,238,000	

Water Protection Fund Operating (Revenue : Expenditure - \$22,988,000 : \$15,400,000)

FY2013 operating fund balance increased significantly from FY2012 levels, easily meeting the 60 day reserve target. Fund balance was \$2.3 million above FY12. This large fund balance will decrease as the major capital expenditures for the required CMOM activities are moved from the CIP program to Sewer Maintenance as was done in FY14.

Although bad debt expense was 65% LESS than prior year (\$101,000 vs \$292,000) the figure is misleading. The actual write-off of bad debt has been delayed until the exact procedures for sending past-due amounts to the collection agency are ironed out.

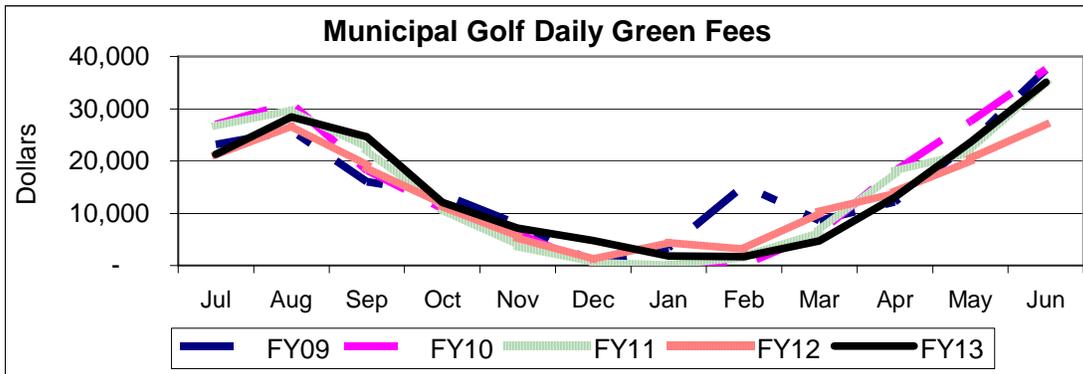
FY2013 YEAR END FINANCIAL REPORT

Fairview Municipal Golf Course (Golf Fund)

Revenues

The FY13 winter ran late and the Golf Course had a slow start to the spring golf season. Fortunately the nice, fall weather ran well into December and sizeable revenue was collected at that time. Overall revenues for the fund fell short of at 96%. However, this was an increase of 1.5% from a year ago. Daily **green fees** met trend (\$2,000 above budget), but were down 9% from FY12. **Tournament fees** were also down 6%, \$6,000 under budget for the year. Snow on the ground in the spring may have prevented some tournaments from taking place. As shown in the graph below, the fees collected were minimal for the third quarter. Fortunately, May and June were ideal conditions for the golfers.

The **banquet/meeting room rental** revenue dropped significantly - 45% when compared to FY12. The facility had been a widely used addition since the renovations occurred in FY10. **Concessions**, which have been a solid revenue generator since the makeover, easily passed budget and improved by \$8,000 when compared to the previous year. The emergence of the **pro shop** was well received by patrons as revenues were 50% more than originally projected. In total the shop collected \$49,000. The biggest hit the fund took was from **cart rental** with a shortfall of \$34,000, down 3.5% from FY12. Part of this can be contributed to the fewer number of tournaments for the year and possibly customers are opting to walk the course to save money (or get more exercise).



Amount of Golf operating revenue budget collected at year-end: 98%

Expenditures

Although **Temporary/PT Wages** were \$4,000 over budget they were down 1% from the previous year as the golf course managers get a better handle on staffing. **Motor fuel** showed an overage of \$6,000. **M&R of Machinery & Equipment** exceeded budget by \$4,000 with repairs to the bobcat and other various items. The only utility over budget was **electric service** by \$2,000. A heavy dose of precipitation during the winter and spring led to savings of \$11,000 for water services, which are usually a significant issue each year. Those savings combined with unused budget in recreation supplies can cover all existing line item deficits for the program.

Amount of Golf operating budget expended at year-end: 96%

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MUNICIPAL GOLF COURSE

	2012-2013		%over/(under)		
	Adopted & Amended	Projected	Preliminary	Adopt	Proj
	Budget	Budget	Actual		
Projected Beginning Op Fund Balance:			\$8,000		
Designated 27th Payroll FB:			\$5,000		
			<u>\$13,000</u>		
Projected Beginning CIP Fund Balance:			\$0		
SOURCES					
Golf Charges	803,000	797,000	768,000	(0.04)	(0.04)
Other Revenue	1,000	1,000	26,000	25.00	25.00
Investment Earnings	0	0	0		
Golf CIP Program	27,000	25,000	33,000	0.22	0.32
TOTAL SOURCES	<u>831,000</u>	<u>823,000</u>	<u>827,000</u>	(0.00)	0.00
USES BY CATEGORY					
Salaries & Wages	301,000	303,000	301,000	0.00	(0.01)
Payroll Taxes & Insurances	73,000	70,000	70,000	(0.04)	0.00
Materials & Supplies	152,000	197,000	200,000	0.32	0.02
Utilities, M&R, & Other Services	152,000	182,000	178,000	0.17	(0.02)
Claims/Insurance	7,000	7,000	5,000	(0.29)	(0.29)
Transfers Out	40,000	40,000	40,000	0.00	0.00
Capital Equipment	43,000	47,000	25,000	(0.42)	(0.47)
Capital Improvements	14,000	10,000	10,000	(0.29)	0.00
TOTAL USES BY CATEGORY:	<u>782,000</u>	<u>856,000</u>	<u>829,000</u>	0.06	(0.03)
USES BY PROGRAM					
Municipal Golf Course	757,000	831,000	794,000	0.05	(0.04)
Golf CIP Program	25,000	25,000	35,000	0.40	0.40
TOTAL USES	<u>782,000</u>	<u>856,000</u>	<u>829,000</u>	0.06	(0.03)
Net Surplus (Deficit)			(2,000)		
Operating Fund Balance:			\$13,000		
Designated Reserve for 27th PY (2016):			<u>(7,000)</u>		
Ending Available Op Fund Bal:	Target: \$66,167		<u>\$6,000</u>		
Ending CIP Fund Balance:			(\$2,000)		

Municipal Golf Fund (Revenue : Expenditure - \$794,000 : \$794,000)

Over the past year and a half, after taking over management of the Golf Course, the Concessions area, and the Pro Shop, golf operations has worked its way out of its deficit position and actually achieved "break even" in the past year.

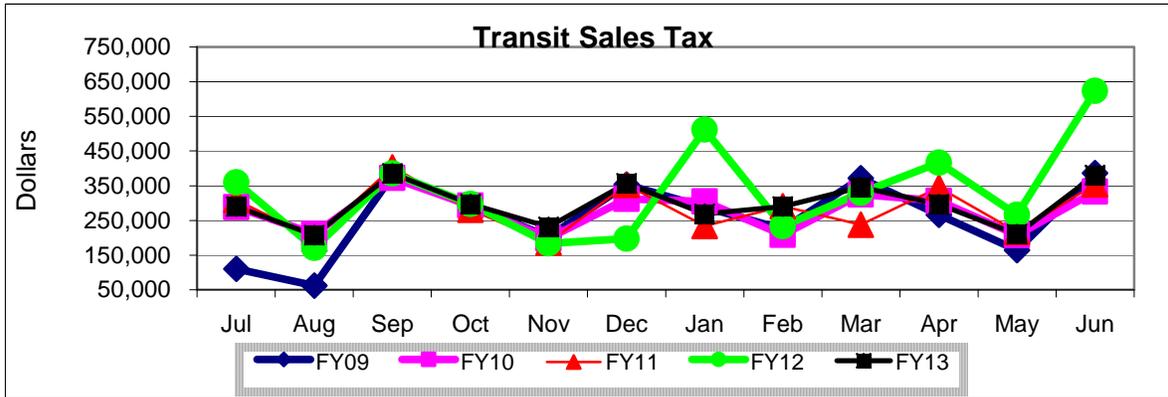
FY2013 YEAR END FINANCIAL REPORT

Transit Fund

Revenues

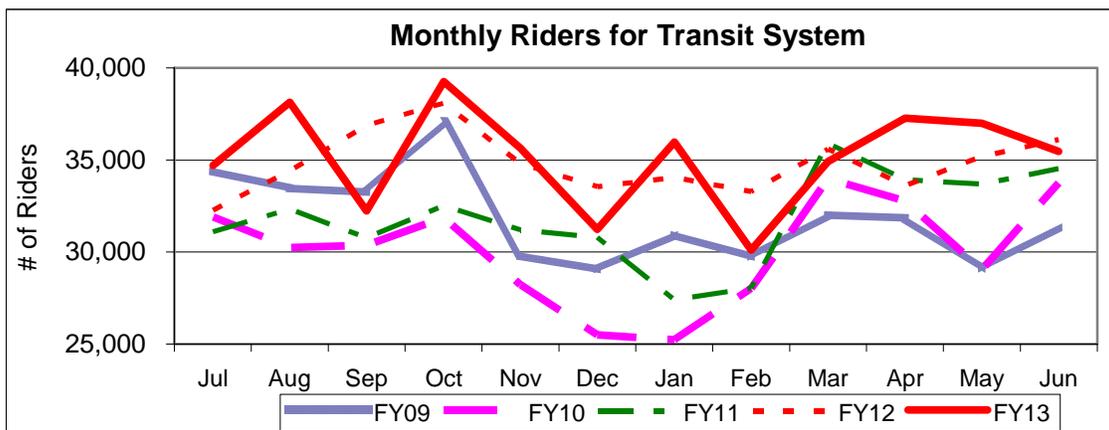
Overall, Transit fund revenues ended the year over the projected budget at 5%.

Mass Transit **Sales Tax** was slightly under the mark by 0.9%, a decrease of \$42,000 when compared to the previous fiscal year. The graph below shows that historically the revenue collected is very up-and-down from month to month.



The fund's **Utility Tax** revenues, however, displayed similar trends as the General Fund and exceeded budget by \$85,000 (an increase of 2.1% compared to FY12).

Daily fare box revenues met projections, but were down 3.6% as gas prices weren't as consistently high as in FY12. **Adult ticket** sales were below trend by \$13,000. As an alternative to the adult tickets, more customers have applied for **senior/handicap (half fare)** tickets. Case in point, senior/handicap tickets sales were well above trend by \$4,000. **Advertising revenue** was reduced by 22% compared to the prior year as the result of Houck Advertising significantly reducing their monthly payments since November 2011. **Ticket sales commissions** for the Jefferson Lines were above target by 17%, an increase of \$12,000 from FY12. According to the graph below, ridership was very up and down with the weather reducing and shutting down buses on several occasions throughout the third quarter. Numbers were consistent the final quarter.



Amount of Transit operating revenue budget collected at year-end: 105%

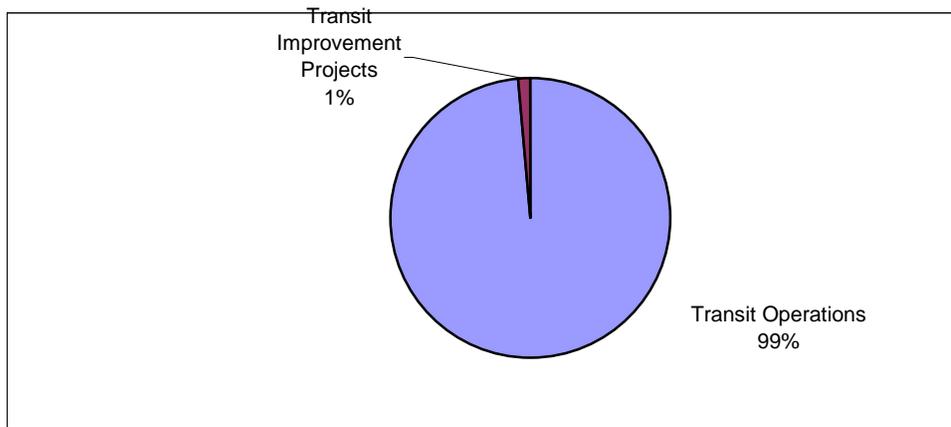
Expenditures

Payroll and benefits ended the year above projections by 2.9%, but up only \$16,000 from FY12. Major heating repairs among other expenses left **M&R of Building & Facilities** over budget by \$21,000. **Electric and water services** combined to produce a deficit of \$10,000. Savings in **Professional**

FY2013 YEAR END FINANCIAL REPORT

Services and **Insurance** washed out the overages leaving the program to finish \$29,000 under budget for the year.

Amount of Transit operating budget expended at year-end: 99.0%



FY2013 YEAR END FINANCIAL REPORT

TRANSIT FUND

	2012-2013		%over/(under)	
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt Proj
Projected Beginning Op Fund Balance:			\$8,938,000	
Designated Reserve for Bus Rplcmnt:			\$444,000	
			<u>\$9,382,000</u>	
Projected Beginning CIP Fund Balance:			(\$284,000)	
SOURCES				
Utility Taxes	1,069,000	1,306,000	1,155,000	0.08 (0.12)
Sales Taxes	4,290,000	4,248,000	4,239,000	(0.01) (0.00)
User Charges	328,000	303,000	309,000	(0.06) 0.02
Other Revenue	4,000	29,000	42,000	9.50 0.45
Investment Earnings	9,000	9,000	11,000	0.22 0.22
Intergovernmental/Other Grants	1,247,000	1,247,000	1,521,000	0.22 0.22
Transit CIP Revenues	3,070,000	3,170,000	799,000	(0.74) (0.75)
TOTAL SOURCES	<u>10,017,000</u>	<u>10,312,000</u>	<u>8,076,000</u>	(0.19) (0.22)
USES BY CATEGORY				
Training/Travel	7,000	7,000	5,000	(0.29) (0.29)
Materials & Supplies	726,000	579,000	585,000	(0.19) 0.01
Utilities, M&R	825,000	749,000	745,000	(0.10) (0.01)
Personnel Costs (via contract)	3,290,000	3,634,000	3,579,000	0.09 (0.02)
Claims/Debt Service/Other	197,000	128,000	100,000	(0.49) (0.22)
Transfers Out	155,000	155,000	155,000	0.00 0.00
Capital Equipment	2,017,000	2,017,000	33,000	(0.98) (0.98)
Capital Improvements	160,000	160,000	33,000	(0.79) (0.79)
TOTAL USES BY CATEGORY:	<u>7,377,000</u>	<u>7,429,000</u>	<u>5,235,000</u>	(0.29) (0.30)
USES BY PROGRAM				
Transit Operations	5,199,000	5,251,000	5,169,000	(0.01) (0.02)
Transit CIP Improvements	2,178,000	2,178,000	33,000	(0.98) (0.98)
TOTAL USES BY PROGRAM:	<u>7,377,000</u>	<u>7,429,000</u>	<u>5,202,000</u>	(0.29) (0.30)
Net Surplus (Deficit)	2,640,000	2,883,000	2,874,000	
Operating Fund Balance:			\$11,490,000	
Designated Reserve for Bus Rplcmnt:			(578,000)	
Ending Available Op Fund Bal:	Target: \$497,019		<u>\$10,912,000</u>	
Ending CIP Fund Balance:			\$ 482,000	

Mass Transit Operating Fund (Revenue : Expenditure - \$7,277,000 : \$5,170,000)

The difference between the CIP expenditures and revenues is the lag between grant expenditures and receiving the grant revenues. Last year's CIP deficit balance was eliminated by receipt of grant revenues.

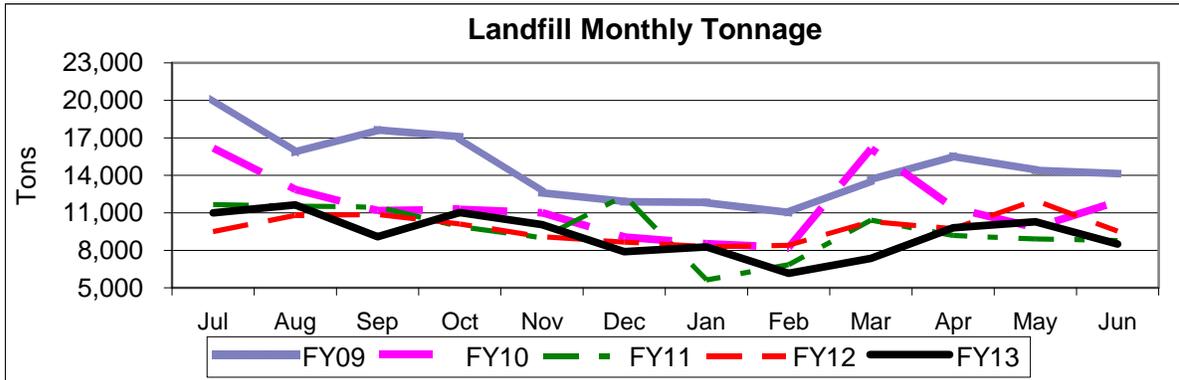
Operating fund balance increases will decline as the system replaces its bus fleet.

