



CITY OF MARYVILLE, MISSOURI

Comprehensive Annual Financial Report

For the Year Ended September 30, 2014

CITY OF MARYVILLE, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2014



Report issued by the Department of Finance

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Introductory Section



City of Maryville, Missouri

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February 12, 2015

Honorable Mayor, Members of the City Council, and
Citizens of the City of Maryville, Missouri:

It is our pleasure to formally submit the Comprehensive Annual Financial Report (CAFR) of the City of Maryville, Missouri (the City), for the fiscal year ended September 30, 2014. This report was prepared by the Finance Department, and the responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Hochschild, Bloom and Company, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Maryville, Missouri's financial statements for the year ended September 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Maryville's MD&A can be found immediately following the Independent Auditors' Report.

For purposes of preparing this comprehensive annual financial report, all funds that are controlled by or dependent on, the City of Maryville are included. This comprises such services as administration, public safety, public works, recreational activities, water and sanitary sewerage utility, municipal court services, and a transfer station for disposal of refuse. GASB has established the criteria to determine the financial reporting entity for a municipal government's financial report. Therefore, the City used these criteria to examine the relationship of the City to other associated but legally separate entities, to determine if their inclusion in this report would be necessary to fairly present the financial position of the City. These legally separate entities are referred to as component units. These criteria generally have to do with financial benefit or burden, and levels of influence over the activities of these organizations. Based on this criteria, the City has determined that no outside agency or organization meets the above criteria and therefore, no other agency or organization has been included as a component unit in the financial statements.

PROFILE OF THE GOVERNMENT

The City of Maryville, Missouri was established on February 14, 1845 and was named after Mrs. Mary Graham, wife of Mr. Amos Graham, then the county clerk. Because Mary was the first women to live in the predetermined boundaries of the City, Maryville was named after her. Thomas Adams was the first settler in what is now the City of Maryville in 1840. By 1859 Maryville had flourished with many stores, a hotel, a post office, one church and the current Nodaway County Courthouse was built. Several attempts were made to incorporate the town of Maryville, but it wasn't until July 19, 1869 that Maryville officially became incorporated. It was at this time that a railroad was built from Maryville to Savannah and follows the route of the existing Highway 71. Construction of the railroad brought a stream of activity to the town square. In 1880, the town of Maryville was incorporated into a "City" and from there on the City of Maryville appointed a Mayor and Boards of Alderman.

On November 14, 1960 Maryville voted to establish a City Council/City Manager form of government from which it currently operates. In accordance with these statutes, the registered voters within the City elect five council members on an at-large nonpartisan basis serving three year staggered terms. All policymaking and legislative authority is vested in the City Council, whose responsibilities include, but are not limited to, passing ordinances, adopting the annual budget, and appointing committees. The City Council appoints a City Manager to serve as the chief administrative officer of the City, who is responsible for carrying out the policies and ordinances of the City Council, and overseeing the day-to-day operations of the City.

Today, the City of Maryville is the county seat of Nodaway County, and is incorporated as a third-class city under the Missouri statutes. The City encompasses approximately 6.2 square miles and is located in the northwest corner of the state, approximately 95 miles north of Kansas City, Missouri. The City's population is 11,972 according to the 2010 census. The City is empowered to levy a property tax on the real and personal property located within its boundaries, and by state statute to extend its corporate limits by annexation.

The City has approximately 80 full-time employees and provides a full range of services. These services include public safety protection, maintenance of streets and other infrastructure, water and sewerage sanitation, a transfer station facility for refuse disposal, code enforcement, a regional airport, and recreational opportunities provided by Mozingo Lake and the parks system.

LOCAL ECONOMY

Maryville offers a diverse employment base revolving around a foundation of agriculture, education and industry. The three pillars of the economy accentuate the hard work ethic in the community and are appropriately the key elements by which the City markets itself to promote economic development opportunities. This blend enables the City to minimize the significant stresses associated with potential business closings or migration of residents from the community during times of economic downturns. Overall the long-term outlook for the Maryville economy continues to be promising and provides ample opportunities for success through its strategic planning and partnerships developed with entities in the community and State.

The City of Maryville is a blend of small town living and cultural amenities usually found in larger communities. Northwest Missouri State University (NWMSU), the City's largest employer, was established in 1905 and currently offers courses in a balanced selection of degree opportunities to over 7,000 students. Through its "Encore" series, residents are able to enjoy a wide offering of musical events and lectures. NWMSU also features the Missouri Academy, an accelerated residential program for Missouri high school-age students academically excelling in science and math. The Academy offers an opportunity for exceptional students to live and work in a community of peers while earning college credits and a high school diploma. The two-year program of college coursework is tailored to individual abilities and taught by Northwest faculty. The local economy also benefits from the Center for Innovation and Entrepreneurship (CIE) located on the NWMSU campus. The CIE is a 46,679 square foot business incubator containing three lab research areas, scientific instrument rooms, office space, training areas, and a product distribution center. The CIE effectively connects industry and academics and is tailored to support business acceleration in the region.

The City welcomes industry of all types into the community and recognizes their contributions on the local, regional, national and global economy. Several large industries located in Maryville include Kawasaki, LaCiede Chain, NuCor-LMP, and Federal Mogul. In November 2012, one of Maryville's largest industries, Energizer Holdings, Inc., announced the plant closure effective November 2013. The closure laid off 300 employees in the

region and presented an immediate challenge for property and sales tax revenue. While the closure also presents a long-term challenge, an opportunity now exists to work with Energizer Holdings, Inc., Nodaway County Economic Development (NCED), and other community leaders to repurpose the facility and grow the employment base.

The City understands the value of developing partnerships for economic development purposes to stimulate the local economy. To this end, the City has established itself as a leader in the recruitment of new businesses, both corporate and industrial by taking a leadership role in creating a resource team of local entities which help to evaluate potential new businesses in the community. Each opportunity is measured by the committee to determine the value it would add to the community with a cost-benefit analysis according to the Maryville Comprehensive Plan. For the last three years, the economic development team traveled to the International Council of Shopping Centers annual retail conference to recruit new retail opportunities. This effort led to several successful openings for retailers and the continued redevelopment of the Mary Mart Shopping Center through the use of a Community Improvement District (CID). In FY14, the City of Maryville also entered into an agreement with a local developer to provide infrastructure to a vacant tract of land to secure national retail opportunities. By establishing these frameworks of partnership, the City is positive about its future retail growth and in sustaining upward trends.

Assessed real estate in the City has shown an overall increase during the past ten years. The increase has been a blend of reassessing existing structures and the addition of new construction. A 10-year historical summary of property growth and the relation to assessed value is provided in the statistical section of this report.

MAJOR INITIATIVES & LONG TERM FINANCIAL PLANNING

Major initiatives and long term financial planning are integrally connected when these matters are associated with municipal government operations. Without long term financial planning there are no major initiatives. Most initiatives require significant capital expenditure and financing for projects; likewise the major initiatives demand a conscious and assertive effort to perform long range planning that appropriately assesses the long term financial implications. The City of Maryville has been fortunate to recognize the marriage of these two items and consequently have remained financially healthy while also accomplishing major initiatives that have both direct and indirect impact to the community to impact quality of life. Significant initiatives are further described below to provide an understanding on how they benefit the community.

One of the most critical projects during the fiscal year was the 4th Street Improvement Project, Phase I. The project seeks to physically and aesthetically transform the six (6) block corridor along 4th Street from downtown to the campus of Northwest Missouri State University. During the fiscal year, design of the project was completed, nearly \$1.1 million in grants and outside funding was secured, and the project was bid for construction. The \$1.8 million project includes ADA compliant sidewalks and trails, decorative street lights, landscaping, asphalt mill and overlay, a major intersection realignment, waterline replacements, and university branding and way-finding elements. Construction on the project will be complete in FY15 and represent a significant accomplishment listed in both the Maryville Comprehensive Plan and Downtown Strategic Plan.

Another significant street project was completed this year along Munn Avenue. The Munn Avenue Reconstruction Project (S. Ave to Highway V) rebuilt a critical stretch of arterial roadway directly adjacent to the Maryville High School. The \$2.4 million project included complete street reconstruction, storm sewer installation, sanitary sewer and waterline work, a new pedestrian trail, and numerous concrete driveway approaches. The completion of the Munn Avenue project was made possible by a half-cent capital improvement sales tax. The sales tax was approved by voters in 2008 to fund on-going capital replacement needs and will sunset in 2018 unless renewed by a citizen vote. The funding has been used for a wide variety of projects such as updating the emergency siren system, storm water improvements, heavy equipment for street maintenance and fire protection, roadway reconstructions, and matching dollars for trail projects. In FY14, the CIP was also used to begin construction on Phase I, Munn Avenue Trail and Phase C, 7th & 9th Street Trail. These projects are also supplemented by grants acquired through the Missouri Department of Transportation (MoDOT) Transportation Enhancement (TE) Program. The City continues to make every attempt to leverage additional grant dollars on all projects associated with the CIP tax, but have often been successful with equipment and trails.

With the presence of Northwest Missouri State University (NWMSU), Maryville's housing stock contains a significant amount of rental properties. Approximately 65% of all the residential housing is used in a rental capacity, predominantly targeted at students seeking higher education. Rental properties often have a tendency

to deteriorate quickly in university based communities, especially if property owners do not reinvest in structure maintenance. In these communities property maintenance code enforcement is crucial to the preservation and redevelopment of housing stock. In this fiscal year, the City will actively enforce codes to bring selected houses back to respectable standing while ensuring the demolition of homes which are dilapidated and substandard. Over the past three (3) years, the City has initiated the removal of thirty-four (34) unsafe and dangerous structures within the community. In 2013, the City Council approved the Campus Town Redevelopment Incentive Program (CTRIP) to further encourage the rehabilitation of housing stock in the Campus Town Overlay District. The program provides demolition and permit fee incentives to property owners willing to reinvest in the district located just east of campus. Throughout the fiscal year, CTRIP became directly responsible for two (2) residential development projects located at 8th & Walnut and 9th & Main. The local housing stock was also bolstered by the construction of several projects such as Southview Apartments, Phase I and the Villas at the Summit Phase II. The Oak Pointe Assisted Living & Memory Care Facility also began construction and is a \$6 million project to enhance senior living opportunities. The City of Maryville participated in the support, recruitment, and planning of all three (3) referenced projects to ensure success.

Well maintained water and sewer infrastructure are vital components to ensure continued health and quality of life for Maryville. Over the past year the City has completed the Water Main Project, Phase I to replace a critical feed line from the treatment plant along Highway 136 to Depot Street. The total cost of the project was approximately \$1 million and replaced a 16" main that had been the source of frequent breaks due to age and deterioration. The sanitary sewer collection system also received attention with the Lift Station Generator project largely funded through a SEMA grant. The project installed four (4) generators at critical sanitary sewer lift stations to ensure the system continues to function properly in case of emergency or power failure. The City also hired a contractor to smoke test the entire sanitary sewer system to identify areas with a high rate of I&I (inflow and infiltration) of storm water. Staff will proceed with targeting several of these major deficiency areas for repair/replacement when the report is complete.

In 2014, the City of Maryville continued construction on a new wastewater treatment facility to meet new ammonia discharge requirements by the Missouri Department of Natural Resources (DNR). The current wastewater system does not meet expected effluent limits issued in February 2008. The total project will cost approximately \$13.75 million and is financed by voter approved Revenue Bonds supported by increased sewer user fees. Construction on the project began in the summer of 2013 and is required to be operational by July 1, 2015. The project is one of the largest capital improvements undertaken by the City of Maryville in many years.

The City of Maryville also owns and operates Mazingo Lake Recreation Park, a 3,000 acre facility of which 1,000 acres is a lake, which acts as our primary water source to our customers. Surrounding the lake are various recreational activities including: RV camping, primitive camping, cabins, youth cabins, golf, hiking, water recreational activities, fishing and pavilions for family gatherings. Significant efforts continue in rebranding and marketing Mazingo Lake Recreation Park and its amenities into one (1) easily identifiable destination. The additional efforts will target both golf enthusiasts and recreationalists to increase revenues from tourism. Since development of the golf course at Mazingo Lake, three (3) city departments have functionally operated at the lake. This distinction created a fragmented and disjointed identity which diluted the City's advertising message. In FY14, staff restructured the department and found new niche markets to promote the park regionally. The City also worked with a local volunteer committee on the development of a nine (9) hole junior/short course at Mazingo Lake Recreation Park. The vision of the course quickly gained the attention of legendary golfer Tom Watson, who subsequently agreed to design the course at no cost. A grass roots fundraising campaign generated over \$460,000 towards construction which is currently underway. The Tom Watson Junior Golf Course is scheduled to open in FY15 and will serve as a unique amenity for junior golf, boosting tourism revenue for the park and region. For the park's future, staff partnered with RDG Planning & Design for the development 20-year park master plan. Once adopted the Mazingo Lake Recreation Park Master Plan will serve as a guide for all development and operations of the park.

The projects described above are only a fraction of the major initiatives pursued by the City of Maryville. These projects are designed to improve the quality of life for the citizens of Maryville and strategically position the City for continued success. With these projects moving forward, city staff will also ensure the delivery of core services and remain solvent as an organization.

RELEVANT FINANCIAL POLICIES

In February 2005 the City adopted tax increment financing (TIF) for the renovation and reconstruction of Maryville Town Center, a retail development consisting of approximately 90,000 square feet of retail space, anchored by a 55,400 square foot Hy-Vee grocery store and a 2,240 square foot Hy-Vee convenience store.

BUDGETARY CONTROLS

The annual budget serves as the foundation for the City's financial planning and control and is prepared by fund and department. After the proposed budget is prepared, it is submitted to the City Council for review. The Council may revise, alter, increase or decrease the items contained in the proposed budget, provided that total authorized expenditures from any fund do not exceed the estimated revenues to be received plus any unencumbered fund balance or less any deficit estimated for the beginning of the budget year. Following public hearings on the proposed budget, it is approved through the adoption of the budget resolution by the affirmative vote of a majority of the members of the City Council.

INDEPENDENT AUDIT

City policy requires an annual audit to be made of the financial statements of the various funds. The independent certified public accounting firm of Hochschild, Bloom and Company audited the financial statements contained in this report for the year ended September 30, 2014. The auditor's report on the basic financial statements is included in the financial section of this report.

RISK MANAGEMENT

The City is provided property, casualty and liability insurance coverage by Missouri Intergovernmental Risk Management Association (MIRMA). MIRMA is comprised of approximately 70 municipalities across the state in a shared risk pool.

The City's health insurance is provided by Blue Cross and Blue Shield of Kansas City. The City's dental insurance is provided by Principal Life.

In addition to the insurance coverage provided by MIRMA, the City has established several risk control measures through the City's safety committee in an effort to minimize accident-related losses.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Maryville for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2013. This was the sixth year that the City received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

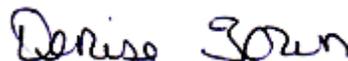
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was accomplished through the efforts of the Finance Department. Our sincere thanks to all of those who assisted.

Respectfully submitted,



Greg McDanel
City Manager



Denise Town
Finance



Government Finance Officers Association

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

Presented to

**City of Maryville
Missouri**

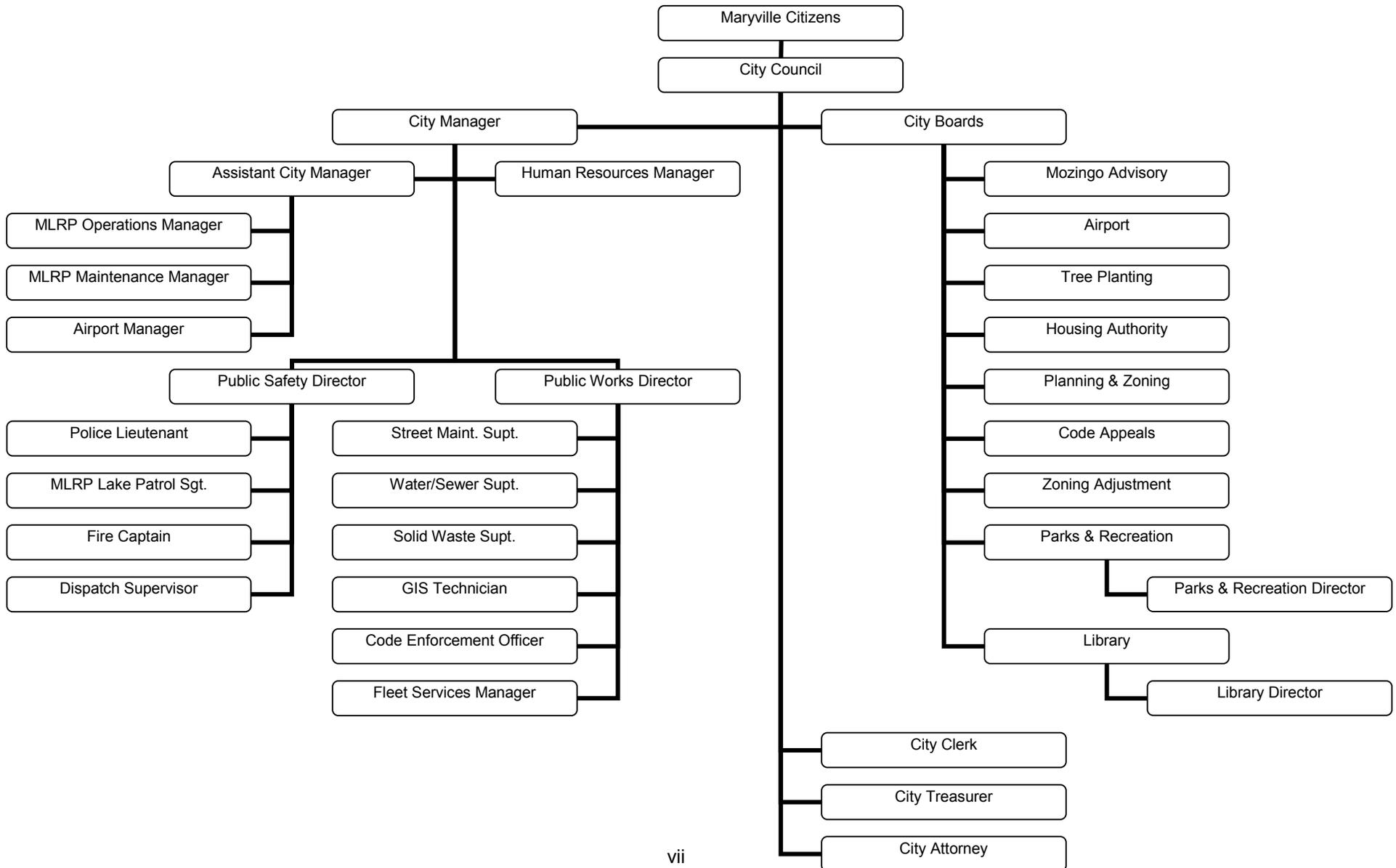
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

City of Maryville, Missouri

Organizational Chart Year Ended September 30, 2014



City of Maryville, Missouri

**Principal Officials
Year Ended September 30, 2014**

Elected Officials

Title	Name
Mayor	Renee Riedel
Mayor Pro-Tem	Timothy Shipley
Council Member	Jeff Funston
Council Member	Rachael Martin
Council Member	Gerald Riggs

Administration

City Manager	Greg McDanel
Assistant City Manager	Ryan Heiland
City Clerk	Sheila Smail
Public Safety Director	R. Keith Wood
City Treasurer	Denise Town
City Attorney	Doug Thomson
Park & Recreation Director	Rod Auxier

Financial Section



Hochschild, Bloom & Company LLP
Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITOR'S REPORT

February 12, 2015

Honorable Mayor and Members of the City Council
CITY OF MARYVILLE, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **CITY OF MARYVILLE, MISSOURI** (the City), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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- 1000 Washington Square, P. O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

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

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

Opinions

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

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial state-

ments or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Maryville's (the City) financial statements presents a narrative overview and comparative analysis of the financial activities of the City for the fiscal year ended September 30, 2014.

We offer those interested in the City of Maryville's financial statements this narrative overview and analysis of the financial activities of the City of Maryville for the fiscal year ended September 30, 2014.

FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the close of the September 30, 2014 fiscal year by \$30,755,197 (net position). The assets of the City exceeded its liabilities at the close of the September 30, 2013 fiscal year by \$29,907,811 (net position).

The government's total net position increased by \$847,386 and by \$1,329,312 for fiscal years September 30, 2014 and 2013, respectively.