FY2013 YEAR END FINANCIAL REPORT

Landfill Fund

Revenues

The Landfill fund revenues were still in decline in FY13. In total, revenues fell \$461,000 short of budget. **Daily fees** were under trend by \$486,000 which was a 13% decrease when compared to FY12. Revenues have been in an overall decline as a result of economic conditions, after Deffenbaugh withdrew from their dumping agreement in FY09, and from the reluctance of councils to do any increase in fees over the last 10 years. Indicated by the graph below, tonnage began the year in better shape, but began a gradual slide in September. The final quarter was an improvement, but only a small one. Since FY08 the average monthly tonnage received has decreased by 6,000 tons.

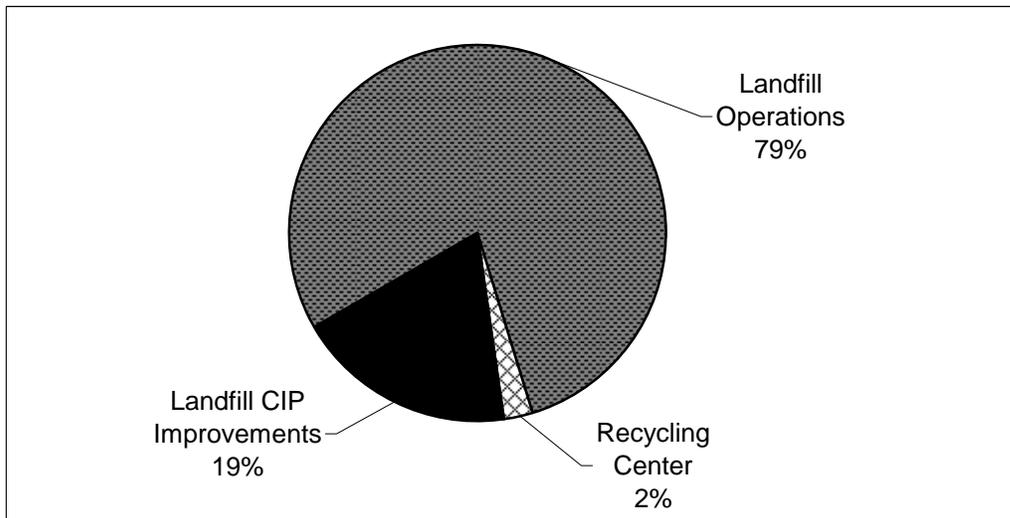


Recycling revenue at landfill operations was down 29% from FY12. The main recycling site only collected 53% of its budget. Recycling revenues had been doing better since the more conveniently located recycling center opened in third quarter of FY11. **Gas to Energy sales** provided a much needed additional revenue source to the fund. It collected \$37,000 more than projections (\$155,000 total).

Amount of Landfill operating revenue budget collected at year-end: 87.0%

Expenditures

Not many issues on the expense side. **Motor fuel** was over budget by \$20,000 had 4% less expense compared to FY12. **Minor equipment** saw an overage of \$5,000 due mostly to a purchase of a welder in November. The fund was well under budget by over \$470,000 for the year and could cover all existing deficits. Most of those savings came from the delay in Stage 7 projects. Excluding those funds, operating expenses were \$159,000 under budget.



Amount of Landfill operating budget expended at year-end: 89%

FY2013 YEAR END FINANCIAL REPORT

LANDFILL FUND

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Projected Beginning Fund Balance:			\$1,602,000		
Designated Reserve for 27th PY (2016):			24,000		
Designated Closure/Post Closure:			4,411,000		
			<u>\$6,037,000</u>		
SOURCES					
Permits	3,000	3,000	3,000	0.00	0.00
Rents	3,000	4,000	4,000	0.33	0.00
Daily Tipping Fees	3,234,000	3,023,000	2,748,000	(0.15)	(0.09)
Gas to Energy Sales	118,000	118,000	155,000	0.31	0.31
Other Revenue	2,000	33,000	32,000	15.00	(0.03)
Recycling Revenue	37,000	37,000	26,000	(0.30)	(0.30)
Investment Earnings	28,000	11,000	11,000	(0.61)	0.00
TOTAL SOURCES	<u>3,425,000</u>	<u>3,229,000</u>	<u>2,979,000</u>	(0.13)	(0.08)
USES BY CATEGORY					
Salaries & Wages	804,000	795,000	792,000	(0.01)	(0.00)
Payroll Taxes & Insurances	278,000	281,000	288,000	0.04	0.02
Materials & Supplies	356,000	411,000	386,000	0.08	(0.06)
Utilities, M&R, & Other Services	745,000	771,000	637,000	(0.14)	(0.17)
Claims/Debt Service/Other	48,000	50,000	52,000	0.08	0.04
Transfers Out	1,073,000	1,073,000	1,073,000	0.00	0.00
Capital Equipment	883,000	884,000	748,000	(0.15)	(0.15)
Capital Improvements	260,000	260,000	0	(1.00)	(1.00)
TOTAL USES BY CATEGORY:	<u>4,447,000</u>	<u>4,525,000</u>	<u>3,976,000</u>	(0.11)	(0.12)
USES BY DEPARTMENT					
Landfill Operations	3,208,000	3,179,000	3,130,000	(0.02)	(0.02)
Recycling Center	174,000	174,000	93,000	(0.47)	(0.47)
Landfill CIP Improvements	1,065,000	1,172,000	753,000	(0.29)	(0.36)
TOTAL USES BY PROGRAM:	<u>4,447,000</u>	<u>4,525,000</u>	<u>3,976,000</u>	(0.11)	(0.12)
Net Surplus (Deficit)			(997,000)		
Total Ending Available FB:			\$5,040,000		
Designated Reserve for 27th PY (2016):			(30,000)		
Designated Closure/Post Closure:			(4,765,000)		
Ending Available Fund Balance:	Target: \$531,313		<u>\$245,000</u>		

Landfill Fund Revenue : Expenditure - \$2,979,000 : \$3,976,000

With the decrease in revenue, with the designated 27th payroll reserve, and with the annual cost of adding to the Closure/Post Closure account, available reserves in this fund decreased by \$997,000 following a decrease of \$628,000 FY12 and a decrease of \$500,000 in FY11.

With this deficit, fund balance dropped to half of its target amount. Had this continued, reduction of services would have been required. The availability of these funds to enable staff to do major improvements in-house and replace major pieces of equipment without leasing which saves money in the long run would have vanished. However, after almost 11 years, City Council approved a minor rate increase for the Landfill. It doesn't take effect until the second quarter of the year, but should help to reverse the operation's slide into a deficit position.

FY2013 YEAR END FINANCIAL REPORT

CAPITAL PROJECTS FUND

Revenues & Expenditures

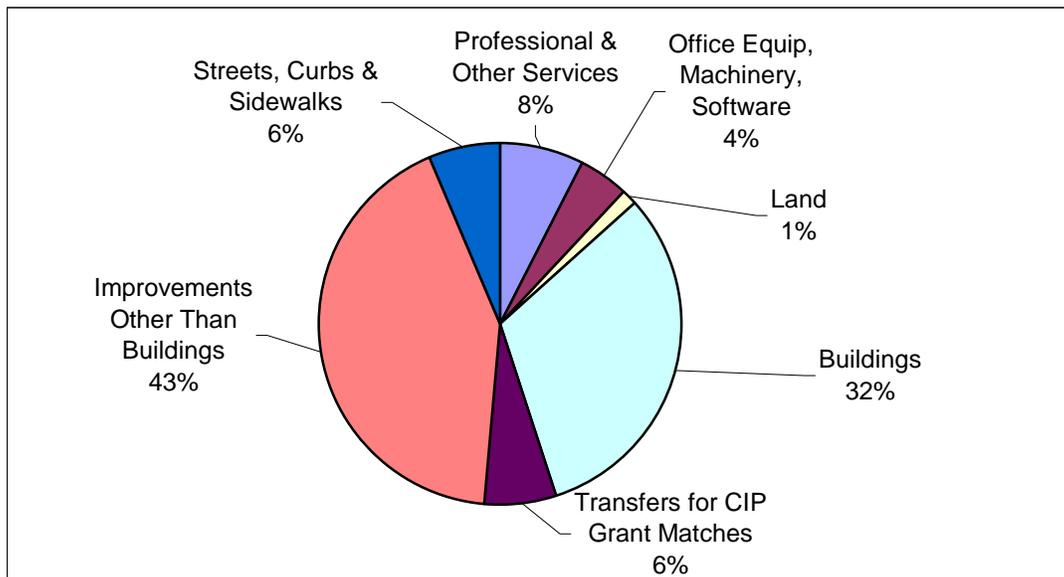
CIP Sales Tax in the Capital Projects Fund was just under budget by \$26,000. The total collected was a decrease of 0.8% when compared to FY12.

Interest Earnings, while not significant, increased slightly over the prior year coming in at \$16,600 versus \$11,000. This was due more to the amount of cash sitting in the bank due to delayed projects than to any increase in the actual interest rates being paid.

Unlike last year's receipt of insurance proceeds from the Missouri Theater complex, the sale of a donated building and FEMA/SEMA reimbursements for repairs paid up-front by the Fund for flooding repairs, there were no significant one-time revenues to enhance the fund.

The shortfalls in budgeted **transfers** and **grant receipts** are not significant since that unrealized revenue was tied to projects deferred to following construction seasons. Major deferrals were the SW Parkway Bridge (\$1.9 million) and the bulk of the improvements to the Missouri Theater (\$613,000). Of the \$991,000 in grant receipts, \$555,000 was from ARRA monies received for projects completed prior to FY13.

A few other smaller projects/equipment purchases originally slated for FY13 were deferred until FY14 and expenditures ended 42% below original budget and 66% below mid-year projections. Expenditures fell into seven major categories as illustrated in the chart below.



FY2013 YEAR END FINANCIAL REPORT

CAPITAL PROJECTS FUND

	2012-2013		%over/(under)		
	Adopted & Amended Budget	Projected Budget	Preliminary Actual	Adopt	Proj
Projected Beginning Fund Balance:			9,414,000		
SOURCES					
Sales Tax	5,509,000	5,475,000	5,469,000	(0.01)	(0.00)
Interest Earnings, Donations & Other	2,000	191,000	212,000	105.00	0.11
Grants	322,000	2,675,000	991,000	2.08	(0.63)
Transfers In	290,000	894,000	771,000	1.66	(0.14)
TOTAL SOURCES	<u>6,123,000</u>	<u>9,235,000</u>	<u>7,443,000</u>	0.22	(0.19)
USES BY CATEGORY					
Materials & Supplies	-	2,000	2,000	0.00	0.00
Outside Services	-	83,000	210,000	0.00	1.53
Transfers Out	145,000	148,000	177,000	0.22	0.20
Capital Outlay	80,000	122,000	115,000	0.44	(0.06)
Capital Improvements	4,558,000	7,807,000	2,265,000	(0.50)	(0.71)
TOTAL USES BY CATEGORY:	<u>4,783,000</u>	<u>8,162,000</u>	<u>2,769,000</u>	(0.42)	(0.66)
Net Surplus (Deficit)			4,674,000		
Total Ending Fund Balance:			\$14,088,000		

Capital Project Fund Revenue : Expenditure - \$7,443,000 : \$2,769,000

The most important issue facing this fund is that many projects see significant cost increases. Obviously, if CIP sales tax revenues do not keep pace with the increase in the cost of individual projects, then there will be one or more projects approved by the taxpayers not completed with the upcoming six-year life-cycle of the half-cent sales tax, renewed by voters in an August CIP tax election.

SUPPLEMENTAL REPORTS

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FY2013 YEAR END FINANCIAL REPORT

INVESTMENT REPORT

COMMENTARY

The Investment Report is for the twelve month period ended June 30, 2013. The purpose of the report is to keep the reader informed of the diversification and status of the City's investment portfolio. The City's Investment Policy, adopted by the City Council on July 19, 1994 and revised on October 18, 2010, guides investment activities and ensures that City funds are invested in a manner which provides the highest investment return with maximum security while meeting the daily cash flow demands in accordance with all state and local laws.

CASH INVESTMENTS

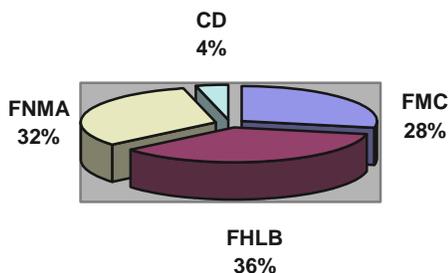
As of June 30, 2013, \$49,984,691.24 of the City's idle cash was invested in U.S. Treasury Bills, Agency Securities, Certificate of Deposits, and cash. The majority of the investments purchased were Agency Discount Notes with maturities of 180 days or less. Individual yields on the securities range from 0.04% to 0.14% with a maturity expected weekly. Most City investments are made in instruments of 180 days or less because: 1) the return on longer instruments is not significantly greater to offset the loss in liquidity; and 2) current low fund balances in most funds require that investments be very liquid.

According to City policy, the City may only invest in U.S. Treasury Obligations, U.S. Treasury Agency Obligations, Certificate of Deposits, Repurchase Agreements, Collateralized Public Deposits, Bankers' Acceptances, Commercial Paper, and Local Government Investment Pools. U.S. Treasury Obligations (T-Bills) are short-term obligations considered risk free and very liquid. They are backed by the full faith and credit of the U.S. Government. While considered the safest of all types of securities, Treasury Bills provide the lowest yield. Due to the low yield, the City prefers to invest in other, high-yielding, relatively risk-free U.S. Government Obligations.

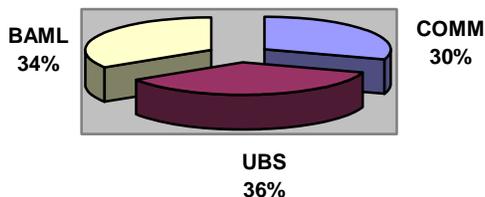
Some Agency Discount Notes are guaranteed by the full faith and credit of the U.S. Government, but most carry only a "moral obligation" of Congress to protect investors. These notes usually have higher yields than Treasury Obligations, and include federal agencies such as the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Bank (FHLB) and Federal Farm Credit Bank (FMC).

Safety of principal is the foremost objective of the City's investment program. To achieve this objective, diversification is a necessity for securities and vendors. Investments are competitively bid and purchased from Bank of America Merrill Lynch, UBS, and Commerce Bank of Kansas City, maturing weekly for cash flow purposes. The City's guidelines for diversification provide for a goal of no more than 50% of the City's total investment portfolio be invested in a single security type or with a single financial institution.

Investment Types



Investment Firms

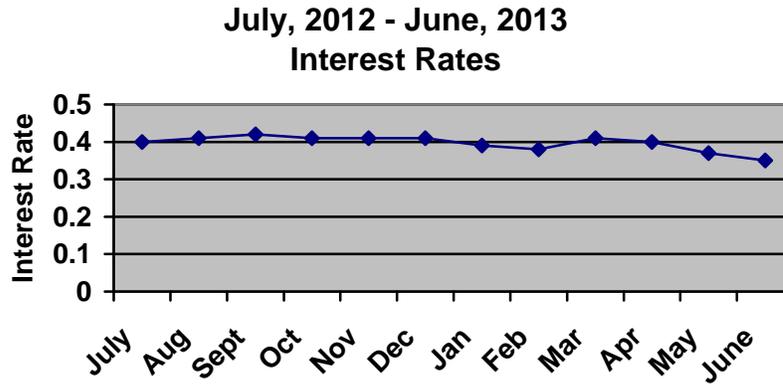


INTEREST INCOME

The City also receives interest income on cash balances in its checking account. Interest is distributed to each fund at the end of each month. The interest rate is equal to the average 91 day Treasury Bills plus .31 points on the City's average collected balance. The rate the City received for the month of June, 2013 was 0.35% compared to 0.40% in June, 2012. The fiscal year averaged around 0.40% a month.

FY2013 YEAR END FINANCIAL REPORT

Because of collateral agreements with the banking institution insuring cash balances, this is as safe as investments in U.S. Treasury Bills.



Fiscal Year 2012/2013

Interest earned that has been distributed to the individual funds based upon the cash balance monthly average:

July, 2012	\$	5,402.43
August, 2012	\$	7,179.58
September, 2012	\$	5,647.39
October, 2012	\$	5,648.65
November, 2012	\$	7,028.15
December, 2012	\$	6,174.85
January, 2013	\$	6,282.85
February, 2013	\$	5,780.13
March, 2013	\$	6,510.64
April, 2013	\$	5,750.77
May, 2013	\$	5,880.55
June, 2013	\$	<u>5,890.86</u>
YTD 2013 Total	\$	73,176.82

FY 13 recognized \$73,176.82 in investment interest compared to \$51,058.27 in FY12 for a difference of \$22,118.55 in additional revenue.

Unrestricted cash deposits and investments of the City are pooled and include cash held in commercial bank checking accounts and investments held in United States Government Treasury and Agency securities. All funds with a cash balance carry an "Equity in Pooled Cash" balance on the financial statements equal to their respective cash deposit and investment portion of the pool. The individual funds "Equity in Pooled Cash" equals the \$57,303,952 the City records as unrestricted.