As of the close of this current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,340,658, a decrease of \$1,175,090 in comparison with the prior year. Approximately 28 percent of this total amount, \$1,236,200, is available for spending at the government's discretion (unassigned fund balance). As of the close of the September 30, 2013 fiscal year, the City of Maryville's governmental funds reported combined ending fund balances of \$5,515,748, an increase of \$483,744 in comparison with the prior year. Approximately 27 percent of the total amount, \$1,486,033, is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,236,200, or 21.6 percent of total General Fund expenditures.

The City's total debt, excluding compensated absences, increased by \$11,418,194 (62.0 percent) during the current fiscal year.

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and park and recreation. The business-type activities of the City include water/sewer utility, solid waste, and Mozingo golf.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into the following three categories: **Governmental** Funds, **Proprietary** Funds, and **Fiduciary** Funds.

Governmental Funds

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

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

The City maintains five (5) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Park and Recreation Fund, and the Capital Improvements Fund which are considered to be major funds. Data from the remaining governmental funds, the TIF Fund and the Debt Retirement Fund, are combined into a single, aggregated presentation. Individual fund

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds

Proprietary funds are generally used to account for services for which the City charges customers—either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of Proprietary funds:

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses Enterprise funds to account for the operations of the Water and Sewer, Solid Waste, and Mazingo Recreation activities. All Enterprise funds are considered to be major funds of the City.

Internal Service Funds are used to report activities that provide supplies and services for certain City programs and activities. The City uses Internal Service funds to account for its fleet of vehicles and equipment and health insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The Internal Service funds are combined into a single, aggregated presentation in the propriety fund financial statements. Individual fund data for the Internal Service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City has one private-purpose trust fund and two agency funds, which are reported under the Fiduciary funds. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary funds is much like that used for Proprietary funds.

Notes to the Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules for the General Fund and major special revenue funds.

Combining Statements

The combining statements referred to earlier in connection with non-major Governmental funds, Internal Service funds and Fiduciary funds are presented immediately following the required supplementary information on pensions and budgetary comparison information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$30,755,197 at the close of the fiscal year ended September 30, 2014.

The largest portion of the City's net position reflects its investment of \$24,417,588 (79.4 percent) in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated from these liabilities.

City of Maryville, Missouri

**Management's Discussion and Analysis
For Fiscal Year Ended September 30, 2014**

Net Position

	Governmental Activities 2014	Business-Type Activities 2014	Total 2014	Governmental Activities 2013	Business-Type Activities 2013	Total 2013
Assets						
Current and other assets	\$ 5,773,135	\$16,274,033	\$22,047,168	\$ 7,157,555	\$ 8,095,253	\$15,252,808
Capital assets	16,820,610	25,942,802	42,763,412	16,284,441	19,798,222	36,082,663
Total assets	<u>22,593,745</u>	<u>42,216,835</u>	<u>64,810,580</u>	<u>23,441,996</u>	<u>27,893,475</u>	<u>51,335,471</u>
Liabilities						
Noncurrent liabilities	7,875,189	19,950,999	27,826,188	8,969,034	7,649,366	16,618,400
Other liabilities	2,428,054	3,801,141	6,229,195	2,608,628	2,200,632	4,809,260
Total liabilities	<u>10,303,243</u>	<u>23,752,140</u>	<u>34,055,383</u>	<u>11,577,662</u>	<u>9,849,998</u>	<u>21,427,660</u>
Net Position						
Net investment in capital assets	10,070,223	14,347,365	24,417,588	9,256,203	13,718,139	22,974,342
Restricted	1,881,446	589,185	2,470,631	2,028,658	254,292	2,282,950
Unrestricted	338,833	3,528,145	3,866,978	579,473	4,071,046	4,650,519
Total net position	<u>\$12,290,502</u>	<u>\$18,464,695</u>	<u>\$30,755,197</u>	<u>\$11,864,334</u>	<u>\$18,043,477</u>	<u>\$29,907,811</u>

An additional portion of the City's net position (8.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$3,866,978.

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

Analysis of Changes in Net Position

The changes in net position are highlighted in the following table, which shows the City's revenues and expenses for the fiscal year. These two main components are subtracted to yield the change in net position.

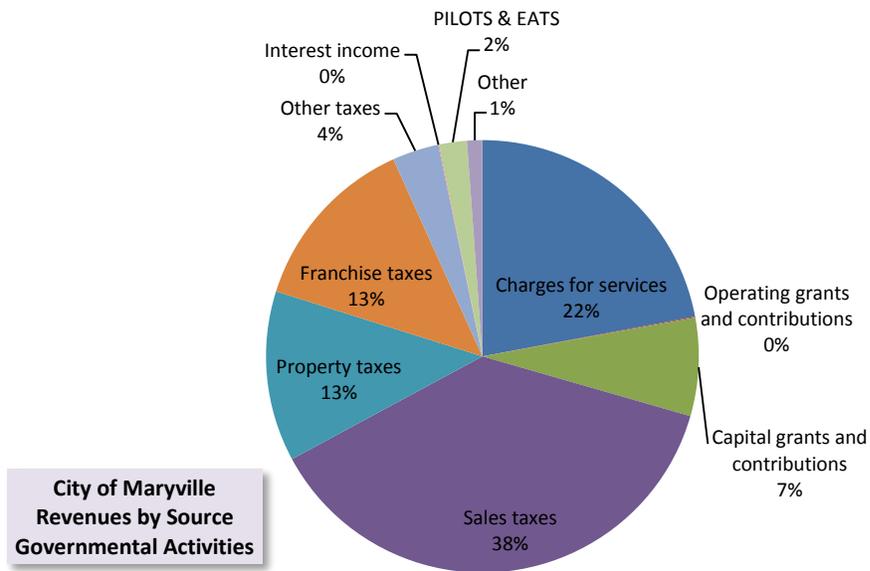
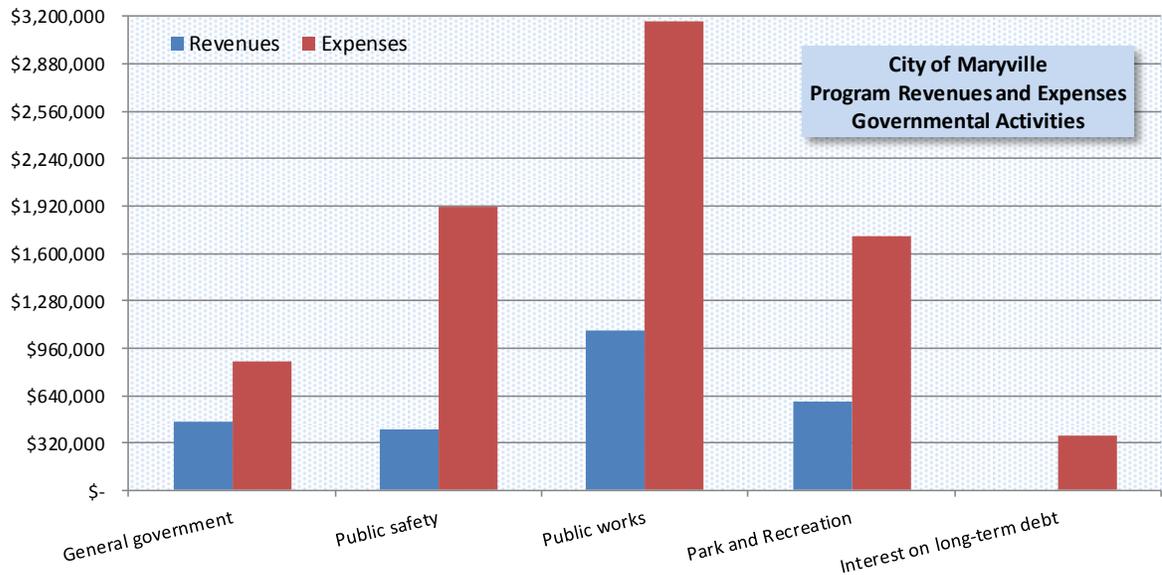
Changes in Net Position

	Governmental Activities 2014	Business-Type Activities 2014	Total 2014	Governmental Activities 2013	Business-Type Activities 2013	Total 2013
Revenues:						
Program revenues:						
Charges for services	\$ 1,860,704	\$ 5,856,933	\$ 7,717,637	\$ 1,730,819	\$ 5,615,547	\$ 7,346,366
Operating grants and contributions	19,802	39,178	58,980	110,251	19,302	129,553
Capital grants and contributions	658,383	177,291	835,674	605,224	35,364	640,588
General revenues:						
Property taxes	1,075,334	-	1,075,334	1,056,533	-	1,056,533
Sales taxes	3,178,249	925,380	4,103,629	3,063,597	892,287	3,955,884
Franchise taxes	1,130,069	-	1,130,069	1,106,195	-	1,106,195
Other taxes	293,028	-	293,028	303,659	-	303,659
PILOTS & EATS-TIF	175,019	-	175,019	173,724	-	173,724
Interest income	5,886	17,055	22,941	6,304	13,335	19,639
Other	43,315	7,062	50,377	341,110	83,898	425,008
Gain on sale of capital assets	-	-	-	-	5,532	5,532
Total revenues	<u>8,439,789</u>	<u>7,022,899</u>	<u>15,462,688</u>	<u>8,497,416</u>	<u>6,665,265</u>	<u>15,162,681</u>
Expenses:						
General government	872,047	-	872,047	1,102,420	-	1,102,420
Public safety	1,919,497	-	1,919,497	2,146,563	-	2,146,563
Public works	3,164,805	-	3,164,805	1,998,155	-	1,998,155
Parks and recreation	1,713,593	-	1,713,593	1,728,542	-	1,728,542
Interest on long-term debt	368,199	-	368,199	389,857	-	389,857
Solid waste	-	418,168	418,168	-	562,525	562,525
Water and sewer	-	4,163,637	4,163,637	-	3,996,966	3,996,966
Mozingo recreation	-	1,995,356	1,995,356	-	1,908,341	1,908,341
Total expenses	<u>8,038,141</u>	<u>6,577,161</u>	<u>14,615,302</u>	<u>7,365,537</u>	<u>6,467,832</u>	<u>13,833,369</u>
Excess (deficiency) before transfers and special item	401,648	445,738	847,386	1,131,879	197,433	1,329,312
Transfers	24,520	(24,520)	-	23,261	(23,261)	-
Increase (decrease) in net position	426,168	421,218	847,386	1,155,140	174,172	1,329,312
Net position, beginning	11,864,334	18,043,477	29,907,811	10,709,194	17,869,305	28,578,499
Net position, ending	<u>\$12,290,502</u>	<u>\$18,464,695</u>	<u>\$30,755,197</u>	<u>\$11,864,334</u>	<u>\$18,043,477</u>	<u>\$29,907,811</u>

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

Governmental activities. Governmental activities increased the City's net position by \$426,168. The largest single revenue source for the City was sales tax, which increased by \$114,652 (3.7 percent) from 2013. Certain revenues are generated that are specific to governmental program activities. These totaled \$2,538,889 in 2014 and \$2,446,294 in 2013.



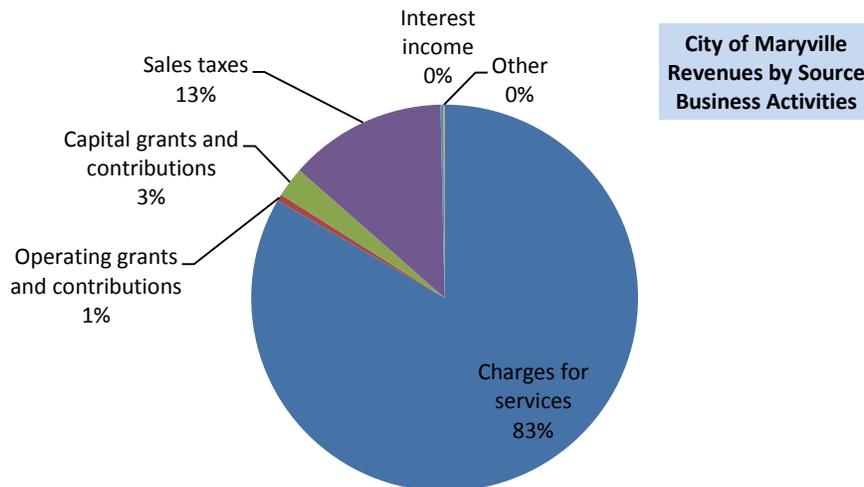
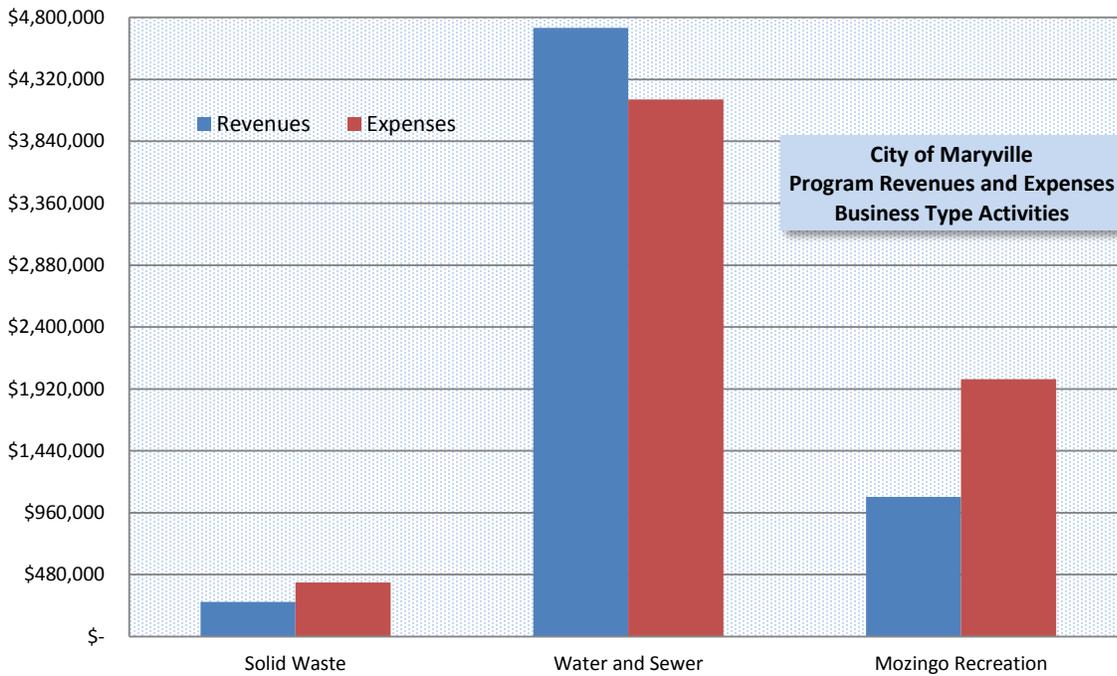
As shown in the Program Revenues and Expenses graph, public works is the largest function in expense (39.4 percent), followed by public safety (23.9 percent) and park and recreation (21.3 percent). General revenues

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

such as sales and property taxes are not shown by program, but are effectively used to support program activities citywide.

Business-type activities. Business-type activities increased the City's net position by \$421,218. This is mainly due to a 45% sewer rate increase that was effective with the September 2013 consumption.



City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

As shown in the preceding two graphs for business-type activities' revenues, the largest of the City's business-type activities, Water and Sewer, had expenses of \$4,163,637, followed by Mozingo Recreation with operating expenses of \$1,995,356, and finally Solid Waste with \$418,168 in operating expenses. For the fiscal year, expenses exceeded revenues in two of the three activities. Fees provided the largest share of revenues (86.1 percent) followed by sales taxes (13.6 percent) collected for operations at Lake Mozingo.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the City include the General Fund, Special Revenue Funds and Debt Service Fund.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,340,658, a decrease of \$1,175,090 in comparison with the prior year. Approximately 28 percent of this total amount, (\$1,236,200), constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form (\$30,064), 2) restricted for particular purposes (\$1,881,446), 3) committed for particular purposes (\$558,582), or 4) assigned for the subsequent year's budget appropriation (\$634,366).

As of the end of the September 30, 2013 fiscal year, the City's governmental funds reported combined ending fund balances of \$5,515,748, an increase of \$483,744 in comparison with the prior

year. Approximately 27 percent of this total amount, (\$1,486,033), constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form (\$26,127), 2) restricted for particular purposes (\$2,730,673), 3) committed for particular purposes (\$152,700), or 4) assigned for the subsequent year's budget appropriation (\$1,120,215).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,236,200, while total fund balance was \$2,462,222. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21.6 percent of total General Fund expenditures, while total fund balance represents 43.0 percent of that same amount. The fund balance of the City's General Fund decreased by \$325,863 during the current fiscal year. This was mainly due to capital related projects, such as equipment purchases and engineering services.

The Park and Recreation Fund has a total fund balance of \$251,664. The net decrease in fund balance during the current year was \$30,232. This was due to purchases for playground equipment and new cardio equipment at the Community Center.

The Capital Improvements Fund has a total fund balance of \$475,874. The net decrease in fund balance during the current year was \$889,313. The decrease was due to the completion of projects started in the previous fiscal year.

General Fund Budgetary Highlights

Actual revenue exceeded the budget in a few categories due to conservative estimates for franchise taxes, and sales tax, etc. On the expenditure side, some projects were delayed or changed, resulting in favorable budget to actual expenditure variances.

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

Proprietary Funds

The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Solid Waste Fund at the end of the year was \$(2,227,139); the Water and Sewer Fund was \$4,642,427; and the Mozingo Recreation Fund was \$1,112,857. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Fiduciary Funds

The City maintains Fiduciary Funds for the assets of the Oak Hill Cemetery Perpetual Fund, the Municipal Court Agency Fund and the Library Tax Agency Fund. The monies held in the Cemetery Perpetual Care fund are to be used for the non-routine maintenance and care of the cemetery. The ongoing general repairs and maintenance are accounted for in the General Fund. Net position at the end of the year were \$151,605 in the Oak Hill Cemetery Perpetual Fund.

City of Maryville, Missouri

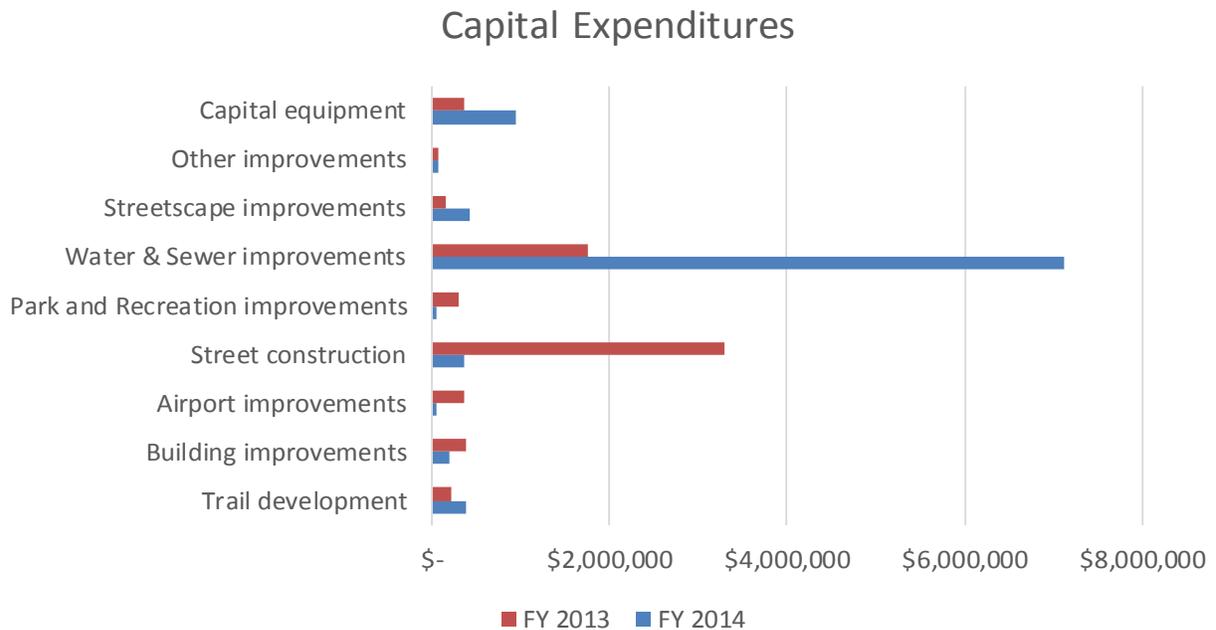
**Management’s Discussion and Analysis
For Fiscal Year Ended September 30, 2014**

Capital Asset and Debt Administration

Capital Assets. The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounts to \$42,763,412 (net of accumulated depreciation). This investment in capital assets includes land, intangible, construction in progress, buildings, improvements, machinery and equipment. Major capital asset expenditures during 2014 and 2013 include:

	<u>2014</u>	<u>2013</u>
Trail development	\$ 369,946	\$ 205,848
Building improvements	180,457	381,440
Airport improvements	46,922	364,438
Street construction	351,487	3,286,140
Park and Recreation improvements	45,132	286,440
Water & Sewer improvements	7,112,922	1,741,361
Streetscape improvements	422,793	141,715
Other improvements	60,153	64,361
Capital equipment	938,557	362,521
	<u>\$ 9,528,369</u>	<u>\$ 6,834,264</u>

The following graph shows the capital expenditures:



City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

Capital Assets, Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 456,757	\$ 456,757	\$ 1,907,872	\$ 1,907,872	\$ 2,364,629	\$ 2,364,629
Intangible asset	-	-	165,854	165,854	165,854	165,854
Buildings	5,455,318	5,455,318	9,079,318	8,579,849	14,534,636	14,035,167
Improvements other than buildings	18,344,981	17,777,194	36,363,598	36,316,848	54,708,579	54,094,042
Construction in progress	951,059	323,582	9,681,371	2,495,325	10,632,430	2,818,907
Machinery and equipment	3,741,897	3,328,543	6,207,500	5,853,597	9,949,397	9,182,140
Accumulated depreciation	(12,129,402)	(11,056,953)	(37,462,711)	(35,521,123)	(49,592,113)	(46,578,076)
Total	\$16,820,610	\$16,284,441	\$ 25,942,802	\$19,798,222	\$ 42,763,412	\$ 36,082,663

Additional information on the City's capital assets can be found in Note 4 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$3,380,000, which is debt backed by the full faith and credit of the government.

Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 3,380,000	\$ 3,600,000	\$ -	\$ -	\$ 3,380,000	\$ 3,600,000
TIF revenue bonds	2,140,000	2,230,000	-	-	2,140,000	2,230,000
Revenue bonds	-	-	15,270,000	1,870,000	15,270,000	1,870,000
Certificates of participation	3,315,000	4,070,000	2,485,000	2,590,000	5,800,000	6,660,000
Premium	94,706	103,132	42,073	52,796	136,779	155,928
Discount	(39,319)	(42,879)	(227,287)	-	(266,606)	(42,879)
Note payable	-	-	-	162,238	-	162,238
Capital leases	-	-	1,441,139	1,813,467	1,441,139	1,813,467
Total	\$ 8,890,387	\$ 9,960,253	\$ 19,010,925	\$ 6,488,501	\$ 27,901,312	\$ 16,448,754

The City's total debt increased by \$11,452,558 (69.6 percent) during the current fiscal year. Additional information on the City's long-term debt can be found in Note 5 of this report.

Economic Factors and Next Year's Budgets and Rates

The fiscal year 2015 marks the City's third year in transitioning to a priority-based budgeting process. While the organization is still several years away from being truly priority-based with performance measurement, the process once again included several Strategic Planning Sessions to identify goals of the community. Short-term and long-term goals were adopted by the City Council in August 2014 and remain as overarching, high level objectives for the organization, reflective of the community's priorities. The FY 2015 budget process marks the second year under the guidance of the Maryville Comprehensive Plan, which is designed to provide an essential legal basis for land use regulation such as zoning and to present a unified and compelling vision for the community.

The FY 2015 budget funds all the essential City services that Maryville residents expect, such as law enforcement and street maintenance. The City has remained fiscally sound while aggressively pursuing measures to improve the quality of life in our neighborhoods and upgrade infrastructure. The City has strategically positioned itself to once again include historic levels of capital improvement spending.

The FY 15 budget includes significant funds for internal process improvements and employee benefits. A 2.5% cost of living adjustment for all employees is included in the budget for the first time since 2009. The budget

City of Maryville, Missouri

Management's Discussion and Analysis For Fiscal Year Ended September 30, 2014

also includes the addition of three full-time and two part-time positions in the Water/Sewer Fund and the Mozingo Recreation Fund.

While conservative numbers were used to prepare the FY 2015 budget, the residential and business growth rate within the City is trending upward. Many factors contribute to the trend, but municipal actions and programs over the previous two fiscal years will continue to positively impact revenues in FY 2015 and beyond. The City's strategy for economic development and the removal of unsafe and dangerous structures have led to a variety of new retail options, infill residential development and a rejuvenated rental housing market.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Denise Town, City Treasurer, City of Maryville, P.O. Box 438, Maryville, Missouri 64468.

Basic Financial Statements

City of Maryville, Missouri

Statement of Net Position

September 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash, cash equivalents and investments	\$ 4,240,151	\$ 14,973,972	\$ 19,214,123
Receivables, net:			
Taxes	682,304	131,472	813,776
Grants	541,211	29,555	570,766
Utilities	---	664,040	664,040
Accounts	26,420	---	26,420
Other	2,742	24,258	27,000
Internal balances	51,841	(51,841)	---
Prepays	193,692	98,989	292,681
Inventory	34,774	210,634	245,408
Cash - restricted for refundable deposits	---	192,954	192,954
Total Current Assets	<u>5,773,135</u>	<u>16,274,033</u>	<u>22,047,168</u>
Noncurrent Assets:			
Capital assets:			
Nondepreciable	1,407,816	11,755,097	13,162,913
Depreciable, net	15,412,794	14,187,705	29,600,499
Total Noncurrent Assets	<u>16,820,610</u>	<u>25,942,802</u>	<u>42,763,412</u>
Total Assets	<u>22,593,745</u>	<u>42,216,835</u>	<u>64,810,580</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	1,017,090	2,358,517	3,375,607
Refundable deposits - restricted cash	---	192,954	192,954
Accrued interest payable	34,824	151,443	186,267
Compensated absences payable	147,302	34,163	181,465
Unearned revenue	123,838	---	123,838
Long-term liabilities due within one year	1,105,000	1,064,064	2,169,064
Total Current Liabilities	<u>2,428,054</u>	<u>3,801,141</u>	<u>6,229,195</u>
Noncurrent Liabilities:			
Net pension obligation	77,207	42,973	120,180
Landfill post-closure liability	---	1,931,690	1,931,690
Long-term liabilities due in more than one year	7,797,982	17,976,336	25,774,318
Total Noncurrent Liabilities	<u>7,875,189</u>	<u>19,950,999</u>	<u>27,826,188</u>
Total Liabilities	<u>10,303,243</u>	<u>23,752,140</u>	<u>34,055,383</u>
NET POSITION			
Net investment in capital assets	10,070,223	14,347,365	24,417,588
Restricted:			
Debt service	608,081	589,185	1,197,266
Tax increment financing project debt service	542,817	---	542,817
Park and recreation	251,664	---	251,664
Capital improvements	475,874	---	475,874
Other purposes	3,010	---	3,010
Unrestricted	338,833	3,528,145	3,866,978
Total Net Position	<u>\$ 12,290,502</u>	<u>\$ 18,464,695</u>	<u>\$ 30,755,197</u>

City of Maryville, Missouri

Statement of Activities

For the Year Ended September 30, 2014

Function/Programs	Program Revenues				Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental Activities:							
General government	\$ 872,047	\$ 458,213	\$ ---	\$ ---	\$ (413,834)	\$ ---	\$ (413,834)
Public safety	1,919,497	365,135	7,002	34,728	(1,512,632)	---	(1,512,632)
Public works	3,164,805	491,011	---	583,655	(2,090,139)	---	(2,090,139)
Park and recreation	1,713,593	546,345	12,800	40,000	(1,114,448)	---	(1,114,448)
Interest on long-term debt	368,199	---	---	---	(368,199)	---	(368,199)
Total Governmental Activities	8,038,141	1,860,704	19,802	658,383	(5,499,252)	---	(5,499,252)
Business-Type Activities:							
Solid waste	418,168	269,052	---	---	---	(149,116)	(149,116)
Water/sewer utility	4,163,637	4,583,388	39,178	97,736	---	556,665	556,665
Mozingo recreation	1,995,356	1,004,493	---	79,555	---	(911,308)	(911,308)
Total Business-Type Activities	6,577,161	5,856,933	39,178	177,291	---	(503,759)	(503,759)
Total Primary Government	\$ 14,615,302	\$ 7,717,637	\$ 58,980	\$ 835,674	\$ (5,499,252)	\$ (503,759)	\$ (6,003,011)

General Revenues:

Taxes:		
Property Taxes	1,075,334	1,075,334
Sales Taxes	3,178,249	4,103,629
Franchise Taxes	1,130,069	1,130,069
Other Taxes	293,028	293,028
PILOT & EATS - TIF	175,019	175,019
Interest	5,886	22,941
Other	43,315	50,377
Transfers	24,520	---
Total General Revenues and Transfers	5,925,420	6,850,397
Change in Net Position	426,168	847,386
Net Position - Beginning	11,864,334	29,907,811
Net Position - Ending	\$ 12,290,502	\$ 30,755,197

City of Maryville, Missouri
Balance Sheet

Governmental Funds

September 30, 2014

	General Fund	Park and Recreation Fund	Capital Improvements Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash, cash equivalents and investments	\$ 2,317,228	\$ 248,105	\$ 471,097	\$ 1,108,174	\$ 4,144,604
Receivables, net:					
Taxes	481,134	38,570	127,789	34,811	682,304
Grants	379,739	---	161,472	---	541,211
Accounts	14,798	3,674	---	7,948	26,420
Due from other funds	51,841	---	---	---	51,841
Inventory	30,064	---	---	---	30,064
Total Assets	<u>\$ 3,274,804</u>	<u>\$ 290,349</u>	<u>\$ 760,358</u>	<u>\$ 1,150,933</u>	<u>\$ 5,476,444</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 688,744	\$ 38,685	\$ 284,484	\$ 35	\$ 1,011,948
Unearned revenue	123,838	---	---	---	123,838
Total Liabilities	<u>812,582</u>	<u>38,685</u>	<u>284,484</u>	<u>35</u>	<u>1,135,786</u>
Fund Balances:					
Nonspendable:					
Inventory	30,064	---	---	---	30,064
Restricted for:					
Debt service	---	---	---	608,081	608,081
Tax increment financing project debt service	---	---	---	542,817	542,817
Park and recreation	---	237,761	---	---	237,761
Capital improvements	---	---	475,874	---	475,874
Other purposes	3,010	13,903	---	---	16,913
Committed to:					
Capital, construction and services	558,582	---	---	---	558,582
Assigned:					
Subsequent year's budget appropriation of fund balances	634,366	---	---	---	634,366
Unassigned	1,236,200	---	---	---	1,236,200
Total Fund Balances	<u>2,462,222</u>	<u>251,664</u>	<u>475,874</u>	<u>1,150,898</u>	<u>4,340,658</u>
Total Liabilities and Fund Balances	<u>\$ 3,274,804</u>	<u>\$ 290,349</u>	<u>\$ 760,358</u>	<u>\$ 1,150,933</u>	<u>\$ 5,476,444</u>