Restricted cash deposits and investments are restricted for legal purposes or purposes designated by City Administration. In accordance with bond transcripts, the Trustees of the bonds are legally required to hold reserves at their financial institution. Currently, the City has \$16,686,157 held at various locations as instructed by the bond transcripts.

FY2013 YEAR END FINANCIAL REPORT

The charts on this page show the June 30, 2013 status of city cash by type of investment, type of restriction and unrestricted cash balances.

CASH By Type of Investment June 30, 2013

Checking Account Balance:		\$7,319,260.43
U.S. Government and Agency Securities:		
Federal Natl Mortgage Association	\$15,995,492.63	
Federal Farm Credit Bank	13,995,039.87	
Federal Home Loan Bank	17,994,158.74	47,984,691.24
Certificate of Deposits		2,000,000.00
Cash and Investments		57,303,951.67
Bond Reserves (held at various institutions)		16,686,156.85
		\$73,990,108.52

	CASH	
	By Type of Investment	
	June 30, 2013	
Unrestricted Cash Balance:		
Cash	\$7,319,260.43	
Investments	49,984,691.24	
		\$57,303,951.67
Restricted Cash Balance:		
Bond Reserves (various institutions)		16,686,156.85
		\$73,990,108.52

The label “unrestricted cash” is deceiving. The cash is unrestricted only in the accounting sense of not being legally restricted to a certain use, like bond reserves. The cash is restricted in the sense of what fund it belongs to and what that fund can use it for.

The chart on the following page breaks down the \$57.3 million “unrestricted” cash figure above by fund and designated uses (if any).

FY2013 YEAR END FINANCIAL REPORT

CASH

UNRESTRICTED CASH BY FUND

June 30, 2013

General - Cash	\$5,594,236.65	
Emergency	1,125,000.00	
Escrows/Grants	80,508.29	
Public Nursing/Richardson Trust/CHIP/MReserv	211,607.99	
Senior Center Foundation/WMorgan Trust	13,022.62	
Cell Phone	826,068.19	
Computer Reserve	526,153.50	\$8,376,597.24
<hr/>		
Street Maintenance- Cash		1,634,740.77
Parks, Recreation & Civic Facilities-Cash		253,110.31
CDBG- Cash		(232,825.23)
Special Allocation - Cash		1,121,056.66
Riverboat - Cash		322,119.43
Museum		429,845.61
Capital Projects - Cash		14,930,534.46
Aviation- Cash	321,892.24	
Escrows/Grants	7,572.00	329,464.24
<hr/>		
Parking - Cash	106,936.87	
Escrows	6,525.00	113,461.87
<hr/>		
Water Protection - Cash	3,509,256.71	
In House Bond Reserve	4,999,949.96	8,509,206.67
<hr/>		
Golf - Cash		(27,564.54)
Mass Transit - Cash		10,508,868.40
Landfill - Cash	3,510,115.69	
Post Closure	4,805,214.88	8,315,330.57
<hr/>		
Worker Compensation - Cash		1,059,713.45
Payroll - Cash		337,165.29
Library - Cash		0.00
St. Joseph Gateway TDD - Cash		76,071.20
Cocks Crossing CID - Cash		15,909.97
East Hills CID - Cash		2,632.18
CDBG Loan Funds - Cash		1,228,513.12
		<hr/>
		\$57,303,951.67
		<hr/> <hr/>

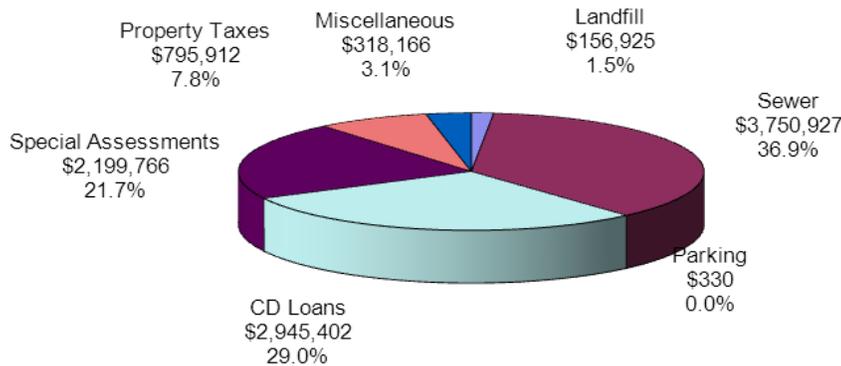
FY2013 YEAR END FINANCIAL REPORT

ACCOUNTS AND LOANS RECEIVABLE REPORT

COMMENTARY

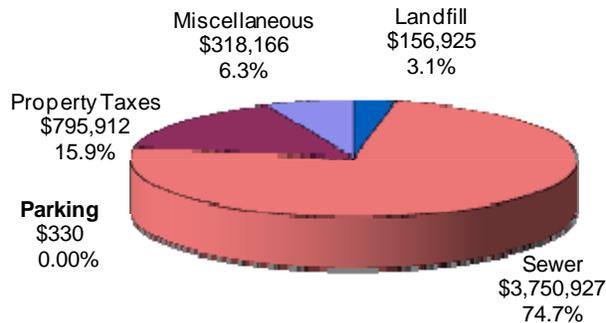
The Accounts and Loan Receivable Report is for the fourth quarter ended June 30, 2013. These receivables have been billed to each customer and already appear as revenue on the general ledger. The purpose of this report is to identify the various types and amounts of receivables, discuss the City's various collection efforts and provide an estimate of receivable collectability. Total Accounts and Loans Receivable at June 30, 2013 are \$10,167,427 broken out as follows:

Accounts Receivable and Loan Receivable Report For Quarter Ended June 30, 2013



Accounts Receivables (below) are generated from routine services provided to City residents. Routine receivables (taxes, licenses and fees) are outlined in the table below. Loans and Lien Receivables have been excluded due to: 1) uncertain collectability with special assessments; and 2) CDBG loans are payable over 30-40 years, leaving most of the receivable due into the future, not past due. Details of each type will now be discussed by category type.

Accounts Receivable For Quarter Ended June 30, 2013 (Excludes Loans and Special Assessments)

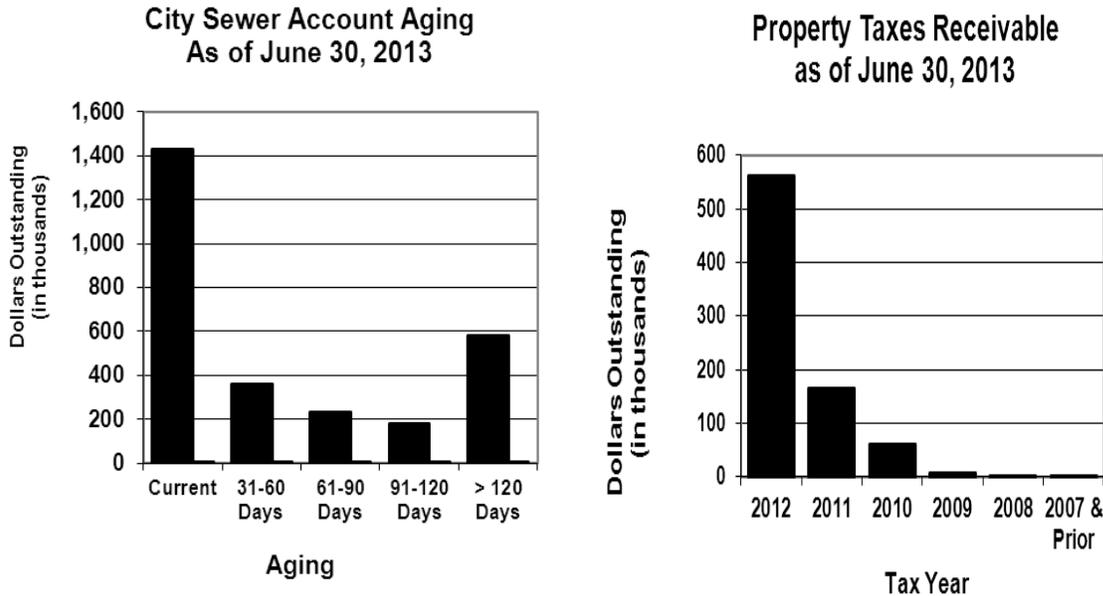


City Sewer Fund receivables (74.7%), as in past years, are the greatest receivable due in the fourth quarter. Total sewer amounts due are \$3,750,927 as of June 30, 2013. Remaining sewer balances (\$427,122) on MAWC records were sent back to the City in Dec, 2012 and staff continued to pursue via one final collection letter in February, 2013. Those collections netted \$44,150. Remaining balances totaling \$382,972 were written off active sewer receivables in the fourth quarter. Former balances (when

FY2013 YEAR END FINANCIAL REPORT

greater than \$25) totaling \$373,356 were sent to Berlin-Wheeler, the City's contracted collection agency in March, 2013. Total FY13 collections from Berlin Wheeler through June, 2013 were \$9,426.

City Administrative Services staff are preparing formal shutoff and collection policies to be presented to the Mayor and City Council during Fiscal Year 2014. The City sewer balances due include primary secondary sewer surcharge customer user fees (\$970,624), Oak Mill lawsuit (\$93,600), and septic load processing charges (\$660). The SSJSD balance is current.



Property Tax delinquent reports were provided by the County Collector as of June 30 as required in the Billing and Collection contract. A comparison of the fiscal year 2013 delinquent lists shows \$626,078 (excluding St. Joseph Library) remaining due compared to \$655,237 in fiscal year 2012. Total **Current Year** adjusted property valuations of \$954,533,122 for FY13 decreased 2.1% from FY12 at \$975,343,375. County collections through June 30 show a decrease in current collections of \$133,601 or one and two-tenths (1.2%) percent. Total current year City tax receipts were \$11,086,025, compared to FY2012 receipts of \$11,219,826. Tax revenue continues to suffer as the tax ceilings of General, Parks and Maintenance levies have been met.

Prior Property Tax receivables include the receivables for tax years 2011 & prior. As of June 30, prior property taxes remaining due total \$177,869 compared to \$254,319 for all funds in fiscal year 2012. Total prior year collections increased (3.1%) with \$700,003 compared to \$678,935 for FY2012. The Buchanan County Collector's 2012 tax sale was held on Monday, August 26, 2013 and will be reported in FY14's first quarter report.

Landfill Fund receivables (3.1%) include landfill charge accounts and land leases. Receivables are billed by Administrative Services based on charge accounts posted and verified by Landfill staff on the WasteWorks software. FY2013 landfill fund billings totaled \$1,993,683. Outstanding receivables totaled \$156,925. Less than one-tenth of one percent (0.009%) of total receivables (\$197) were greater than 30 days delinquent. Total fiscal year tipping fee revenues of \$2,747,829 represented a decrease of thirteen (13%) percent from fiscal year 2012.

Miscellaneous Receivables (6.3%) are billed by Administrative Services. These receivables are for various services and/or fees. Customers with amounts due greater than 45 days are sent a second courtesy delinquent notice. After the second notice, the originating departments are notified to consider revoking their ability to charge future services/fees until their account is brought current. Miscellaneous billings include:

FY2013 YEAR END FINANCIAL REPORT

General Fund –

- Police Department - LEC charges, Heartland Health and Buchanan County shared expenses for maintenance of the communication system;
- Fire Department - fire district contracts;
- Administrative Services – Admin fees for Chapter 100 bonds and PILOT taxes due per Chapter 100 agreements;
- Health Department – Birth/Death certificate monthly billings, monthly pound fees for area cities, and Buchanan County Health Contract;
- Parks & Recreation Department - Hockey Club and Figure Skating Club ice rentals;

Streets Maintenance Fund – Street/utility cuts, culvert pipe purchased for installation, Road & Bridge taxes;

Parks Maintenance Fund - Horace Mann monthly leases;

Special Allocation Fund – Buchanan County certified EATS;

Aviation Fund – Monthly hangar/Airport café leases, and annual land lease;

Mass Transit Fund –State of Missouri bus passes purchased;

Payroll Fund – Retiree and Cobra insurance billings.

Business Licenses and Permits By Type Fiscal Year 2013

Type	FY2013		YTD Revenue	
	New	Temporary	FY13	FY12
Liquor licenses	31	79	\$98,650	\$94,851
Alcohol server licenses	828	715	\$25,170	\$28,940
Health permits/inspections	40	121	\$93,157	\$91,611
Alarm permits	179	20	\$55,355	\$53,016
Fire inspection permits	37	24	\$31,000	\$31,865
Trade licenses	198	2	\$79,493	\$78,795
Contractor licenses	12	0	\$5,075	\$4,975
Business licenses	692	35	\$860,321	\$867,068
Totals	2,017	996	\$1,248,221	\$1,251,122

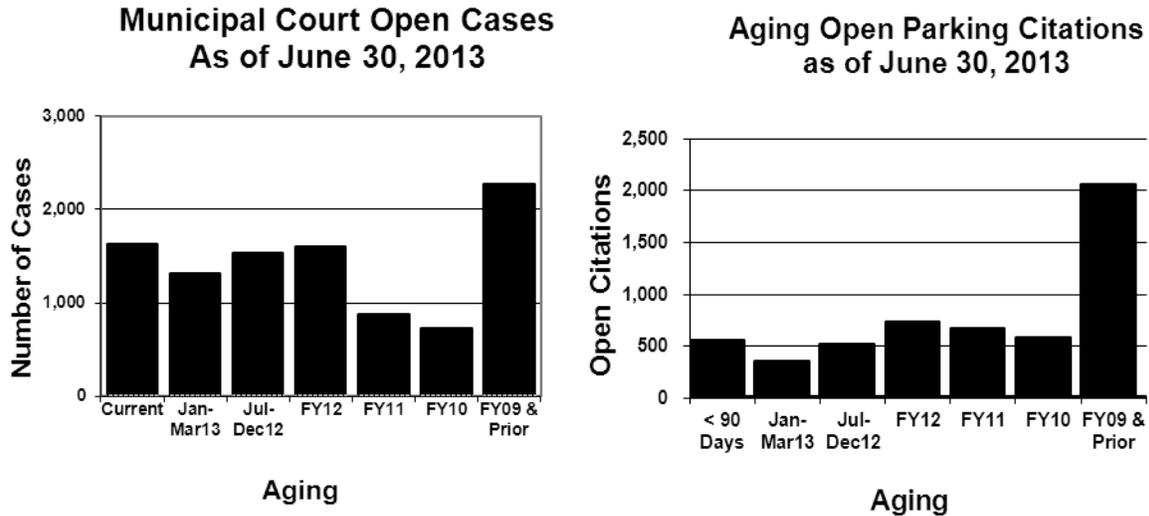
Business Licenses/Permits and Municipal Court and Parking Citations are also miscellaneous receivables, but not included in the total amount due. Most amounts are unknown at the time of issuance or billing – business licenses because many are based on gross receipts which fluctuate from year to year and Court citations because defendants must have their due process in Court.

Annual licenses, permits and inspections for business activity are billed and collected by the Customer Assistance Division and recorded in Permit's Plus Software when received. Collection efforts continue for the expired business licenses due on June 30, 2013. To date, these efforts include the original renewal application. Delinquent letters went out in mid-July, 2013. The final step will be a summons to Municipal Court. A total of 3,800 new and temporary business licenses and permits were issued during the year. As of June 30 there were 4,602 active business licenses. The distribution of new business permits and licenses issued are broken down by type above.

Municipal Court receivables (shown below) are recorded in the INCODE Court software. As of June 30, open citations totaled 9,952, a decrease of 6.8% from the previous quarter. Out of 20,808 cases filed since July 1, 2012, 21.5% (4,473 of the cases) remain open. Cases typically require 45-60 days before the court case is taken up. Court staff issue warrants for failure to appear for any case greater than five (5) days past the assigned court date. They also suspend licenses for those failing to appear for traffic violations. A review is also performed on all prior citations with regard to collections and cases are closed

FY2013 YEAR END FINANCIAL REPORT

in the proper, timely manner. Court staff are working on a collection policy and procedure guide. In May, 2013, the first group of delinquent citations was sent to Capital Recovery, the Municipal Court contracted collection agency. Staff are anxious to see how successful this strategy will be.



FY13 court fines and fees collected totaled \$1,581,000 compared to \$1,325,000 for the same period in fiscal year 2012, a 24% increase. The citations filed increased for the first time in three years - totaling 20,808 in FY2013, compared to 18,226 for FY2012. Handheld units are now assisting Police officers with the issuance of citations. It takes a great deal of time off the manually written citations.

Public Parking receivables (<1%) include monthly parking permits billed for City garages. Other receivables include outstanding parking citations as recorded in the Parking Access database. Parking fine revenue is recognized when received as these amounts due remain uncertain due to requests for dismissal and the possibility of due process in Municipal Court if desired. The aging of these citations is shown in the table above.

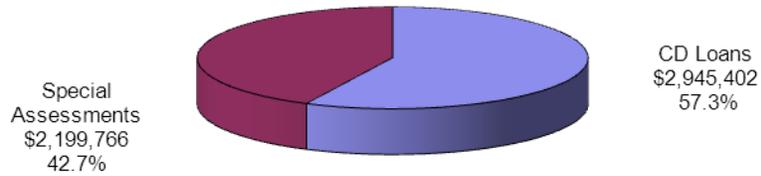
A total of 9,196 parking citations were issued in FY2013 – 7,231 by public parking staff and 1,965 by police officers and fire department staff. This compares to 8,515 citations written over the same period in FY2012. Total parking fine revenues received equaled \$145,514 of which \$127,113 (87.4%) come from fines remitted directly to the City before penalties were applied and from collection letters generated by Administrative Services. Municipal Court summons resulted in the remaining \$18,401 (12.6%). A total of 8,830 collection letters were mailed out this fiscal year. As of June 30 a total of 5,501 citations remain open.

The Parking Fund continues to receive supplemental revenue from one half of the motor vehicle fees collected by the Buchanan County Collector and additional \$1 fee added to Ticketmaster events at the Civic Arena.

Community Development (C.D.) Loan receivables (57.3%) are low-interest loans made to low and moderate income residents under regulations promulgated by the Federal Department of Housing and Urban Development (HUD). These loans vary in length from 15 to 40 years. Although total loans outstanding are \$2,945,402, less than one percent (0.64%) or \$18,936 represent principal and interest past due.

FY2013 YEAR END FINANCIAL REPORT

Loan & Special Assessment Accounts Receivable As of June 30, 2013



The Accounting Division of the Administrative Services Department bills and monitors these accounts. The C.D. Loan Committee, comprised of Administrative Services, Community Development and Legal staff, meet monthly to discuss accounts with balance portions greater than 30 days delinquent and decide upon the collection measures to be used from general collection letters to foreclosure if necessary.

CDBG Loan Aging

Aging	Dollars
0-59 Days	\$4,486
60-89 Days	\$6,450
> 90 Days	\$8,000
Future	\$2,926,467
Total Due	\$2,945,402

Lien & Special Assessment receivables (42.7%) totaled \$2,199,766 as of June 30. These included demolition liens (\$1,126,389), general code violations for weed and trash liens (\$995,277), and street and sewer improvement and use liens (\$78,099). Demolition and weed and trash liens are billed and collected by the Customer Assistance Division, with demolitions having a ten (10) year pay back period. Sewer Improvements and Street Special Assessments are billed by the Administrative Services Department. Revenues collected from weed and trash liens totaled \$105,243, compared to \$99,525, an increase of 46.7% for the same period in fiscal year 2012. A large portion of the increase can be attributed to restitution added to Court fines and fees in order to recoup cleanup costs of the property. Other Collections are:

Special Assessment Revenue For Quarter Ended June 30, 2013

Type	FY13	FY12	Increase/Decrease (%)
Demolitions	\$ 32,380	\$22,075	46.68%
Weed/Trash	105,243	99,525	5.75%
Sewer Improvements	2,609	1,156	125.68%
Street Lighting & Improvements	2,790	8,535	(67.31%)
	\$143,022	\$131,291	8.94%

Accounts are reviewed periodically by Customer Assistance, Property Maintenance and Legal staff to consider additional collection measures if deemed collectable. These measures include a series of collection letters and, if necessary, a lawsuit filed in Buchanan County Circuit Court as a personal debt of property owners.

FY2013 YEAR END FINANCIAL REPORT

PURCHASE ORDERS (CONTRACTS) BETWEEN \$5,000 AND \$25,000 COMMENTARY

The City's purchasing policy allows the City Manager to approve contracts between the amounts of \$5,000 and \$25,000. The following lists those contracts** issued in the fourth quarter of Fiscal Year 2012 between those limits.

4/4/2013	JCI Industries Inc.	\$ 15,035.00	Shand & Jurs Bio Gas Model X9150-08-21-0 Back Preassure Regulator 8" Size	WPF
4/5/2013	St Joseph Plumbing & Heating	\$ 5,175.00	Emergency - Provide Labor, Material & Equipment to Reroute Gas Piping Insdie Gymnasium as needed	Rec
4/15/2013	CSH Trailers	\$ 13,220.00	Doolittle BF1022522K Trailer 96" x 25', 20 Ft Deck with 5' Dove	Streets Adm
4/18/2013	Lee Grover Construction Co	\$ 12,370.00	Remodel City Hall Second Floor Breakroom	Svcs
4/19/2013	K C Bobcat	\$ 6,000.00	2012 5 650 A91 with 2 Buckets and Forks	WPL
4/26/2013	K C Bobcat	\$ 8,120.00	HB980 Hydraulic Breaker with Nail Point; Loader X-change Mounting Frame; Chisel Bit	Streets
5/7/2013	R S Electric	\$ 6,236.47	Installation of Transformer and Related Supplies and dispsal of Old Transformer	Parks
5/16/2013	Alexander Open System Inc	\$ 5,468.90	(2) Microsoft System Center Datacenter License, 2 Processors for SAN	IT
5/20/2013	Barts Electric Co	\$ 9,600.00	Installation of Portable Emergency Generator at Fire Station 8	Fire
5/21/2013	World Wide Technology Inc	\$ 6,369.58	(2) Windows Server Datacenter v.2012 0 - License - 2 Proc - for SAN	IT
5/22/2013	Pioneer Material Inc	\$ 5,000.00	(6) Left Handed Door Locks; (4) Right Handed Door Locks; Installation at Station 4, 5, 6, 8, 10 and Central Headquarters	Fire
5/24/2013	World Wide Technology Inc	\$ 5,565.30	(15) MNT RNWL DBLTK B/U-Repository part O-DTBURESPOS-R	IT
5/29/2013	Daves Auto Sales	\$ 19,400.00	2001 Ford Ranger Truck and a 2004 Nissan Frontier	PM
5/30/2013	MHC Kenworth	\$ 5,400.00	(12) Replacement Wheels for Buses	Transit
6/4/2013	Otis Elevator Co	\$ 7,946.76	Brake Work on Elevator; replace brake linings and coil, adjust brake shoes	Adm Svcs
6/7/2013	Miller Construction	\$ 6,800.00	303 E Kansas Ave - Demolition, removal and cleanup of structure	PM
6/7/2013	Madget Demolition Inc	\$ 11,340.00	2602 Lafayette St - Demolition, removal and clanup of house fence and retaining wall	PM
6/7/2013	Miller Construction	\$ 5,850.00	2834 S 20th St - Demolition, removal and cleanup of house and accessory structure	PM
6/7/2013	Motorola Solutions	\$ 19,519.48	(4) XTS5000 Motorola II Radio with programming/accessories; (40) 1800 MAH FM RUGG NIMH Battery Ultimate Destination & 8211	Fire
6/7/2013	Madget Demolition Inc	\$ 6,240.00	1507-07 Beattie St - Demolition, removal and cleanup of structure	PM
6/7/2013	Miller Construction	\$ 7,500.00	619 Concord St - Demolition, removal and cleanup of structure	PM
6/19/2013	Madget Demolition Inc	\$ 9,380.00	307-09 S 19th St - Demolition, removal and cleanup of house and accessory structure	PM

FY2013 YEAR END FINANCIAL REPORT

6/24/2013	Auxier Construction	\$ 11,430.00	Fire Station #6 Concrete Driveway Repairs	Fire
6/25/2013	Central Power Systems	\$ 7,477.70	Transmission Replacement on Unit 0434	Transit
6/26/2013	Motorola Solutions	\$ 6,414.75	APX7500 Consolette Dual Band Radio	Police
6/26/2013	Acushnet Company	\$ 7,003.49	Titleist Balls, Clubs, Hat and Golf Bags. Footjoy Gloves, Socks and Shoes	Golf
6/26/2013	World Wide Technology Inc.	\$ 16,822.50	(50) Microsoft Office Professional Plus 2013, Single License, Select Plus	IT
6/27/2013	Action Electric	\$ 5,000.00	AC Repair/Recharge on Inverter Cabinets at South St Joe Pump Station	WPF
6/27/2013	Auxier Construction	\$ 11,800.00	East Market Street Parking Lane Improvements	Eng

FY2013 YEAR END FINANCIAL REPORT

ROUTINE BUDGET TRANSFERS COMMENTARY

Routine Budget Transfers are allowed under "Administrative Code Sec. 2-1052. Budget Transfers. (abridged & supplemented)" The following statement appears on the Routine Budget Transfer Form.

You Cannot Use This Form To:

1. Transfer funds to create full or regular part-time positions unless approved by Council.
2. Transfer (or use budgeted funds) to purchase a capital item/project (more than \$5,000) that has not been approved by the Council in the budget. EXCEPT – Once all budget approved capital items have been purchased, savings can be transferred.

FOR EITHER OF THE ABOVE – PREPARE AN ORDINANCE FOR COUNCIL APPROVAL.

The following report reflects routine budget transfers for the fourth quarter FY2013, sorted by Fund and Department. Most transfer forms contain several transactions. This is why there can be several lines of adjustments for each Transfer Number. The transfer number is an ID entered by staff when transfers are processed.

The major reason for the transfer is labeled with a short description. When there are multiple transfers per form, any amount over \$1,000 has a notation of the item being increased.

<u>Transfer Number</u>	<u>Object</u>	<u>Expenditures Decrease</u>	<u>Object</u>	<u>Expenditures Increase</u>	<u>Comments</u>
GENERAL FUND					
<u>Municipal Court</u>					
BT104			1410	1,100.00	MUNICIPAL COURT REGISTER PRINTER
			1448	200.00	
BT127	1305	(20.00)	1410	1,615.00	CREDIT CARD FEES
	1365	(1,415.00)			
	1390	(180.00)			
<u>City Manager</u>					
BT096	1460	(9,050.00)	1513	50.00	CITY MANAGER BOND INSURANCE
			1365	9,000.00	VIDEO CAMERA FOR PIC & MEDIA EQUIPMENT
<u>Legal</u>					
BT114	1440	(1,390.00)	1305	970.00	LEGAL YEAR END CLEAN UP
			1365	420.00	
BT119	1410	(2,500.00)	1305	2,500.00	PROSECUTORS INCODE MODULE
<u>Planning & Community Services</u>					
BT126	1410	(22,800.00)	1110	4,000.00	PROPERTY MAINTENCE HEALTH INSURANCE
	1365	(9,200.00)	1110	22,800.00	COVERAGE LEFT OUT OF BUDGET FOR A
	1405	(4,000.00)	1235	9,200.00	POSITION
BT130	1340	(263.00)	1235	171.00	
	1365	(1,725.00)	1305	2,797.00	OFFICE SUPPLIES
	1225	(171.00)			
	1305	(496.00)			
	1390	(313.00)			
BT141	1435	(200.00)	1225	200.00	
	1448	(1,400.00)	1390	4,500.00	PROPERTY MNT - OTHER SUPPLIES
	1448	(1,400.00)			
	1445	(1,700.00)			

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Administrative Services

BT084	1463	(6,500.00)	1365	3,000.00	CITY HALL LOBBY DIRECTORY, REPLACEMENT FLAGS & CHRISTMAS DECORATIONS
			1390	3,500.00	
BT087	1305	(1,350.00)	1365	1,350.00	ASC GIS LICENSE
BT104	1410	(700.00)			MUNICIPAL COURT REGISTER PRINTER
	1448	(200.00)			
	1498	(400.00)			
BT139	1470	(4,555.00)	1503	4,302.00	PRINTING & INTEREST FOR LEASE PAYMENTS
			1505	253.00	

Police

BT099	1478	(1,361.00)	1365	1,361.00	SERVER TRAINING SUPPLIES, EQUIPMENT FOR GARAGE MAINTENANCE & PURCHASE OF TWO RADARS
	1265	(600.00)	1390	600.00	
	1478	(500.00)	1480	500.00	
BT109	1478	(300.00)	1390	5,117.00	PURCHASE OF LAPTOPS
	1305	(1,107.00)	1265	2,000.00	APCO TRAINING FOR DISPATCHERS
	1322	(33.00)			
	1365	(339.00)			
	1440	(342.00)			
	1498	(2,996.00)			
	1365	(2,000.00)			
BT121	1365	(1,290.00)	1365	3,068.00	APX 7500 CONSOLETTA DUAL BAND RADIO SYSTEM PURCHASE
	1498	(778.00)			
	1390	(1,000.00)			
BT123	1365	(7,457.00)	1365	7,457.00	APX 7500 CONSOLETTA DUAL BAND RADIO

Fire

BT131	1235	(26,715.00)	1478	1,696.00	M&R EQUIPMENT
			1480	10,496.00	M&R VEHICLES
			1445	2,044.00	PHONE SERVICES
			1465	11,206.00	ELECTRIC SERVICE
			1468	1,273.00	WATER SERVICE

Parks, Recreation and Civic Facilities

BT136	1235	(4,926.00)	1305	3,220.00	OFFICE SUPPLIES
	1630	(54,092.00)	1385	3,073.00	SUPPLIES FOR RESALE
			1503	50,872.00	DEBT SERVICE-PRINCIPAL
			1110	1,853.00	
BT150	1385	(26,480.00)	1465	10,806.00	ELECTRIC SERVICE
	1365	(830.00)	1453	5,047.00	ADVERTISING
	1385	(4,984.00)	1505	3,219.00	DEBT SERVICE PRINCIPAL
	1630	(1,315.00)	1515	3,995.00	DEBT SERVICE INTEREST
	1385	(5,899.00)	1475	5,383.00	M&R BUILDING
			1498	11,058.00	COUNTY COLLECTION FEES

Public Health

BT111	1265	(3,400.00)	1390	6,900.00	NACCHO & HOMELAND SECURITY GRANT SUPPLIES
	1410	(1,500.00)			
	1453	(2,000.00)			
BT120	1498	(900.00)	1365	900.00	SNOW BLOWER REPLACEMENT

Public Works

BT097	1410	(2,995.00)	1365	2,995.00	PUBLIC WORKS DIRECTORS FURNITURE
BT140	1470	(858.00)	1503	787.00	PRINTING & INTEREST FOR LEASE PAYMENTS
			1505	71.00	

FY2013 YEAR END FINANCIAL REPORT

STREETS MAINTENANCE FUND

BT102	1365	(777.00)	1480	63,188.00	PARTS & REPAIRS FOR STREETS MAINTENANCE VEHICLES
	1375	(61,500.00)			
	1390	(911.00)			

BT152	1375	(76,616.00)	1465	76,616.00	ELECTRIC SERVICE
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PARKS MAINTENANCE FUND

BT135	1475	(30,138.00)	1355	30,138.00	FUEL
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SPECIAL ALLOCATION FUND

BT105	1517	(5,972.00)	1410	866.00	PROFESSIONAL SERVICES TIF ADMIN FEE PAYMENTS
	1517	(3,151.00)	1410	5,770.00	
	1410	(866.00)	1498	202.00	
			1498	3,151.00	

GAMING INITIATIVES FUND

BT095	1498	(5,000.00)	1448	5,000.00	POSTAGE - LANDLORD REQUIREMENTS MAILING
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PARKING FUND

BT098	1475	(5,295.00)	1325	150.00	FUEL, JANITORIAL SUPPLIES & MINOR EQUIPMENT
			1355	500.00	
			1365	4,345.00	
			1390	300.00	

BT149	1365	(846.00)	1480	846.00	VEHICLE REPAIR
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WATER PROTECTION FUND

BT142	1465	(8,221.00)	1340	7,885.00	SAFETY EQUIPMENT
			1390	336.00	

GOLF FUND

BT103	1630	(32,119.00)	1385	7,119.00	MATERIALS FOR RESALE GOLF CART LEASE FEES
			1468	25,000.00	

BT134	1220	(1,390.00)	1130	233.00	CONCESSION/BANQUET SUPPLIES
	1235	(1,705.00)	1385	5,259.00	
	1243	(20.00)			
	1513	(1,855.00)			
	1515	(522.00)			

TRANSIT FUND

BT107	1355	(125,000.00)	1498	190,000.00	HEALTH INSURANCE AND PENSION FUNDING FROM SAVINGS IN FUEL
	1513	(65,000.00)			

BT151	1305	(2,057.00)	1475	14,485.00	M&R BUILDING
	1325	(2,879.00)			
	1340	(6,338.00)			
	1355	(1,724.00)			
	1365	(1,487.00)			

LANDFILL FUND

BT106	1620	(32,010.00)	1410	34,170.00	TESTING SERVICES
	1630	(43,000.00)	1478	23,790.00	M&R EQUIPMENT
			1480	17,050.00	VEHICLE REPAIRS

BT144	1455	(4,955.00)	1355	4,955.00	FUEL EXPENSES
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BT147	1120	(10,335.00)	1235	6,041.00	HEALTH INSURANCE
	1498	(3,412.00)	1240	119.00	UNEMPLOYMENT CLAIMS INSURANCE CLAIM
			1245	4,175.00	
			1513	3,412.00	

\$ (764,026.00)

\$ 764,026.00

FY2013 YEAR END FINANCIAL REPORT

GOLF FUND

BT143

		<u>Increase</u>	
RESALE SUPP	1385	34,670.00	GOLF YEAR END CLEAN UP
CRDT CRD FEE	1410	1,984.00	*PER GENERAL ORDINANCE 2693 CHANGES
PRO SHP REV	4055	12,398.00	REVENUE INCREASED TO MATCH EXPENSE INC
RM RENT REV	4045	24,256.00	

FY2013 YEAR END FINANCIAL REPORT

**VENDOR SERVICE CONTRACTS BY DEPARTMENT
COMMENTARY**

The report below lists all of the existing vendor contracts with the City. Unless otherwise noted, they are local vendors. List is in order of current year expiration date.