City of Maryville, Missouri
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position

September 30, 2014

Fund Balances - Total Governmental Funds	\$ 4,340,658
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of depreciation are not financial resources and are not reported in governmental funds.	16,819,030
Long-term debt and compensated absences are not due and payable with current financial resources and are not reported in governmental funds.	
General obligation and TIF revenue bonds	(5,520,000)
Certificates of participation	(3,315,000)
Compensated absences	(158,464)
Bond discount	39,319
Bond premium	(94,706)
Net pension obligation	(74,763)
Accrued interest payable for the current portion of interest due on general obligation bonds has not been reported in the governmental funds.	(34,824)
Other long-term assets are not available to pay for current period expenditures	191,035
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicles, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>98,217</u>
Net position of governmental activities	<u><u>\$ 12,290,502</u></u>

City of Maryville, Missouri
Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended September 30, 2014

	General Fund	Park and Recreation Fund	Capital Improvements Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 4,056,847	\$ 641,866	\$ 884,269	\$ 577,631	\$ 6,160,613
Licenses and permits	80,920	---	---	---	80,920
Intergovernmental	736,395	---	245,550	---	981,945
Charges for services	51,663	546,345	---	---	598,008
Fines and forfeitures	318,664	---	---	---	318,664
Interest	3,938	433	844	670	5,885
Other	157,970	61,208	---	---	219,178
Total Revenues	<u>5,406,397</u>	<u>1,249,852</u>	<u>1,130,663</u>	<u>578,301</u>	<u>8,365,213</u>
EXPENDITURES					
Current:					
General government	1,229,039	---	---	---	1,229,039
Public safety	2,208,932	---	---	---	2,208,932
Public works	2,290,323	---	---	---	2,290,323
Park and recreation	---	1,273,954	---	---	1,273,954
Capital outlay	---	---	1,171,366	22,321	1,193,687
Debt service:					
Principal retirement	---	---	755,000	310,000	1,065,000
Interest and fiscal charges	---	---	98,590	279,873	378,463
Total expenditures	<u>5,728,294</u>	<u>1,273,954</u>	<u>2,024,956</u>	<u>612,194</u>	<u>9,639,398</u>
Excess of revenues over (under) expenditures	<u>(321,897)</u>	<u>(24,102)</u>	<u>(894,293)</u>	<u>(33,893)</u>	<u>(1,274,185)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	74,575	---	29,500	110,341	214,416
Transfers out	(78,541)	(6,130)	(24,520)	(6,130)	(115,321)
Total other financing sources (uses)	<u>(3,966)</u>	<u>(6,130)</u>	<u>4,980</u>	<u>104,211</u>	<u>99,095</u>
Net change in fund balances	(325,863)	(30,232)	(889,313)	70,318	(1,175,090)
Fund balances - Beginning	<u>2,788,085</u>	<u>281,896</u>	<u>1,365,187</u>	<u>1,080,580</u>	<u>5,515,748</u>
Fund balances - Ending	<u>\$ 2,462,222</u>	<u>\$ 251,664</u>	<u>\$ 475,874</u>	<u>\$ 1,150,898</u>	<u>\$ 4,340,658</u>

City of Maryville, Missouri
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities

For the Year Ended September 30, 2014

Net change in fund balances - Total governmental funds \$ (1,175,090)

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

Governmental funds report capital outlays as expenditures. However, in the
statement of activities, the costs of those assets is allocated over their estimated
useful lives as depreciation expense.

Capital outlay	1,813,321
Depreciation expense	(1,276,522)

The issuance of long-term debt provides current financial resources to governmental
funds, while the repayment of the principal of long-term debt consumes the current
financial resources of governmental funds. Neither transaction, however, has any
effect on net position:

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,065,000
Amortization of bond discount and premium	4,866

Some expenses reported in the statement of activities do not require the use of current
financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest on bonds	5,398
Accrued compensated absences liability	4,770
Net pension obligation	(3,274)
Prepaid items	(8,329)

Internal service funds are used by management to charge the costs of certain
activities, such as equipment management and insurance, to individual funds.
The net revenues (expenses) of the internal service funds is reported with
governmental activities.

(3,972)

Change in net position of governmental activities \$ 426,168

City of Maryville, Missouri

Statement of Net Position

Proprietary Funds

September 30, 2014

	Solid Waste Fund	Water and Sewer Fund	Mozingo Recreation Fund	Totals	Governmental Activities - Internal Service Funds
ASSETS					
Current:					
Cash, cash equivalents and investments	\$ 22,814	\$ 13,897,699	\$ 1,053,459	\$ 14,973,972	\$ 95,547
Receivables, net:					
Taxes	---	---	131,472	131,472	---
Utilities	33,471	630,569	---	664,040	---
Grants	---	---	29,555	29,555	---
Other	---	9,542	14,716	24,258	2,742
Due from other funds	---	249,625	---	249,625	---
Prepaid expense	6,194	44,855	47,940	98,989	2,657
Inventory	---	186,523	24,111	210,634	4,710
Cash - refundable deposits	---	178,939	14,015	192,954	---
Total Current Assets	<u>62,479</u>	<u>15,197,752</u>	<u>1,315,268</u>	<u>16,575,499</u>	<u>105,656</u>
Noncurrent:					
Capital assets:					
Nondepreciable	162,599	11,545,031	47,467	11,755,097	---
Depreciable, net	233,863	11,712,258	2,241,584	14,187,705	1,580
Total Noncurrent Assets	<u>396,462</u>	<u>23,257,289</u>	<u>2,289,051</u>	<u>25,942,802</u>	<u>1,580</u>
Total Assets	<u>458,941</u>	<u>38,455,041</u>	<u>3,604,319</u>	<u>42,518,301</u>	<u>107,236</u>
LIABILITIES AND NET POSITION					
Liabilities:					
Current:					
Accounts payable and accrued expenses	45,796	2,189,018	123,703	2,358,517	5,142
Refundable deposits - restricted assets	---	178,939	14,015	192,954	---
Accrued interest payable	---	151,443	---	151,443	---
Compensated absences payable	3,182	9,442	21,539	34,163	1,433
Due to other funds	301,466	---	---	301,466	---
Current portion of long term debt	1,080	968,831	94,153	1,064,064	---
Total Current Liabilities	<u>351,524</u>	<u>3,497,673</u>	<u>253,410</u>	<u>4,102,607</u>	<u>6,575</u>
Noncurrent:					
Net pension obligation	4,736	13,665	24,572	42,973	2,444
Landfill post-closure liability	1,931,690	---	---	1,931,690	---
Revenue bonds	---	14,492,332	---	14,492,332	---
Certificates of participation	---	2,377,454	---	2,377,454	---
Lease obligations payable	---	901,870	175,205	1,077,075	---
Compensated absences payable	2,748	8,145	18,582	29,475	---
Total Noncurrent Liabilities	<u>1,939,174</u>	<u>17,793,466</u>	<u>218,359</u>	<u>19,950,999</u>	<u>2,444</u>
Total Liabilities	<u>2,290,698</u>	<u>21,291,139</u>	<u>471,769</u>	<u>24,053,606</u>	<u>9,019</u>
Net Position:					
Net investment in capital assets	395,382	11,932,290	2,019,693	14,347,365	1,580
Restricted for debt service	---	589,185	---	589,185	---
Unrestricted	(2,227,139)	4,642,427	1,112,857	3,528,145	96,637
Total net position	<u>\$ (1,831,757)</u>	<u>\$ 17,163,902</u>	<u>\$ 3,132,550</u>	<u>\$ 18,464,695</u>	<u>\$ 98,217</u>

City of Maryville, Missouri

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

For the Year Ended September 30, 2014

	Solid Waste Fund	Water and Sewer Fund	Mozingo Recreation Fund	Totals	Governmental Activities - Internal Service Funds
Operating Revenues:					
Charges for services	\$ 268,908	\$ 4,566,691	\$ 993,189	\$ 5,828,788	\$ 1,179,285
Miscellaneous	144	16,697	11,304	28,145	19,564
Total Operating Revenues	<u>269,052</u>	<u>4,583,388</u>	<u>1,004,493</u>	<u>5,856,933</u>	<u>1,198,849</u>
Operating Expenses:					
Personnel	135,023	511,115	837,268	1,483,406	65,331
Contractual services	215,214	1,503,681	396,182	2,115,077	1,089,441
Commodities	26,224	239,592	419,717	685,533	47,419
Depreciation	41,359	1,618,150	327,580	1,987,089	630
Total Operating Expenses	<u>417,820</u>	<u>3,872,538</u>	<u>1,980,747</u>	<u>6,271,105</u>	<u>1,202,821</u>
Operating income (loss)	<u>(148,768)</u>	<u>710,850</u>	<u>(976,254)</u>	<u>(414,172)</u>	<u>(3,972)</u>
Nonoperating Revenues (Expenses):					
Taxes	---	---	925,380	925,380	---
Intergovernmental and contributions	---	39,178	---	39,178	---
Interest income	86	15,984	985	17,055	---
Insurance recovery	---	7,062	---	7,062	---
Bond issue costs	---	(68,203)	---	(68,203)	---
Interest expenses and fees	(348)	(222,896)	(14,609)	(237,853)	---
Total Nonoperating Revenues (Expenses)	<u>(262)</u>	<u>(228,875)</u>	<u>911,756</u>	<u>682,619</u>	<u>---</u>
Income (loss) before capital contributions and transfers	<u>(149,030)</u>	<u>481,975</u>	<u>(64,498)</u>	<u>268,447</u>	<u>(3,972)</u>
Transfers out	---	---	(24,520)	(24,520)	---
Capital contributions	---	97,736	79,555	177,291	---
Change in net position	<u>(149,030)</u>	<u>579,711</u>	<u>(9,463)</u>	<u>421,218</u>	<u>(3,972)</u>
Total Net Position - Beginning	<u>(1,682,727)</u>	<u>16,584,191</u>	<u>3,142,013</u>	<u>18,043,477</u>	<u>102,189</u>
Total Net Position - Ending	<u>\$ (1,831,757)</u>	<u>\$ 17,163,902</u>	<u>\$ 3,132,550</u>	<u>\$ 18,464,695</u>	<u>\$ 98,217</u>