Service	Service Provider	Orig Contract Periods	Orig Ext Periods	# of Ext. Left	CY Contract Ext Expires	Final Ext Expires	Advertise Date Approx.	Date RFP Due Approx.	Dept
Land Lease Agreement Rosecrans Airport	Life Net Air Medical Service	1	4	1	Jun-2013	Jun-2014	Feb-2014	Mar-2014	AV
Banking	Citizen's Bank and Trust	1	4	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	AD SVS
Procurement Cards	Commerce Bank KCMO	1	4	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	AD SVS
Financial Advisor	Piper Jaffray Leawood, KS	1	4	0	Jun-2013	Jun-2017	Mar-2017	Mar-2017	AD SVS
GASB 45 Actuarial Services	Hause Actuarial Solutions Overland Park, KS	1	4	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	AD SVS
Merchant Card Services	U. S. Bank	1	4	0	Jun-2013	Jun-2013	Feb-2013	Apr-2013	AD SVS
Retail Lockbox Services	Citizens Bank & Trust	1	0	0	Jun-2013	Jun-2013	Mar-2013	Apr-2013	AD SVS
Backfill & Repair of Street Cuts	JD Bishop Construction	1	1	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	PW
Install Cured-In-Place Pipe	Insituform Technologies	1	1	1	Jun-2013	Jun-2013	Mar-2013	Apr-2013	PW
TIF Advisory & Bond Counsel (Ec Dvlpmnt)	Williams & Campo, P.C. Lee's Summit, MO King Hershey, P.C. KCMO	5	0	0	Jun-2013	Jun-2013	Feb-13	Mar-13	L
Legal Services Plannng and Zoning Issues	Williams & Campo, P.C. Lee's Summit, MO	6	0	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	L
Legal Services Plannng and Zoning Issues	Cunningham, Vogel I& Rost, P.C. St. Louis, MO	6	0	0	Jun-2013	Jun-2013	Feb-2013	Mar-2013	L
Emergency Sewer Repairs	Lewis Backhoe	1	5	5	Jul-2013	Jul-2018	Apr-2018	May-2018	PW
Emergency Sewer Repairs	Sprague Excavating Co	1	5	5	Jul-2013	Jul-2018	Apr-2018	May-2018	PW
Temporary Labor	The Staffing Center	1	2	0	Aug-2013	Aug-2013	May-2013	Jun-2013	PR
Landfill Engineering Services	SCS Engineers Overland Park, KS	1	4	2	Aug-2013	Aug-2015	Feb-2015	Mar-2015	PW
Landfill Engineering Services	Aquaterra Environmental, Inc.	1	4	2	Aug-2013	Aug-2015	Feb-2015	Mar-2015	PW

FY2013 YEAR END FINANCIAL REPORT

Bridge Design and Structural Analysis Assistance	HDR, Inc. Kansas City, MO	1	4	2	Aug-2013	Aug-2015	Feb-2015	Mar-2015	PW
City-wide Trash Service	K.I.C., Inc. dba Keep It Clean	1	2	1	Sep-2013	Sep-2014	Mar-2014	Apr-2014	FS
Sanitary Sewer Rehabilitaiton Services using Cured-In-Place Pipe	SAK Construction, LLC O'Fallon, MO	1	Subject to Annual Renewal	Subject to Annual Renewal	Oct-2013	Oct-2013	None	None	PW
Asphalt Milling & Overlay	Keller Construction	1	5	3	Oct-2013	Oct-2016	Jul-2016	Aug-2016	PW
Patee Market Snow Removal	A C Lawn Services	3	0	0	Oct-2013	Oct-2013	Aug-2013	Aug-2013	PH
Collection of Past Due Obligations for Municipal Court	Capital Recovery Systems, Inc. Columbus, OH	1	4	4	Nov-2013	Nov-2013	Aug-2017	Sep-2017	AD SVS
Collection of Past Due Obligations for Sewer and Other Billings	Berlin Wheeler Receivables Management Jeff City, MO	1	4	4	Nov-2013	Nov-2013	Aug-2017	Sep-2017	AD SVS
Geographic Information Services (GIS)	Midland GIS Solutions	1	4	4	Nov-2013	Nov-2013	Aug-2017	Sep-2017	AD SVS
Surveying Services	Midland Surveying, Inc.	1	4	4	Nov-2013	Nov-2013	Aug-2017	Sep-2017	AD SVS
Transit Pension Actuarial Services	CBIZ Benefits & Insurance Cumberland, MD	3	0	0	Dec-2013	Dec-2013	Oct-2013	Nov-2013	MT
Professional Title Services	First American Title	1	4	1	Feb-2014	Feb-2015	Nov-2014	Nov-2014	PW
Employee Assistance Program	Catholic Charities	1	1	0	Feb-2014	Feb-2014	Oct-2014	Nov-2014	HR
Transportation Planning Services	URS Corporation Minneapolis, MN	1	4	3	Feb-2014	Feb-2014	Oct-2016	Nov-2016	PW
Postage Machine Lease	Lineage, Inc.	1	3	2	Apr-2014	Apr-2014	Dec-2015	Dec-2015	AD SVS
Lawn Mowing for WPC	Mark's Lawn Mowing	1	2	0	Apr-2014	Apr-2014	Jan-2014	Feb-2014	PW
On Call- Architectural	Riverbluff Architects	1	4	2	Apr-2014	Apr-2016	Dec-2015	Jan-2016	PW
On Call- Architectural	Ellison Auxier Architects	1	4	2	Apr-2014	Apr-2016	Dec-2015	Jan-2016	PW
On Call- Architectural	Goldberg Architects	1	4	2	Apr-2014	Apr-2016	Dec-2015	Jan-2016	PW
On Call- Architectural	Creal Clark & Siefert	1	4	2	Apr-2014	Apr-2016	Dec-2015	Jan-2016	PW
Vending Machine Service	Smith Vending/Acme	1	2	0	Apr-2014	Apr-2014	Feb-2014	Mar-2014	MT
Copier Rental	ProServ	1	3	1	Apr-2014	Apr-2015	Nov-2014	Dec-2014	FS
Lawn and Lot Care Services for Transit	Mark's Law Mowing	1	3	0	May-2014	May-2014	Feb-2013	2/222013	MT
Transit Pension Trustee Service	US Bank Institutional Trust Roeland Park, KS	1	2	0	May-2014	May-2014	Mar-2014	Apr-2014	MT
City Cemetery Mowing	Hughes Lawn Service	1	3	2	May-2014	May-2016	Feb-2016	Feb-2016	PH

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Backfill and Repair of Street Cuts	JD Bishop Construction	1	3	2	May-2014	May-2016	Jan-2016	Feb-2016	PW
Employee Health	Blue Cross Blue Shield of KC	1	2	2	Jun-2014	Jul-2016	Jan-2016	Apr-2016	HR
On Call - Professional	Burns & McDonnell Engineering Co Kansas City, MO	1	4	3	Oct-2014	Oct-2017	Jun-2017	Jul-2017	PW
Transit Dental Insurance	CBIZ/BCK&W Agent for Delta Dental Insurance	2	0	0	Dec-2014	Dec-2014	Oct-2014	Nov-2014	MT
Transit Drug Screen	OHS - COMPCARE	3	0	0	Dec-2015	Dec-2015	Oct-2015	Nov-2015	MT
Legal Services Labor and Employment Law	The Lowenbaum Partnership, LLC St. Louis, MO	5	0	0	Jun-2017	Jun-2017	Mar-2017	Apr-2017	L
Lease of Landfill Property for Farming	Bill Bywaters	5	0	0	Jun-2017	Jun-2017	Mar-2017	Apr-2017	LF
Exclusive, Non-Alcoholic Beverage Products at St. Joseph Rec Center	Pepsi Beverages Company	5	0	0	Jul-2017	Jul-2017	Mar-2017	Apr-2017	PR
Lease Space at Horace Mann Community Center	Community Action Partnership	6	0	0	Aug-2018	Aug-2018	May-2018	Jun-2018	CD
Provide Service on the Infrastructure of the Public Safety Radio System at All Sites	Motorola, Inc.	6	0	0	Dec-2019	Dec-2019	None	None	Police
Lease Space at Horace Mann Community Center	Community Action Partnership	6	0	0	Aug-2018	Aug-2018	None	None	PR
Recycling Services	RSP, Inc.	2	3	3	Jun-2014	Jun-2017	Feb-2017	Apr-2017	PW
Employee Dental	Ameritas Group Lincoln, NE	2	1	1	Jun-2015	Jun-2016	Jan-2016	Feb-2016	HR
Employee Life	EMC National Life Des Moines, IA	3	0	0	Jun-2016	Jun-2016	Feb-2016	Mar-2016	HR
Long Term Disability	CIGNA Overland Prk, KS	3	0	0	Jun-2016	Jun-2016	Mar-2016	Mar-2016	HR
Fixed Base Operator	Express Flight, Inc. Gary Patterson Sr	10	0	0	Jan-2014	Jan-2014	None	None	AV
MO. ANG	Drop Zone Land Lease	5	1 (5 Years)	0	Jan-2014	Jan-2014	None	None	AV
Consultant	CBIZ/BCK&W	3	Optional Annual Renewal	Optional Annual Renewal	Jan-2014	Jan-2014	Oct-2013	Nov-2013	HR

FY2013 YEAR END FINANCIAL REPORT

Softball Officiating Services	St. Joseph Umpires and Scorekeepers Association	1	4	4	Jan-2014	Jan 1, 2018	Nov-2017	Dec-2017	PR
Lease of Approx 25 Acres to Plant & Harvest- former Mi-Ho Property	Wiliam L. Rotterman	1	3	3	Feb-2014	Feb-2017	Dec, 2016	Jan, 2016	PL
Legal Services Regulatory Issues	William D. Steinmeier, P.C.	7	0	0	Jun-2014	Jun-2014	Feb-2014	Mar-2014	L
Utility Related Issued	Jeff City, MO Cunningham, Vogel & Rost St. Louis, MO	5	0	0	Jun-2014	Jun-2014	Feb-2014	Mar-2014	L
Transit Life & AD&D Insurance	OCHS, Inc. Broker for Minnesota Life St. Paul, MN	3	0	0	Sep-2014	Sep-2014	Jul-2014	Aug-2014	MT
Farmland Lease	Bryan Paden Wathena, KS	5	0	0	Oct-2014	Oct-2014	Jul-2014	Aug-2014	AV
Self-Service Fueling Station at Rosecran	Express Flight, Inc	5	0	0	Jan-2015	Jan-2015	Oct-2014	Oct-2014	AV
Realty Services	Reese & Nichols Ide Capital Realty	2	3	3	Jan-2015	Jan-2018	Dec-2017	Dec-2017	CW
Uniforms, Mat, Mop Rental & Laundry Svcs	UniFirst Corp Kansas City, MO	2	1	1	Mar-2015	Mar-2016	Sep-2015	Oct-2015	FS
Exclusive, Non-Alcoholic Beverage Sponsorship for Fairview Golf Course	Pepsi Beverages Co	5	0	0	May-2015	May-2015	Feb-2015	Feb-2015	PR
Construction and Design Related Issued	Seigfreid, Bingham, Levy, Selzer & Gee, P.C. Kansas City, MO	5	0	0	Jun-2015	Jun-2015	Feb-2015	Mar-2015	L
Auditing	Cochran, Head & Co.	5	0	0	Jun-2015	Jun-2015	Dec-2014	Jan-2015	FS
Bond Counsel	Gilmore and Bell Kansas City, MO	5	0	0	Jul-2015	Jun-2015	Feb-2015	Mar-2015	FS
Exclusive Beverage Sponsorship - Bode Ice Arena/Sports Complex	7UP/Snapple Group	5	0	0	Aug-2015	Aug-2015	Apr-2015	Apr-2015	PR
Legal Services Environmental Issues	B W Law Group	5	0	0	Jun-2016	Jun-2016	Mar-2016	Mar-2016	L
Clarity In Numbers LLC	GASB 45 Actuarial Services	5	0	0	Jun-2017	Jun-2017	Mar-2017	Mar-2017	AS
Airport Café	Cindy Tate	1	5 (1 Year)	5 (1 Year)	Aug-2013	Aug-2017	May-2017	May-2017	AV
Transit Advertising Signs	Houck Transit Advertising St. Paul, MN	5	0	0	Oct-2016	Oct-2016	Jun-2016	Jul-2016	MT
Aviation Planngng and On-Call Design Services	Jviation, Inc. Jeff City, MO	5	0	0	Jan-2018	Jan-2018	Sep-2017	Oct-2017	AV
Transit Management Services	First Transit Cincinnati, OH	5	0	0	Jun-2018	Jun-2018	Jan-2018	Mar-2018	MT

FY2013 YEAR END FINANCIAL REPORT

Providing Medical Aid and Emergency Relief for Qualified Persons	Social Welfare Board	5	0	0	Jun-2018	Jun-2018	None	None	PH
Economic Development Matters	Cunningham, Vogel & Rost, P.C. Williams & Campo, P.C.	5	0	0	Jun-2018	Jun-2018	Feb-18	Mar-18	L
Planning and Zoning Matters	Cunningham, Vogel & Rost, P.C. Williams & Campo, P.C.	6	0	0	Jun-2019	Jun-2019	Feb-19	Mar-19	L
Herzog Contracting Company Land Lease	Flight Department	50	0	0	Jul-2043	Jul-2043	None	None	AV
BMS Land Lease	Dan Bayer 100 N. Airport Rd	99	0	0	Oct-2067	Oct-2067	None	None	AV
C-1 Aircraft Hangar	Bill Brown	Month to Month Lease	0	0	Month to Month Lease	Month to Month Lease	None	None	AV

TIF PROJECT UPDATES
for Quarter Ended
June 30, 2013

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PILOTS		SALES TAX EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		BUDGET	ACTUAL	BUDGET	ACTUAL	
North Shoppes - Phases 1 & 2 of North County TIF district. Approved August 2003. Developers-Bob Johnson, RED Development, Buchanan County	IDA Issued Bonds - Paid off in 2028	646,000 square foot shopping center. Except for one pad site, center is complete and fully operational. Buchanan County still has several projects to complete - sidewalks, Green Acres cul-de-sac, etc. Reimbursable costs included Northridge Sewer extension, four lane parkway through the development, sidewalks and landscaping throughout the project, façade enhancements, extraordinary grading to prepare the site, stormwater lagoon, Green Acres repaving and cul-de-sac, pedestrian sidewalks on and off-site.	\$24,285,415	\$25,522,391	\$35,884,772	\$38,217,335	\$34,086,629	\$1,148,025	\$1,134,643	\$2,493,800	\$2,328,245	(\$178,937)
				Added a portion of Phase 2 into Phase 1 for Theater		Cover additional County costs in Phases 1 & 2.	RED has been reimbursed \$28,194,202. County has been reimbursed \$6,380,207 and has \$65,424 to be disbursed on a Pay as You Go when all bond payments have been made. City reimbursed \$996,008 for our share of Northridge sewer.		Includes Penalty/Interest assessed for late payment of taxes	Includes City, County and Franchise Tax incremental EATS		Sales tax to date up 2.8% from FY2012. New tenants moved into Borders space May/June - Ulta and Kirklands. Sleep Number also opening soon.
Stockyards Redevelopment (Triumph Foods, LLC). Approved October 2003.	MDFB Issued Bonds - Paid off in 2025	550,000 square foot pork processing facility. Total investment approximately \$130 million. Fully operational. Current employment - 2,722.	\$7,000,000				\$6,766,097	\$671,133	\$678,115	\$113,930	\$111,335	\$4,387
							Developer has been completely reimbursed the approved \$5,600,000 for property acquisition, demolition, and site improvements. City has been reimbursed \$1,166,097 for improvements to Stockyards Expressway.			Includes City, County and Franchise Tax incremental EATS.	Also includes cafeteria tenant sales taxes, not previously budgeted.	Triumph donated \$100,000 to SJSD for first five years; \$25,000 to SJPD for three years; \$50,000 annually to United Way. Keep their headquarters in SJ or pay City \$1 million.
3rd Street Hotel Development (Holiday Inn) Approved January 2004. Developer: HISJ Holdings LLC	105145 Developer created TDD to help generate revenues.	Renovation of 170-room hotel to regain Holiday Inn franchise; restaurant conversion for nationally franchised restaurant; landscaping improvements; parking & exterior lighting improvements. Completed except for exterior façade improvements.	\$2,700,000 \$2,500,000 certified. \$200,000 withheld for façade.				\$1,991,729	\$105,145	\$114,944	\$160,600	\$179,357	\$28,556
												Includes add'l Hotel/Motel taxes, 1% TDD tax, and 1/2 of (.5%) Downtown CID Sales Tax. Also contributing to the increase is increased H/M tax rate.
Tuscany Towers - Phase 1 TIF Plan only Approved September, 2005. Project yet to be approved. Developer: JSC Development	Pay-as-you-go 23 years after revenue generation begins	Phase 1 - development of 175,000 sq feet of restaurant, hotel, bank/office, and lifestyle retail use. Reimbursement for new lift station and extension of force mains along east side of I-29 to Cook, extended to Corinth subdivision; extending water service and other utilities; stormwater system; and US169 road/intersection improvements. Much of the infrastructure work complete. No buildings constructed or tenants announced as yet.	\$5,549,042				\$0	\$0	\$0	\$0	\$0	N/A
									No PILOTS anticipated			

TIF PROJECT UPDATES
for Quarter Ended
June 30, 2013

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PILOTS		SALES TAX EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		BUDGET	ACTUAL	BUDGET	ACTUAL	
EBR/HHS Development Approved October 2005 Developers: EBR Enterprises & HHS Properties	Pay-as-you-go	13.2 acres at intersection of Blackwell Rd & Belt Highway. A mixture of retail and office space. Reimbursable expenses for retaining walls, storm water detention, street lighting, sidewalks, Cronkite Road improvements, landscaping, etc. Three restaurants and office/medical bldg now open. HHS Properties now leasing.	\$3,297,232	\$5,529,620			\$1,003,557	\$120,250	\$121,543	\$120,000	\$85,855	(\$32,853)
				Add'l phases plus overages on site work. Approved SO 7045-3/26/07			Costs certified to date - \$4,484,898.42 EBR - \$2,757,896.24 HHS - \$ 1,727,002.18		PILOT infrastructure - \$81,330.17		Total EATS above. EBR (70%) - \$60,098; City infrastructure (30%) - \$27,756.	
Uptown Redevelopment District - Project A Approved March 2005 Developer: St. Joseph Redevelopment Corp.	Pay-as-you-go 23 years	Demolition of old Heartland Hospital west in order to provide a developable area. Discussions with developer - demolition costs as well as costs related to developing the plan would be reimbursed, however no formal written agreement exists as yet to this effect. Amount would be approx. \$3,072,071 minus any federal grants received for this phase.	See cell under project status description				\$0	\$0	\$0	\$0	\$0	\$0
									No PILOTS anticipated			No construction on project as yet
Mitchell Avenue Corridor Approved June 2006 Developer: American Family Insurance Company	Pay-as-you-go 23 years	In order to serve an expanded AFI building and to improve access to the entire TIF district, a new gravity flow sewer was installed and improvements to Mitchell Avenue are being completed. Improvements benefit AFI, Mo Western University, and any future development along Mitchell Avenue Corridor.	\$3,974,270	\$5,272,673			Pay As You Go - \$162,673.	\$388,150	\$392,204	\$13,870	\$8,508	(\$1,308)
				Approved by SO 7224 on 12/3/07/bond issuance per SO7361 on 5/19/08.			Bonds - \$4,495,370.12				Franchise Tax and EATS Sales tax from cafeteria within American Family facility.	
Uptown Redevelopment - Ryan Block Project Approved December 2006 Developer: Olin Cox	Pay-as-you-go 23 years	The first project within the Frederick Avenue TIF District established under the Uptown Redevelopment umbrella. The developer intends to rehab two buildings, 1137-1141 Frederick into 3300 sq ft of commercial space below and 6,600 sq ft of apartments on top two floors. The bldg at 1125 Frederick will be demolished to provide a parking lot. Reimbursable costs include lot paving, upgrades to renovations, & facade improv.	\$317,767				\$0	\$250	\$0	\$0	\$0	(\$250)
							No reimbursement requests have been submitted.	No anticipated PILOTS for FY2012.		No activity.	Franchise taxes only on utility usage by upstairs tenants.	No reimbursement request has been submitted.

TIF PROJECT UPDATES
for Quarter Ended
June 30, 2013

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PILOTS		SALES TAX EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		BUDGET	ACTUAL	BUDGET	ACTUAL	
East Hills Redevelopment Project - TIF Approved Dec, 2007 - Redevelopment Agreement Approved 1/3/08	Currently Pay As You Go Proposed Bond Issuance.	Project to include remodel exterior of JC Penney's, Sears and Dillards. Also includes remodel of three mall entrances, lifestyle center, a new big box store, renovation of existing tenant spaces. Public infrastructure improvements includes traffic signals at Belt & Frederick, Frederick & Sherman. crosswalk signals, upgrade existing right-of-way, public bus stop. The project also will address underground storm water concerns.	Total Reimbursable Costs - \$45,113,678 Per SO7242 passed 1/3/08.	Total Reimbursable Costs - \$46,539,416 TIF - \$30,897,042 CID - \$15,642,374 Per SO7279 passed 2/11/08.			Total CID Revenue - \$3,057,138 Disbursed to date: \$ 5,266,178 East Hills TIF - \$3,790,606 East Hills CID - \$1,475,572 TIF Costs Certified to Date: \$22,118,296 CID Costs Certified to Date: \$14,796,999	\$564,510	\$570,945	\$491,000	\$490,563	\$5,998 New construction - Golden Coral. FY2012 first fiscal year in which base surpassed.
Cook Road Corridor Redevelopment Project Approved March 24, 2008 Developer: Greystone Partners Land Development, LLC	Sewer Revenue Bonds/ Sewer Connection Fees	Project to include: (1) residential subdivision on approximately 185 acres of land into over 350 single family and townhouse housing units; (2) construction improvements to Cood Road resulting in three-lane section, concrete curb and gutter, stormwater drainage and raised grass medians; (3) construction of sanitary sewer system improvements sewer lines, a new pump station and gravity sewer main and (4) construction of 12 inch water line from Cook Road to Woodbine Road.	\$4,781,786				Sewer Improvements - \$2,378,839.65 Pay As You Go - \$80,500 \$2,463,930.29- Certified to Date	\$49,360	\$116,574	\$0	\$633	\$67,846 Other revenue source - \$500 sewer connection fee assessed per property - added \$8,000 in FY13.
Center Building Redevelopment Project Approved January 25, 2010 Developer: Mid-City Partnership, Inc.	Pay As You Go	Project includes development listed at 613 Edmond St. and 119-123 S. 6th St. Renovation includes removal of the 1961 sheet metal façade and the restoration of the remaining exterior building elements. Building encompasses 19,060 sq. ft and will be divided into one 15,250 sq. ft unit for restaurant/banquet facilities with three planned retail/office units at 609, 611 and 613 Edmond St. for a total of 3,810 sq. ft, office/retail space. The Brazilian Steakhouse is currently under construction. To date - Aqua Vital Salon and 2 Trendy LLC have	\$1,355,097				\$74,437 \$1,197,597.00- Certified to Date	\$11,126	\$12,158	\$12,615	\$33,300	\$21,717 Plus 50% Downtown CID Sales - \$3,331.28 Ground Round opened June, 2012. Now also includes 50% of Downtown CID Sales taxes received within this TIF.

TIF PROJECT UPDATES
for Quarter Ended
June 30, 2013

TIF PROJECT NAME	TYPE	PROJECT STATUS	TOTAL APPROVED REIMBURSABLE COSTS				AMOUNT REIMBURSED TO DATE	PROPERTY TAX PILOTS		SALES TAX EATS		MORE THAN/ (LESS THAN) TREND
			ORIGINAL	1ST AMENDED	2ND AMENDED	3RD AMENDED		BUDGET	ACTUAL	BUDGET	ACTUAL	
Developer Agreement - The Commons Approved July, 2007 Developer: Earthworks Excavation Company	CID Bonds	Project to include development of 612,780 square feet of retail and office space upon 73 acres of land at intersection of Interstate 29 and South 169 Highway. Under construction. Commons Community Improvement District (CID) Cooperation Agreement approved per SO7256 (1/14/08). Yet to establish CID tax rate. Approval of bond issuance approved per SO 7257 (1/14/08). Special Ordinance No. 8124 (12/13/10) amended Developer Agreement to forego calculated base effective	\$6,503,977 City reimbursable \$5,754,977.36 CID tax to pay \$749,000.00 per SO7255 (1/14/08).				\$2,368,276	\$8,092	\$7,820	\$539,000	\$555,393	\$16,121 City Sales Tax EATS Only. FY12 - Base \$250K eliminated per Second Amended Agreement starting July 11.
Developer Agreement - Fountain Creek Approved July, 2008 Developer: SDG Developments, LLC & Partners	Pay As You Go	Mixed Use Project including approximately 68 acres of both commercial and residential development with a projected market value of \$45,000,000 upon development at the intersection of Mason Road and South 22nd Street.	City reimbursable \$1,815,454 per Special Ordinance No. 7420, passed 7/28/08.				\$0	\$1,555	\$1,934	\$0	\$0	To date residential homes only constructed. No sales tax anticipated yet.
Developer Agreement - Cook Crossings Approved April, 2011 Developer: St. Joseph Partners, LLC	Pay As You Go	Approximately 12.15 acres of commercial use development with a capital investment of \$13.65 million at the intersection of Cook Road and North Belt Highway. Phase I completion date tentatively set as September 30, 2012. Phase 2 completion date tentatively set as October 31, 2012. CID sales tax also to be initiated - 1% sales tax and .a special assessment of \$.40 per square foot upon the tenants annually. Distribution 50% of City General Sales taxes only.	City reimbursable \$900,000, plus interest - SO8195, passed 4/18/11. SO8196, passed 4/18/11				Certified to Date: CID - \$6,054,791.57 STRA - \$644,964.22 CID - \$3,600,048 CID Special Assessments - \$1,906,890; STR (.75%) - \$1,290,521	\$0	\$0	\$0	\$72,047	New Construction area. Dick's Sporting Goods, Aldi's and Pet Smart are open. Also produced \$195,656 in CID sales taxes and \$155,666 in PILOTS Special Assessments CID own entity, with none of the proceeds going to development itself.

SUPPORTING TABLES

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Table 1

Fourth Quarter Report - June 30, 2013

REVENUES - ALL FUNDS (NO EXCLUSIONS*)

Type	Actual Versus Adopted				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted* Budget	FY13 Actual Revenue	Revenue over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Revenue	Revenue over (less) than Proj.	% Over (Under)
Property Taxes	\$15,176,000	\$15,690,000	\$514,000	0.034	\$15,645,000	\$15,690,000	\$45,000	0.003
Utility Franchise Fees	7,816,000	7,980,000	164,000	0.021	8,552,000	7,980,000	(572,000)	(0.067)
Sales Taxes	34,431,000	34,992,000	561,000	0.016	35,185,000	34,992,000	(193,000)	(0.005)
Licenses & Permits	1,604,000	1,581,000	(23,000)	(0.014)	1,606,000	1,581,000	(25,000)	(0.016)
Fines	1,069,000	1,317,000	248,000	0.232	1,204,000	1,317,000	113,000	0.094
Rents & Gaming Revenues	1,591,000	1,601,000	10,000	0.006	1,480,000	1,601,000	121,000	0.082
Parking Fees	117,000	119,000	2,000	0.017	118,000	119,000	1,000	0.008
Inspections Fees	384,000	460,000	76,000	0.198	386,000	460,000	74,000	0.192
Health Fees	396,000	344,000	(52,000)	(0.131)	369,000	344,000	(25,000)	(0.068)
Recreation Fees	1,782,000	1,670,000	(112,000)	(0.063)	1,707,000	1,670,000	(37,000)	(0.022)
Golf Charges	830,000	791,000	(39,000)	(0.047)	822,000	791,000	(31,000)	(0.038)
Transit Charges	340,000	319,000	(21,000)	(0.062)	313,000	319,000	6,000	0.019
Sewer Charges	19,625,000	22,194,000	2,569,000	0.131	20,895,000	22,194,000	1,299,000	0.062
Landfill Charges	3,352,000	2,903,000	(449,000)	(0.134)	3,142,000	2,903,000	(239,000)	(0.076)
Other Charges for Service	1,667,000	1,631,000	(36,000)	(0.022)	1,650,000	1,631,000	(19,000)	(0.012)
Other Rev	2,452,000	2,069,000	(383,000)	(0.156)	3,150,000	2,069,000	(1,081,000)	(0.343)
Bond & Loan Proceeds	26,629,000	27,440,000	811,000	0.030	35,989,000	27,440,000	(8,549,000)	(0.238)
Special Asmnts & Interest	662,000	836,000	174,000	0.263	419,000	836,000	417,000	0.995
Grants & Entitlements	9,848,000	8,552,000	(1,296,000)	(0.132)	14,353,000	8,552,000	(5,801,000)	(0.404)
Interfund Transfers - In	4,725,000	6,170,000	1,445,000	0.306	5,709,000	6,170,000	461,000	0.081
	\$ 134,496,000	\$ 138,659,000	\$ 4,163,000	0.031	\$152,694,000	\$138,659,000	\$(14,035,000)	(0.092)

Amounts throughout are rounded to the nearest \$1,000.

Table 2

Fourth Quarter Report - June 30, 2013

EXPENDITURES - ALL FUNDS (NO EXCLUSIONS)

<u>Type</u>	Actual Versus Adopted				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted* Budget	FY13 Actual Expense	Expenditures over (less) than Budget	% (Under) Over	FY13 Projected Budget	FY13 Actual Expense	Expenditures over (less) than Proj.	% (Under) Over
Salary & Wages	\$29,540,000	\$28,488,000	(\$1,052,000)	(0.04)	\$28,824,000	\$28,488,000	(\$336,000)	(0.01)
Payroll & Health Ins Costs	13,152,000	12,688,000	(464,000)	(0.04)	12,851,000	12,688,000	(163,000)	(0.01)
Materials & Supplies	5,105,000	4,870,000	(235,000)	(0.05)	5,107,000	4,870,000	(237,000)	(0.05)
Services	25,569,000	25,101,000	(468,000)	(0.02)	30,936,000	25,101,000	(5,835,000)	(0.19)
Debt Service	12,943,000	23,088,000	10,145,000	0.78	22,308,000	23,088,000	780,000	0.03
Insurance & Other Charges	1,041,000	935,000	(106,000)	(0.10)	1,151,000	935,000	(216,000)	(0.19)
Capital Outlay	5,085,000	2,176,000	(2,909,000)	(0.57)	4,691,000	2,176,000	(2,515,000)	(0.54)
Public Improvements	35,579,000	17,268,000	(18,311,000)	(0.51)	37,281,000	17,268,000	(20,013,000)	(0.54)
Interfund Transfers - Out	4,725,000	5,803,000	1,078,000	0.23	5,489,000	5,803,000	314,000	0.06
	\$ 132,739,000	\$ 120,417,000	\$ (12,322,000)	(0.09)	\$148,638,000	\$120,417,000	\$ (28,221,000)	(0.19)

Amounts throughout are rounded to the nearest \$100 or \$1,000.