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City of Maryville, Missouri

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2014

	Solid Waste Fund	Water and Sewer Fund	Mozingo Recreation Fund	Totals	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:					
Cash received from customers	\$ 272,911	\$ 4,633,808	\$ 993,189	\$ 5,899,908	\$ 1,196,185
Cash paid to suppliers	(268,892)	(1,224,719)	(802,207)	(2,295,818)	(1,135,500)
Cash paid to employees	(134,005)	(508,206)	(841,687)	(1,483,898)	(64,660)
Other operating	---	94,383	5,563	99,946	---
Net Cash Provided by (used in) Operating Activities	<u>(129,986)</u>	<u>2,995,266</u>	<u>(645,142)</u>	<u>2,220,138</u>	<u>(3,975)</u>
Cash Flows from Non-Capital Financing Activities:					
Sales tax	---	---	922,966	922,966	---
Intergovernmental and contributions	---	136,914	20,000	156,914	---
Transfers to other funds	---	---	(24,520)	(24,520)	---
Net Cash Provided by Non-Capital Financing Activities	<u>---</u>	<u>136,914</u>	<u>918,446</u>	<u>1,055,360</u>	<u>---</u>
Cash Flows from Capital and Related Financing Activities:					
Purchase of capital assets	---	(7,252,887)	(140,062)	(7,392,949)	---
Insurance recovery	---	7,062	---	7,062	---
Proceeds from revenue bonds	---	13,510,750	---	13,510,750	---
Principal payments on capital debt	(12,672)	(882,096)	(94,798)	(989,566)	---
Bond issue costs paid	---	(68,203)	---	(68,203)	---
Interest paid on capital debt	(348)	(110,086)	(14,609)	(125,043)	---
Net Cash (used in) Capital and Related Financing Activities	<u>(13,020)</u>	<u>5,204,540</u>	<u>(249,469)</u>	<u>4,942,051</u>	<u>---</u>
Cash Flows from Investing Activities:					
Purchase of investments (net)	---	(7,415,188)	---	(7,415,188)	---
Income received on investments	86	15,984	985	17,055	---
Net Cash Provided by Investing Activities	<u>86</u>	<u>(7,399,204)</u>	<u>985</u>	<u>(7,398,133)</u>	<u>---</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(142,920)	937,516	24,820	819,416	(3,975)
Cash and Cash Equivalents, beginning of year	<u>165,734</u>	<u>4,723,634</u>	<u>1,042,654</u>	<u>5,932,022</u>	<u>99,522</u>
Cash and Cash Equivalents, end of year	<u>\$ 22,814</u>	<u>\$ 5,661,150</u>	<u>\$ 1,067,474</u>	<u>\$ 6,751,438</u>	<u>\$ 95,547</u>

(continued)

City of Maryville, Missouri

Statement of Cash Flows (Continued)

Proprietary Funds

For the Year Ended September 30, 2014

	Solid Waste Fund	Water and Sewer Fund	Mozingo Recreation Fund	Totals	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash					
Provided by (used in) Operating Activities:					
Operating income (loss)	\$ (148,768)	\$ 710,850	\$ (976,254)	\$ (414,172)	\$ (3,972)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	41,359	1,618,150	327,580	1,987,089	630
Net pension obligation	298	980	1,598	2,876	151
Landfill post-closure expense	(34,364)	---	---	(34,364)	---
Change in assets and liabilities:					
Receivables	3,859	144,803	(5,741)	142,921	(2,664)
Prepaid expenses	901	(15,161)	(382)	(14,642)	318
Inventory	---	(46,138)	5,950	(40,188)	303
Accounts payable and accrued expenses	6,009	580,394	(4,534)	581,869	623
Compensated absences	720	1,929	(6,017)	(3,368)	636
Refundable deposits	---	(541)	12,658	12,117	---
Net Cash provided by (used in) Operating Activities	<u>\$ (129,986)</u>	<u>\$ 2,995,266</u>	<u>\$ (645,142)</u>	<u>\$ 2,220,138</u>	<u>\$ (3,975)</u>
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:					
Cash, cash equivalents and investments	\$ 22,814	\$ 13,897,699	\$ 1,053,459	\$ 14,973,972	\$ 95,547
Restricted cash and cash equivalents	---	178,939	14,015	192,954	---
Less: Investments in certificates of deposit	---	(1,000,000)	---	(1,000,000)	---
Less: Investments in money market mutual funds	---	(3,914,148)	---	(3,914,148)	---
Less: Investments in U.S. Treasuries	---	(3,501,340)	---	(3,501,340)	---
Cash and cash equivalents, end of year	<u>\$ 22,814</u>	<u>\$ 5,661,150</u>	<u>\$ 1,067,474</u>	<u>\$ 6,751,438</u>	<u>\$ 95,547</u>
Supplemental disclosure of cash flow information:					
Noncash investing, capital and financing activities:					
Change in capital asset acquisitions through accounts payable	\$ ---	\$ (1,436,083)	\$ (52,474)	\$ (1,488,557)	\$ ---
Donated capital assets	---	30,000	---	30,000	---
Amortization of bond premiums and discounts, net as a component of interest expense	\$ ---	\$ 1,240	\$ ---	\$ 1,240	\$ ---
Change in landfill post-closure valuation liability	\$ (34,364)	\$ ---	\$ ---	\$ (34,364)	\$ ---
Change in net pension obligation	\$ 298	\$ 980	\$ 1,598	\$ 2,876	\$ 151
Bonds issued	\$ ---	\$ 13,750,000	\$ ---	\$ 13,750,000	\$ ---
Less discount	---	239,250	---	239,250	---
Cash proceeds	<u>\$ ---</u>	<u>\$ 13,510,750</u>	<u>\$ ---</u>	<u>\$ 13,510,750</u>	<u>\$ ---</u>

City of Maryville, Missouri
Statement of Fiduciary Net Position

Fiduciary Funds

September 30, 2014

	<u>Private Purpose Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash, cash equivalents and investments	\$ 151,605	\$ 7,593
Total Assets	<u>\$ 151,605</u>	<u>\$ 7,593</u>
LIABILITIES		
Court bonds payable	---	7,593
Total Liabilities	<u>---</u>	<u>7,593</u>
NET POSITION		
Net Position	<u>\$ 151,605</u>	<u>\$ ---</u>

City of Maryville, Missouri

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the Year Ended September 30, 2014

	<u>Private Purpose Trust Fund</u>
ADDITIONS	
Interest income	\$ 775
Total Additions	<u>775</u>
DEDUCTIONS	
Transfers out	<u>74,575</u>
Total Deductions	<u>74,575</u>
Change in Net Position	(73,800)
Net position - beginning	<u>225,405</u>
Net position - ending	<u>\$ 151,605</u>

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City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies:

The City of Maryville, Missouri (the City) was incorporated in 1869 and covers an area of approximately 4.4 square miles in Nodaway County, Missouri approximately 95 miles north of Kansas City, Missouri. The City is a city of the third class and operates under the Council-Manager form of government. The City Manager is the chief administrative officer of the City. The City provides services to its 11,972 residents, including law enforcement, fire protection, water and sewer services, community enrichment and development, and various social services. The Maryville R-II School District, a separate governmental entity, provides educational services.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the more significant policies.

Financial Reporting Entity

The City's relationship to other legally separate organizations has been examined to determine if their inclusion in the City's basic financial statements is necessary to fairly present the financial position and activities of the City. The criteria used in this determination included an examination of the nature and significance of the organization's relationship with the City, financial benefit or burden to the City, the ability of the City Council to appoint members of the governing board, and the level of influence the City has over the activities of the organization. Based on these criteria, the following related organization has been excluded from the accompanying financial statements:

Maryville Public Library (the Library) – The City's mayor appoints all members of the Library's Board, but a board member cannot be removed except for specific acts (illegal acts, etc.). The Library is able to establish and approve its own budget and legally set its own fees and charges for services. Therefore, although the City appoints all members of the Library board, the Library is able to act independently without City oversight, and is not included within the City's reporting entity.

Government-Wide and Fund Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds and major individual enterprise

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Fund Accounting:

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

Governmental Fund Types:

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than certain capital projects that are legally restricted to expenditures for specific projects).

The **Park and Recreation Fund** is a Special Revenue Fund used to account for the maintenance and improvement of all City park facilities and the development and supervision of various recreation programs.

The **Capital Improvements Fund** is a Capital Projects Fund used to account for all resources used in the acquisition and construction of capital facilities and other capital assets, with the exception of those that are financed through proprietary funds. The Capital Improvements Fund of the City is used to account for transactions related to projects primarily financed through the City's 1/2 cent sales tax for capital improvements.

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

The **Debt Service Fund** is used to account for the servicing of the general long-term debt of the City.

The **Tax Increment Financing Fund** is a Special Revenue Fund, created to account for the issuance of TIF revenue bonds used to pay construction costs and developments of the Maryville Town Center project. Monies received from the tax increment will be used to retire the tax increment bonds issued.

Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Enterprise Funds of the City are all major funds and consist of the Solid Waste Fund, Water and Sewer Fund and the Mozingo Recreation Fund.

Additionally, the City reports the following fund types:

Internal Service Funds account for fleet management and health insurance services provided to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The Internal Service Funds of the City are the Central Garage Fund and the Group Insurance Fund.

Fiduciary Fund Types

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent on behalf of others.

Private Purpose Trust Funds account for assets held by the City in its capacity as a trustee. Private Purpose Trust Funds are utilized for assets whereby the principal may not be spent and are accounted for using the same measurement focus as Proprietary Funds. The Private Purpose Trust Fund of the City is the Oak Hill Cemetery Perpetual Care Trust Fund.

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the City holds for others in an agency capacity. The Agency Funds of the City are the Municipal Court Fund and the Library Tax Fund.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. Agency funds are also recorded on the accrual basis of accounting but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

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

Property taxes, sales and franchise taxes, reduced by an appropriate allowance for uncollectible taxes, associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash.

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. Property taxes are levied each year on all taxable real and personal property in the City. The City's property tax is levied each October on the assessed value as of the prior January 1. On January 1, a lien attached to all property for which taxes are unpaid.