Table 3

Fourth Quarter Report - June 30, 2013

Operating Revenues by Category

Type	Actual Versus Adopted				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted* Budget	FY13 Actual Revenue	Revenue over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Revenue	Revenue over (less) than Proj.	% Over (Under)
Property Taxes	\$12,109,000	\$12,448,000	\$339,000	0.028	\$12,402,000	\$12,448,000	\$46,000	0.004
Utility Franchise Fees	6,116,000	6,323,000	207,000	0.034	6,852,000	6,323,000	(529,000)	(0.077)
Sales Taxes	24,976,000	25,013,000	37,000	0.001	25,292,000	25,013,000	(279,000)	(0.011)
Licenses & Permits	1,604,000	1,581,000	(23,000)	(0.014)	1,606,000	1,581,000	(25,000)	(0.016)
Fines	1,069,000	1,317,000	248,000	0.232	1,204,000	1,317,000	113,000	0.094
Rents & Gaming Revenues	1,591,000	1,601,000	10,000	0.006	1,480,000	1,601,000	121,000	0.082
Parking Fees	117,000	120,000	3,000	0.026	118,000	120,000	2,000	0.017
Inspections Fees	384,000	460,000	76,000	0.198	386,000	460,000	74,000	0.192
Health Fees	396,000	344,000	(52,000)	(0.131)	368,000	344,000	(24,000)	(0.065)
Recreation Fees	1,782,000	1,670,000	(112,000)	(0.063)	1,708,000	1,670,000	(38,000)	(0.022)
Golf Charges	803,000	768,000	(35,000)	(0.044)	797,000	768,000	(29,000)	(0.036)
Transit Charges	340,000	319,000	(21,000)	(0.062)	313,000	319,000	6,000	0.019
Sewer Charges	19,620,000	22,186,000	2,566,000	0.131	20,895,000	22,186,000	1,291,000	0.062
Landfill Charges	3,352,000	2,903,000	(449,000)	(0.134)	3,142,000	2,903,000	(239,000)	(0.076)
Other Charges for Service	1,667,000	1,631,000	(36,000)	(0.022)	1,650,000	1,631,000	(19,000)	(0.012)
Other Revenues	628,000	1,048,000	420,000	0.669	1,153,000	1,048,000	(105,000)	(0.091)
Special Asmnts & Interest	347,000	285,000	(62,000)	(0.179)	353,000	285,000	(68,000)	(0.193)
Grants & Entitlements	5,151,000	6,246,000	1,095,000	0.213	7,852,000	6,246,000	(1,606,000)	(0.205)
Interfund Transfers - In	3,285,000	5,195,000	1,910,000	0.581	3,795,000	5,195,000	1,400,000	0.369
	\$ 85,337,000	\$ 91,458,000	\$ 6,121,000	0.072	\$ 91,366,000	\$ 91,458,000	\$ 92,000	0.001

Table 4

Fourth Quarter Report - June 30, 2013
Operating Revenues by Fund and Department

Fund/Department*	Actual Versus Adopted				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted Budget	FY13 Actual Revenue	Revenue over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Revenue	Revenue over (less) than Proj.	% Over (Under)
Municipal Court	\$ 770,000	\$ 863,000	93,000	0.12	\$ 846,000	863,000	17,000	0.02
Legal	-	2,000	2,000		-	2,000	2,000	-
Planning & Comm Devlpmnt	1,223,000	1,337,000	114,000	0.09	1,202,000	1,337,000	135,000	0.11
Administrative Services	16,000	20,000	4,000	0.25	18,000	20,000	2,000	0.11
Police	1,215,000	1,452,000	237,000	0.20	1,385,000	1,452,000	67,000	0.05
Fire	376,000	438,000	62,000	0.16	445,000	438,000	(7,000)	(0.02)
Parks & Recreation	4,444,000	4,399,000	(45,000)	(0.01)	4,533,000	4,399,000	(134,000)	(0.03)
Health	3,709,000	3,743,000	34,000	0.01	3,819,000	3,743,000	(76,000)	(0.02)
Public Works-GF	6,113,000	6,160,000	47,000	0.01	6,299,000	6,160,000	(139,000)	(0.02)
Non-Departmental	27,143,000	27,483,000	340,000	0.01	28,100,000	27,483,000	(617,000)	(0.02)
General Fund**	45,009,000	45,897,000	888,000	0.02	46,647,000	45,897,000	(750,000)	(0.02)
Streets Maintenance Fund	3,221,000	4,338,000	1,117,000	0.35	3,422,000	4,338,000	916,000	0.27
Parks Maintenance Fund	818,000	1,005,000	187,000	0.23	930,000	1,005,000	75,000	0.08
CDBG Fund	2,322,000	3,572,000	1,250,000	0.54	5,017,000	3,572,000	(1,445,000)	(0.29)
Gaming Fund	1,158,000	1,155,000	(3,000)	(0.00)	1,193,000	1,155,000	(38,000)	(0.03)
Museum Tax Fund	506,000	513,000	7,000	0.01	512,000	513,000	1,000	0.00
Aviation Fund*	472,000	572,000	100,000	0.21	468,000	572,000	104,000	0.22
Parking Fund	360,000	367,000	7,000	0.02	360,000	367,000	7,000	0.02
Water Protection Fund*	20,295,000	22,989,000	2,694,000	0.13	21,648,000	22,989,000	1,341,000	0.06
Golf Fund*	804,000	794,000	(10,000)	(0.01)	798,000	794,000	(4,000)	(0.01)
Transit Fund*	6,947,000	7,277,000	330,000	0.05	7,142,000	7,277,000	135,000	0.02
Landfill Fund	3,425,000	2,979,000	(446,000)	(0.13)	3,229,000	2,979,000	(250,000)	(0.08)
Total Op Revenues	\$ 85,337,000	\$ 91,458,000	\$ 6,121,000	0.07	\$ 91,366,000	\$ 91,458,000	\$ 92,000	0.00

* Excluding Fund Specific CIP Programs and TIF Programs

**General Fund Revenues exclude cell phone revenues and Riverfront Economic Development Tax

Table 5

Fourth Quarter Report - June 30, 2013

Operating Expenditures by Category

<u>Type</u>	Actual Versus Adopted 6/30/2013				Actual Versus Projected 6/30/2013			
	FY13 Adopted*	FY13 Actual	Expenditures over (less) than Budget	% (Under) Over	FY13 Projected	FY13 Actual	Expenditures over (less) than Proj.	% (Under) Over
	<u>Budget</u>	<u>Expense</u>			<u>Budget</u>	<u>Expense</u>		
Salary & Wages	\$29,540,000	\$28,488,000	(\$1,052,000)	(0.04)	\$28,824,000	\$28,488,000	(\$336,000)	(0.01)
Payroll & Health Ins Costs	13,152,000	12,689,000	(463,000)	(0.04)	12,851,000	12,689,000	(162,000)	(0.01)
Materials & Supplies	5,104,000	4,868,000	(236,000)	(0.05)	5,104,000	4,868,000	(236,000)	(0.05)
Services	19,784,000	20,409,000	625,000	0.03	22,558,000	20,409,000	(2,149,000)	(0.10)
Debt Service	5,695,000	5,676,000	(19,000)	(0.00)	5,796,000	5,676,000	(120,000)	(0.02)
Insurance & Other Charges	1,041,000	935,000	(106,000)	(0.10)	1,151,000	935,000	(216,000)	(0.19)
Capital Outlay	2,077,000	2,003,000	(74,000)	(0.04)	2,164,000	2,003,000	(161,000)	(0.07)
Public Improvements	1,864,000	1,540,000	(324,000)	(0.17)	1,864,000	1,540,000	(324,000)	(0.17)
Interfund Transfers - Out	3,480,000	4,070,000	590,000	0.17	3,935,000	4,070,000	135,000	0.03
	\$ 81,737,000	\$ 80,678,000	\$ (1,059,000)	(0.01)	\$ 84,247,000	\$ 80,678,000	\$ (3,569,000)	(0.04)

* Excluding Fund Specific CIP Programs (except Landfill), Museum Transfer to CIP, and TIF programs

**General Fund expenditures excludes cell phone & Riverfront ED expenditures

Table 6

Fourth Quarter Report - June 30, 2013

Operating Expenditures by Fund and Department

Department/Fund*	Actual Versus Adopted 6/30/2013				Actual Versus Projected 6/30/2013				
	FY13 Adopted*	FY13 Preliminary	Expenditures over (less)	% (Under) Over	FY13 Projected	FY13 Preliminary	Expenditures over (less)	% (Under) Over	
	Op. Budget	Actual	than Budget		Op. Budget	Actual	than Proj.		
Mayor & Council	\$ 222,000	\$ 196,000	(26,000)	(0.117)	\$ 222,000	\$ 196,000	(26,000)	(0.117)	
City Clerk	209,000	209,000	0	0.000	208,000	209,000	1,000	0.005	
Municipal Court	411,000	410,000	(1,000)	(0.002)	415,000	410,000	(5,000)	(0.012)	
City Manager	428,000	411,000	(17,000)	(0.040)	414,000	411,000	(3,000)	(0.007)	
Legal	523,000	505,000	(18,000)	(0.034)	507,000	505,000	(2,000)	(0.004)	
Planning & Comm Dvlpmnt	1,609,000	1,594,000	(15,000)	(0.009)	1,614,000	1,594,000	(20,000)	(0.012)	
Administrative Services	2,455,000	2,387,000	(68,000)	(0.028)	2,419,000	2,387,000	(32,000)	(0.013)	
Police	13,454,000	13,148,000	(306,000)	(0.023)	13,195,000	13,148,000	(47,000)	(0.004)	
Fire	10,524,000	10,491,000	(33,000)	(0.003)	10,580,000	10,491,000	(89,000)	(0.008)	
Parks & Recreation***	4,634,000	4,735,000	101,000	0.022	4,743,000	4,735,000	(8,000)	(0.002)	
Health	3,328,000	3,166,000	(162,000)	(0.049)	3,278,000	3,166,000	(112,000)	(0.034)	
Public Works-GF***	5,805,000	5,637,000	(168,000)	(0.029)	5,906,000	5,637,000	(269,000)	(0.046)	
Non-Departmental	1,029,000	848,000	(181,000)	(0.176)	938,000	848,000	(90,000)	(0.096)	
Op budget savings, target % :		Op budget savings, actual %:							
General Fund**	(0.01)	44,631,000	43,737,000	(894,000)	(0.020)	44,439,000	43,737,000	(702,000)	(0.016)
Streets Maintenance Fnc	(0.04)	5,012,000	4,928,000	(84,000)	(0.017)	4,957,000	4,928,000	(29,000)	(0.006)
Parks Maintenance Fund	(0.01)	918,000	924,000	6,000	0.007	888,000	924,000	36,000	0.041
CDBG Fund	N/A	2,322,000	3,184,000	862,000	0.371	4,205,000	3,184,000	(1,021,000)	(0.243)
Gaming Fund	N/A	1,261,000	1,243,000	(18,000)	(0.014)	1,381,000	1,243,000	(138,000)	(0.100)
Museum Fund	N/A	378,000	381,000	3,000	0.008	392,000	381,000	(11,000)	(0.028)
Aviation Fund*	(0.05)	631,000	532,000	(99,000)	(0.157)	583,000	532,000	(51,000)	(0.087)
Parking Fund	(0.05)	423,000	409,000	(14,000)	(0.033)	419,000	409,000	(10,000)	(0.024)
Water Protection Fund*	(0.01)	15,758,000	15,400,000	(358,000)	(0.023)	16,376,000	15,400,000	(976,000)	(0.060)
Golf Fund*	(0.01)	757,000	794,000	37,000	0.049	831,000	794,000	(37,000)	(0.045)
Transit Fund*	(0.01)	5,199,000	5,170,000	(29,000)	(0.006)	5,251,000	5,170,000	(81,000)	(0.015)
Landfill Fund inc CIP	(0.10)	4,447,000	3,976,000	(471,000)	(0.106)	4,525,000	3,976,000	(549,000)	(0.121)
Total City Expenditures		\$ 81,737,000	\$ 80,678,000	\$ (1,059,000)	(0.013)	\$ 84,247,000	\$ 80,678,000	\$ (3,569,000)	(0.042)

* Excluding Fund Specific CIP Programs, Museum transfer to Capital Projects Fund, and TIF programs

**General Fund expenditures excludes cell phone and Riverfront ED expenditures

Table 7

Fourth Quarter Report - June 30, 2013

COMPARISONS - FY2012 TO FY2013 BY FUND TYPE

Fund	OPERATING FUNDS							
	FY12 Actual				FY13 Actual			
	Revenues	Revenues	Over/(Under)		Expenditures	Expenditures	Over/(Under)	
General	\$45,777,000	\$45,897,000	\$120,000	0.26%	\$43,923,000	\$43,737,000	(\$186,000)	-0.42%
Streets Maintenance*	3,240,000	3,084,000	(156,000)	-4.81%	7,063,000	4,928,000	(2,135,000)	-30.23%
Parks Maintenance*	927,000	1,005,000	78,000	8.41%	1,951,000	924,000	(1,027,000)	-52.64%
CDBG	3,217,000	3,572,000	355,000	11.04%	2,077,000	3,184,000	1,107,000	53.30%
Aviation	467,000	572,000	105,000	22.48%	658,000	532,000	(126,000)	-19.15%
Public Parking	361,000	367,000	6,000	1.66%	445,000	409,000	(36,000)	-8.09%
Water Protection	18,722,000	22,989,000	4,267,000	22.79%	14,277,000	15,400,000	1,123,000	7.87%
Municipal Golf	759,000	794,000	35,000	4.61%	787,000	794,000	7,000	0.89%
Mass Transit	7,373,000	7,277,000	(96,000)	-1.30%	5,232,000	5,170,000	(62,000)	-1.19%
Landfill (inc CIP)	3,283,000	2,979,000	(304,000)	-9.26%	3,559,000	3,976,000	417,000	11.72%
Total Operating Funds	\$84,126,000	\$88,536,000	\$4,410,000	5.24%	\$79,972,000	\$79,054,000	(\$918,000)	-1.15%

*Streets Mnt & Parks Mnt revenues do not reflect the transfers from the General Fund which occur to keep the funds balanced. FY12 Expenditures include personnel costs, moved to the General Fund in FY2013.

Excluding most CIP programs' revenues & expenditures, cell phone and Riverfront ED Tax transactions

	OTHER FUNDS OR PROGRAMS							
	FY12 Actual				FY13 Actual			
	Revenues	Revenues	Over/(Under)		Expenditures	Expenditures	Over/(Under)	
Cell Phone Program (GF)	1,725,000	1,829,000	\$104,000	6.03%	1,183,000	2,384,000	\$1,201,000	101.52%
Riverfront Econ Dvlpmnt (GF)	317,000	438,000	\$121,000	38.17%	0	10,000	\$10,000	-
Gaming Funded Initiatives	814,000	1,155,000	\$341,000	41.89%	966,000	1,243,000	\$277,000	28.67%
Museum Tax	522,000	513,000	(\$9,000)	-1.72%	377,000	381,000	\$4,000	1.06%
Capital Projects (all funds*)	19,190,000	27,565,000	\$8,375,000	43.64%	34,658,000	37,329,000	\$2,671,000	7.71%
Special Allocation	15,280,000	17,369,000	\$2,089,000	13.67%	17,085,000	18,093,000	\$1,008,000	5.90%
Total Other Funds	\$35,806,000	\$46,602,000	\$10,796,000	97.48%	\$53,086,000	\$57,046,000	\$3,960,000	43.34%

*Except Landfill, included in operating side

Table 8

Fourth Quarter Report - June 30, 2013
REVENUES - CIP PROGRAMS, SPECIAL ALLOCATION FUND & CELL PHONE

CAPITAL PROJECTS & CELL PHONE PROGRAM

Fund*	Actual Versus Adopted & Amended				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted Budget	FY13 Actual Revenue	Revenue over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Revenue	Revenue over (less) than Proj.	% Over (Under)
Cell Phone (General)	1,703,000	1,829,000	126,000	0.07	1,703,000	1,829,000	126,000	0.07
Riverfront ED Tax (General)	-	438,000	438,000	1.00	395,000	438,000	43,000	0.11
Capital Projects	6,142,000	7,443,000	1,301,000	0.21	9,235,000	7,443,000	(1,792,000)	(0.19)
Aviation CIP	1,450,000	45,000	(1,405,000)	(0.97)	186,000	45,000	(141,000)	(0.76)
Water Protection CIP	26,879,000	19,246,000	(7,633,000)	(0.28)	27,795,000	19,246,000	(8,549,000)	(0.31)
Golf CIP	27,000	33,000	6,000	0.22	25,000	33,000	8,000	0.32
Transit CIP	3,070,000	799,000	(2,271,000)	(0.74)	3,170,000	799,000	(2,371,000)	(0.75)
Total CIP Revenues	\$ 39,271,000	\$ 29,833,000	\$ (9,438,000)	(0.24)	\$ 42,509,000	\$ 29,833,000	\$ (12,676,000)	(0.30)

*Reported separately from Operating budgets if grants or other specified funding sources exist

SPECIAL ALLOCATION FUND

TIF Development	Actual Versus Adopted & Amended				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted Budget	FY13 Actual Revenue	Revenue over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Revenue	Revenue over (less) than Proj.	% Over (Under)
Center Building TIF	\$24,000	\$46,000	22,000	0.92	\$40,000	\$46,000	6,000	0.15
Uptown Redevelopment	\$0	4,000	4,000		4,000	\$4,000	0	0.00
Ryan Block	5,000	1,000	(4,000)	(0.80)	1,000	1,000	0	0.00
Crooks Crossing Rdlpmnt	3,000	74,000	71,000	23.67	67,000	74,000	7,000	0.00
Downtown Redvlpmnt	5,000	1,000	(4,000)	(0.80)	3,000	1,000	(2,000)	0.00
Mitchell Avenue Corridor	436,000	401,000	(35,000)	(0.08)	433,000	401,000	(32,000)	(0.07)
The Commons	547,000	577,000	30,000	0.05	558,000	577,000	19,000	0.03
North East Cook Road	54,000	125,000	71,000	1.31	114,000	125,000	11,000	0.10
East Hills	1,056,000	1,130,000	74,000	0.07	1,076,000	1,130,000	54,000	0.05
North County - Shoppes	3,642,000	3,526,000	(116,000)	(0.03)	3,562,000	3,526,000	(36,000)	(0.01)
EBR Development TIF	240,000	338,000	98,000	0.41	327,000	338,000	11,000	0.03
Triumph Foods	2,609,000	10,815,000	8,206,000	3.15	11,301,000	10,815,000	(486,000)	(0.04)
Fountain Creek	3,000	2,000	(1,000)	(0.33)	0	2,000	2,000	0.00
Third Street Hotel	266,000	328,000	62,000	0.23	333,000	328,000	(5,000)	(0.02)
Tuscany Towers	0	1,000	1,000	1.00	0	1,000	1,000	0.00
Total TIF Revenues	\$8,890,000	\$17,369,000	\$8,479,000	0.95	\$17,819,000	\$17,369,000	(\$450,000)	(0.03)

Table 9

Fourth Quarter Report - June 30, 2013

EXPENDITURES - CIP PROGRAMS, SPECIAL ALLOCATION FUND, & CELL PHONE

CAPITAL PROJECTS & CELL PHONE PROGRAM

Fund*	Actual Versus Adopted & Amended				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted Budget	FY13 Actual Expenditure	Expenditures over (less) than Actual	% (Over) Under	FY13 Projected Budget	FY13 Actual Expenditure	Expenditures over (less) than Proj.	% (Over) Under
Cell Phone (General)	2,500,000	2,384,000	(116,000)	(0.05)	2,792,000	2,384,000	(408,000)	(0.15)
Riverfront ED Tax (General)	-	10,000	10,000	1.00	10,000	10,000	0	0.00
Capital Projects	4,783,000	2,769,000	(2,014,000)	(0.42)	8,162,000	2,769,000	(5,393,000)	(0.66)
Aviation CIP	1,450,000	167,000	(1,283,000)	(0.88)	232,000	167,000	(65,000)	(0.28)
Water Protection CIP	31,996,000	16,200,000	(15,796,000)	(0.49)	33,703,000	16,200,000	(17,503,000)	(0.52)
Golf CIP	26,000	35,000	9,000	0.35	25,000	35,000	10,000	0.40
Transit CIP	2,178,000	33,000	(2,145,000)	(0.98)	2,178,000	33,000	(2,145,000)	(0.98)
Total CIP Expenditures	\$ 42,933,000	\$ 21,598,000	\$ (21,335,000)	(0.50)	\$ 47,102,000	\$ 21,598,000	\$ (25,504,000)	(0.54)

*Reported separately from Operating budgets if grants or other specified funding sources exist for CIP projects

SPECIAL ALLOCATION FUND

TIF Development	Actual Versus Adopted & Amended				Actual Versus Projected			
	6/30/2013				6/30/2013			
	FY13 Adopted Budget	FY13 Actual Expenditure	Expenditure over (less) than Actual	% Over (Under)	FY13 Projected Budget	FY13 Actual Expenditure	Expenditure over (less) than Proj.	% Over (Under)
Center Building TIF	\$24,000	\$46,000	\$22,000	0.92	\$40,000	\$46,000	\$ 6,000	0.15
Uptown Redevelopment	0	1,000	1,000	1.00	1,000	1,000	0	0.00
Ryan Block	1,000	0	(1,000)	(1.00)	0	0	0	0.00
Crooks Crossing Rdlpmnt	2,000	80,000	78,000	39.00	64,000	80,000	16,000	0.25
Downtown Redlpmnt	0	1,000	1,000	1.00	1,000	1,000	0	0.00
Mitchell Avenue Corridor	432,000	824,000	392,000	0.91	433,000	824,000	391,000	0.90
The Commons	547,000	577,000	30,000	0.05	565,000	577,000	12,000	0.02
North East Cook Road	54,000	136,000	82,000	1.52	114,000	136,000	22,000	0.19
East Hills	1,045,000	1,030,000	(15,000)	(0.01)	1,075,000	1,030,000	(45,000)	(0.04)
North County - Shoppes	3,228,000	3,216,000	(12,000)	(0.00)	3,226,000	3,216,000	(10,000)	(0.00)
EBR Development TIF	239,000	253,000	14,000	0.06	327,000	253,000	(74,000)	(0.23)
Triumph Foods	2,073,000	11,690,000	9,617,000	4.64	11,076,000	11,690,000	614,000	0.06
Fountain Creek	0	0	0	0.00	0	0	0	0.00
Third Street Hotel	322,000	239,000	(83,000)	(0.26)	333,000	239,000	(94,000)	(0.28)
Tuscany Towers	0	0	0	0.00	0	0	0	0.00
Total TIF Expenditures	\$7,967,000	\$18,093,000	\$10,126,000	1.27	\$17,255,000	\$18,093,000	\$ 838,000	0.05

FY2013 YEAR END FINANCIAL REPORT

APPENDIX A

**FIVE YEAR HISTORY
ASSESSED VALUATION AND
PROPERTY TAX REVENUE**

FY2013 YEAR END FINANCIAL REPORT

ASSESSED VALUATION AND PROPERTY TAX REVENUE

Frequent questions come up about the City's property taxes – their basis as well as their increase/decrease over the years. The following is a brief tutorial on the subject.

Setting the Stage

It is a long established fact that property taxes are a more stable, more reliable, revenue source than sales taxes. It also means, unless you live in an area undergoing a residential, commercial, or industrial boom, those revenues aren't going to increase much from year to year.

Whether the revenues increase at all depend on several factors, most of which the City has no control over. They include the rate at which property can be assessed – State statute determines the percentage at which different types of property are assessed once a market value is determined; the market value of a property – determined by the County Assessor; and the maximum amount of tax that can be levied against a property – controlled by the State and by the voters within a jurisdiction.

The only impacts the City can have directly are, in effect, negative ones. For example, the City can offer tax abatements to specific businesses within specific areas to spur development on the theory that economic development will lead to growth in tax revenues overall. Or, the City can set tax levies lower than that allowed by State Statute for political reasons. Or, the City can forgive tax liens for various reasons.

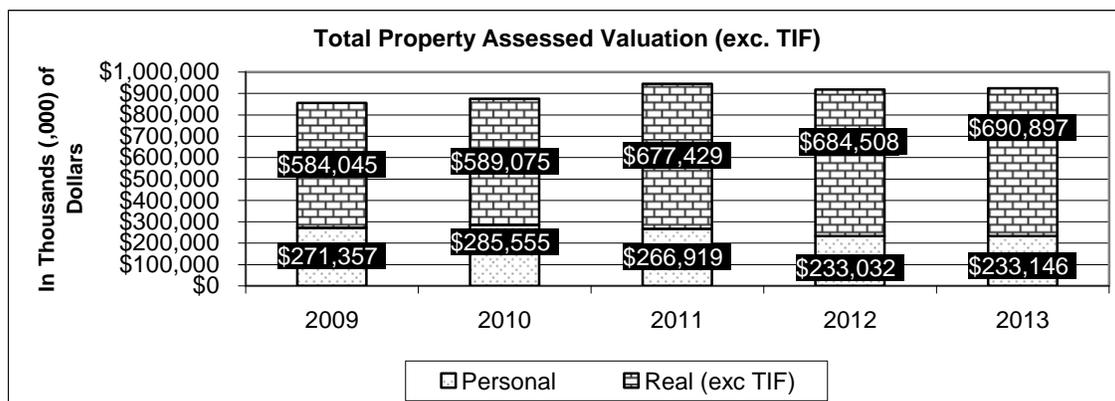
One of the strongest influences on the eventual amount of tax revenue the City will receive is the assessed value of the property being taxed.

Assessed Valuation

Real property taxes are levied against land and structures. The tax is on an "assessed valuation", a set percentage, of the market value of a property as set by the County Assessor. In Missouri, residential property is assessed at 19% of market value, commercial property at 32%, and agricultural property at 12%.

Personal property taxes are levied against "movable" property. For individuals this usually means their vehicles, boats, RV's etc. For businesses it means equipment and fixtures not an integral part of a structure. Assessed value is for all these items is 33 1/3% of the NADA value.

The chart below shows a five year history of the amount of the City's assessed valuation by type of property, excluding the TIF valuations.

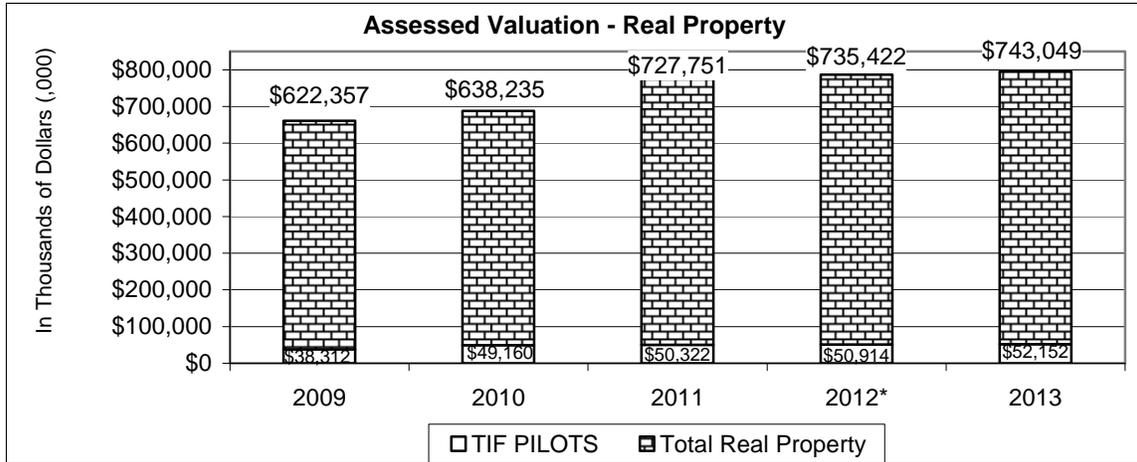


Real property valuations have slowly increased, while personal property valuations show a marked decrease in the last two years.

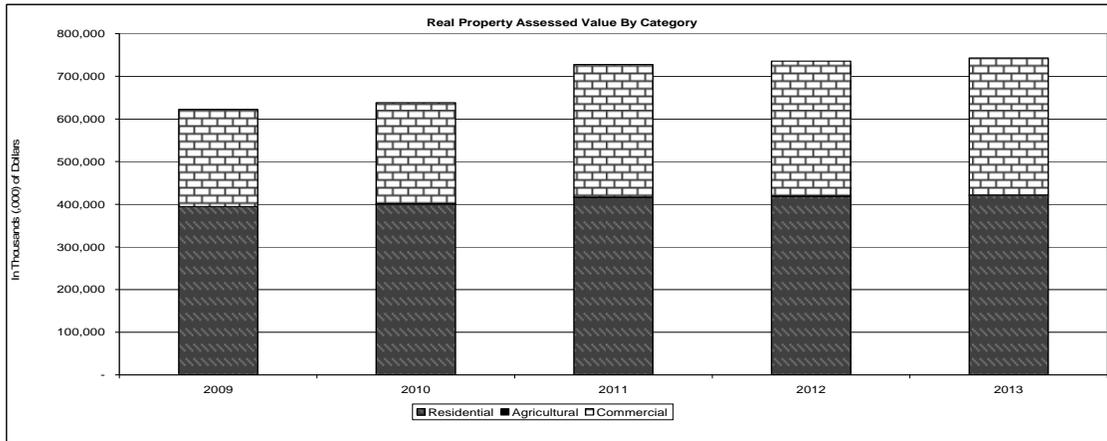
FY2013 YEAR END FINANCIAL REPORT

The next two graphs look at real and personal property separately.

The real property graph includes the amount of assessed valuation excluded from regular real property taxation and, instead, paid as payments-in-lieu-of-taxes (PILOTs) in TIFs. The percentage of assessed valuation “lost” to TIFs (6.5%) is small in the overall scheme of things.



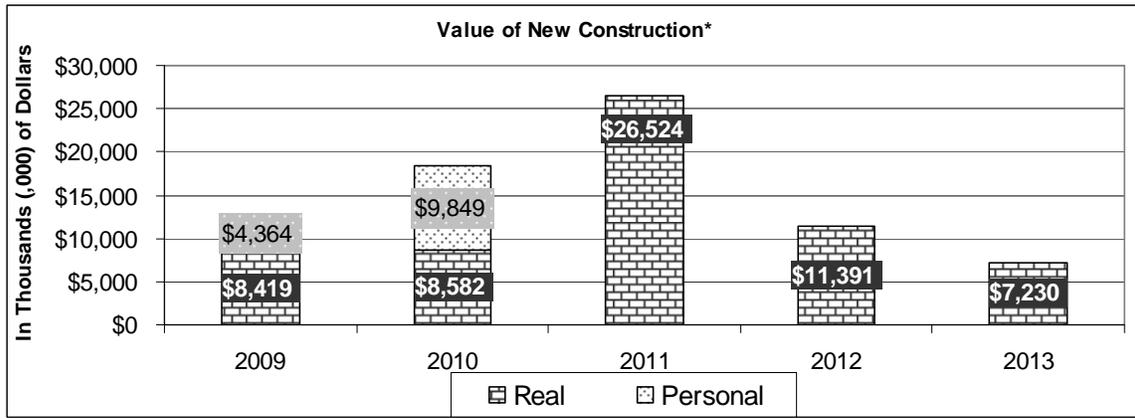
The next graph illustrates the categories making up real property in the City – residential, commercial and agricultural.



Residential valuations have scarcely budged over the last five years. The commercial sector, on the other hand, has increased steadily. Since commercial property is assessed at a much higher rate – 32% versus 19% of value – it contributes more tax revenue than the residential sector. The agricultural sector within the City is so small as to be indistinguishable in the graph.

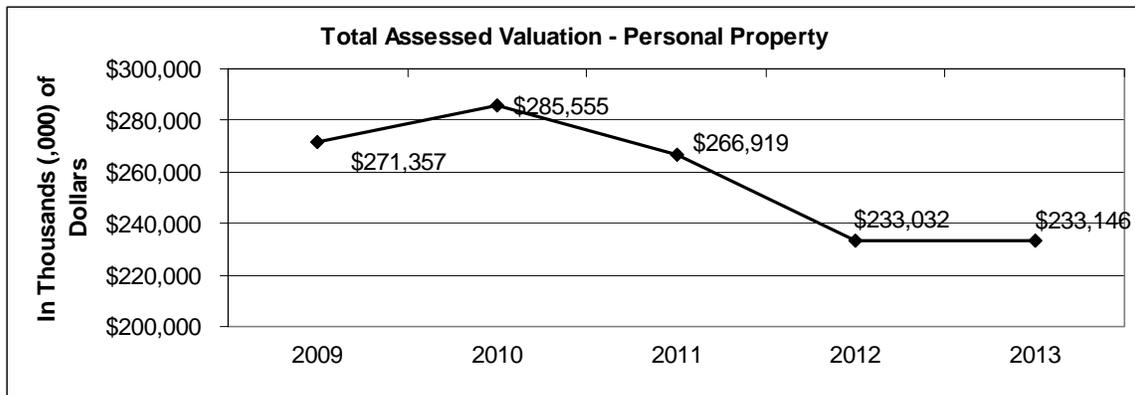
An extremely important category of assessment is that of New Construction. While the Hancock Amendment limits the amount of revenue the City can collect to roughly the amount collected in a prior year, that cap does not include new construction within that tax year. The following graph shows these new values for the past five tax years. New construction value are, of course, folded into “current valuations” in the following year.

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* New construction also includes that property coming back on tax rolls.

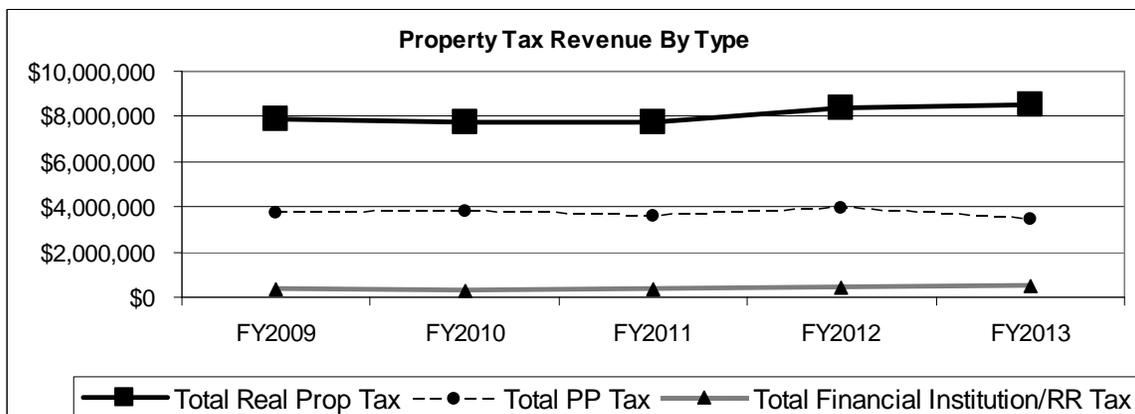
While real property assessments have shown a small, but steady, increase; personal property valuations had a marked drop in 2012 as shown below.



The 2010 spike occurred when the 1999 tax abatements awarded Boehringer Ingelheim Vetmedica came back on the tax rolls. This correlates to the "New Construction" portion of real and personal property discussed on the previous page and illustrated in the previous graph. Personal property assessed valuations dropped 18% from 2010 with the County Assessor's adoption of a new depreciation schedule (required by State statute), which accelerated rates of depreciation.

Property Tax Revenue

Valuations and tax levies are one side of the revenue equation, collections are the other. Here again the City has marginal control since, by contract, the County collects and distributes City taxes. In addition, collections are influenced by economic conditions (can taxpayers afford to pay), number and success rate of tax protests, and the rigor with which the City pursues scofflaws.



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As seen in the previous graph, revenues from real property taxes have increased slightly in the last five years. This has been offset by with a drop in revenues on the personal property side. With virtually no increase in assessed valuation for the FY12 tax year, personal property tax revenues declined by \$491,000 (12.5%) from the prior year. (This decrease is slightly distorted since revenues were bolstered in FY12 with the County Collector's release of prior year protested personal property taxes from four major industrial taxpayers.)

The Financial Institution Tax and Railroad Tax are personal property taxes based on factors other than the assessed valuation matrix applied to other tax-payers. Funds are paid to and allocated from the State. The amount the City receive are so minimal, they have been left out of this discussion.