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges for customer services including: water, sewer, solid waste fees, and golf and recreation fees at Mozingo Lake. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

The City pools cash resources of its various funds in order to facilitate the management of cash. Income from the pooled cash is allocated to individual funds based on the fund's average cash balance and legal requirements. Each fund's portion of total cash and investments is reported as such within this report. Some investments are separately held by certain funds, while other investments are allocated between two or more funds. Investments are reported at fair value. Investments authorized by the City's investment policy include collateralized certificates of deposit and money market accounts, and direct obligations of the U.S. Government with maturities of two years or less.

Cash and Cash Equivalents

For purposes of the financial statements, including the cash flow statement, the City considers all accounts subject to withdrawal by check or on demand to be cash and cash equivalents. Certificates of deposit and money market mutual funds are considered to be investments.

Restricted Assets

Cash in the Water/Sewer Fund is restricted for repayment of refundable water deposits. Cash in the Mozingo Recreation Fund is restricted for repayment of refundable deposits for cabin reservations.

Receivables

Receivables result primarily from miscellaneous services provided to citizens in the governmental funds. Water, sewer and solid waste services are accounted for in the Water/Sewer and Solid Waste Funds. All are net of an allowance for uncollectibles.

Inventory

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory usage is recognized on the consumption method.

Capital Assets

The City's capital assets include land, construction in progress, buildings, improvements other than buildings, machinery and equipment and infrastructure reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

value at the date of donation. The City has not capitalized general governmental infrastructure assets purchased or constructed prior to October 1, 2003 as allowed by Governmental Accounting Standards Board Statement No. 34.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest, if significant, incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. \$416,621 in interest was capitalized during the year ended September 30, 2014.

Depreciation has been provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives for each capital asset type are as follows:

Improvements other than buildings	10 to 30 years
Buildings	10 to 25 years
Machinery and equipment	3 to 10 years
Sewer mains, lines and treatment plant	10 to 40 years
Water wells, reservoirs, main and lines	10 to 40 years
Golf course improvements	10 to 20 years

Interfund Transactions

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

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

Compensated Absences

The City's vacation policy grants an employee twelve days of vacation after six months of service and the vacation increases for every five years of service to the City. Accumulated vacation days are limited to 150% of the employee's yearly accrual. All vacation hours over the maximum shall be lost and shall have no value. Unused vacation hours are paid if an employee resigns in good standing after at least six months of service.

Due to the ability of an employee to take any and all of their allotted vacation in a 12 month period, the City considers any long term portion of accrued vacation to be immaterial and not subject to estimation.

After employment for six months, employees are allowed to accumulate four hours of sick leave per pay period up to a maximum of 720 hours. Employees may not use more than three days sick pay at a time without notice from a doctor. All sick pay is forfeited upon termination of employment and therefore, is not included in compensated absences payable.

For proprietary fund types and the Government-wide statements, these accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned. For governmental fund types, the amount of accumulated unpaid vacation which is payable from available resources is recorded as a liability of

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

the respective fund only if they have matured, for example, as a result of employee retirements and resignations.

Estimates

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

Fund Balance Policies

The City's policy is to report the fund balance in the following categories, when applicable, listed from the most restrictive to the least restrictive:

Nonspendable -- The portion of fund balance that is legally or contractually required to be maintained. It is not in spendable form, which includes items that are not expected to be converted to cash in the normal course of business, such as inventory, prepaids, supplies, and long-term receivables.

Restricted -- The portion of fund balance that is subject to external enforceable legal restrictions.

Committed -- The portion of fund balance with self-imposed constraints or limitations that have been imposed by formal action (ordinance) of the City Council. Such constraint is binding unless modified or rescinded by formal action (ordinance) of the City Council.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose, intent expressed by the City Manager to which the City Council has designated authority by policy passed by resolution.

Unassigned -- Amounts that are available for any purpose, these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method.

City of Maryville, Missouri

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies, continued

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

2. Deposits and Investments

Authorized Investments

Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. Agencies, obligations of state and local government entities, certificates of deposit, repurchase agreements and money market mutual funds. As of September 30, 2014, the City's funds were in depository accounts, certificates of deposit, money market mutual funds and U.S. Treasuries.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer maturity of an investment means the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investment maturities to 24 months. As of September 30, 2014, the City has \$4,431,244 invested in money market mutual funds in which funds may be withdrawn at any time, and \$3,501,340 in U.S. Treasuries with remaining maturities under one year.

Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City does not have a policy regarding credit risk. As of September 30, 2014, the City's investments in money market mutual funds were rated Aaa and AAAM by Moody's Investor Services and Standard and Poor's, respectively.

Concentration of Credit Risk

The City's investment policy is to apply the prudent-person rule: Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The City's investment in money market mutual funds are not subject to concentration of credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure to the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy requires all investments and deposits which exceed the financial institution's insurance limits shall be secured by eligible collateral. The fair value of the collateral must be equal to or greater than

City of Maryville, Missouri

Notes to Basic Financial Statements

2. Deposits and Investments, continued

110% of the value of the total deposits less the amount of insurance coverage. Collateral must be held by an independent third party. As of September 30, 2014 the City was not exposed to custodial credit risk for deposits. The City's investment in money market mutual funds are not subject to custodial credit risk.

The City's investments during the year did not vary substantially from those at year-end in amounts or level of risk.

3. Accounts Receivable

Taxes receivables as of year end for the government's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts are as follows:

Governmental Funds:

	<u>General Fund</u>	<u>Park and Recreation Fund</u>	<u>Capital Improvements Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Taxes:					
Property taxes	\$ 11,038	\$ 9,887	\$ -	\$ 4,196	\$ 25,121
Sales taxes	262,943	31,960	127,789	31,960	454,652
Franchise taxes	<u>210,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>210,737</u>
Gross taxes	484,718	41,847	127,789	36,156	690,510
Less: Allowance for Uncollectibles	<u>(3,584)</u>	<u>(3,277)</u>	<u>-</u>	<u>(1,345)</u>	<u>(8,206)</u>
Total Taxes Receivables	<u>\$ 481,134</u>	<u>\$ 38,570</u>	<u>\$ 127,789</u>	<u>\$ 34,811</u>	<u>\$ 682,304</u>

Enterprise Funds:

	<u>Mozingo Recreation Fund</u>
Taxes:	
Sales tax	<u>\$ 131,472</u>
Total Taxes Receivable	<u>\$ 131,472</u>

4. Capital Assets

The following is a summary of changes in capital assets for the year ended September 30, 2014

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Deletions and Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 456,757	\$ -	\$ -	\$ 456,757
Construction in progress	323,582	699,564	72,087	951,059
Total capital assets not being depreciated	<u>780,339</u>	<u>699,564</u>	<u>72,087</u>	<u>1,407,816</u>
Capital assets, being depreciated:				
Buildings	5,455,318	-	-	5,455,318
Improvements other than buildings	17,777,194	567,787	-	18,344,981
Machinery and equipment	3,328,543	618,057	204,703	3,741,897
Total capital assets being depreciated	<u>26,561,055</u>	<u>1,185,844</u>	<u>204,703</u>	<u>27,542,196</u>

City of Maryville, Missouri

Notes to Basic Financial Statements

4. Capital Assets, continued

Less accumulated depreciation for:				
Buildings	2,502,596	244,844	-	2,747,440
Improvements other than buildings	6,253,414	748,212	-	7,001,626
Machinery and equipment	2,300,943	284,096	204,703	2,380,336
Total accumulated depreciation	<u>11,056,953</u>	<u>1,277,152</u>	<u>204,703</u>	<u>12,129,402</u>
Total capital assets being depreciated, net	<u>15,504,102</u>	<u>(91,308)</u>	<u>-</u>	<u>15,412,794</u>
Governmental activities capital assets, net	<u>\$16,284,441</u>	<u>\$ 608,256</u>	<u>72,087</u>	<u>\$16,820,610</u>

Business Activities	Beginning Balance	Additions and Transfers	Deletions and Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,907,872	\$ -	\$ -	\$ 1,907,872
Intangible asset	165,854	-	-	165,854
Construction in progress	2,495,325	7,536,502	350,456	9,681,371
Total capital assets not being depreciated	<u>4,569,051</u>	<u>7,536,502</u>	<u>350,456</u>	<u>11,755,097</u>
Capital assets, being depreciated:				
Buildings	8,579,849	499,469	-	9,079,318
Improvements other than buildings	36,316,848	46,750	-	36,363,598
Machinery and equipment	5,853,597	399,404	45,501	6,207,500
Total capital assets being depreciated	<u>50,750,294</u>	<u>945,623</u>	<u>45,501</u>	<u>51,650,416</u>
Less accumulated depreciation for:				
Buildings	5,257,703	421,838	-	5,679,541
Improvements other than buildings	27,293,452	1,111,342	-	28,404,794
Machinery and equipment	2,969,968	453,909	45,501	3,378,376
Total accumulated depreciation	<u>35,521,123</u>	<u>1,987,089</u>	<u>45,501</u>	<u>37,462,711</u>
Total capital assets being depreciated, net	<u>15,229,171</u>	<u>(1,041,466)</u>	<u>-</u>	<u>14,187,705</u>
Business type activities capital assets, net	<u>\$ 19,798,222</u>	<u>\$ 6,495,036</u>	<u>\$ 350,456</u>	<u>\$ 25,942,802</u>

Depreciation expense was charged to governmental activities functions/programs as follows:

Governmental Activities:		Business-type Activities:	
General government	\$ 124,003	Solid Waste	\$ 41,359
Public safety	91,766	Water and Sewer	1,618,150
Public works	560,607	Mozingo Recreation	<u>327,580</u>
Parks and recreation	500,146		
Internal service	<u>630</u>	Total depreciation expense,	
Total depreciation expense, governmental activities	<u>\$ 1,277,152</u>	business-type activities	<u>\$ 1,987,089</u>

City of Maryville, Missouri

Notes to Basic Financial Statements

5. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2014:

	Balance September 30, 2013	Additions	Retirements	Balance September 30, 2014	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 3,600,000	-	\$ 220,000	\$ 3,380,000	\$ 225,000
TIF revenue bonds	2,230,000	-	90,000	2,140,000	95,000
Certificates of participation	4,070,000	-	755,000	3,315,000	785,000
Premium	103,132	-	8,426	94,706	-
Discount	(42,879)	-	(3,560)	(39,319)	-
Compensated absences	164,032	147,777	151,912	159,897	147,302
	<u>\$ 10,124,285</u>	<u>\$ 147,777</u>	<u>\$ 1,221,778</u>	<u>\$ 9,050,284</u>	<u>\$ 1,252,302</u>
Business-Type Activities:					
Revenue bonds	\$ 1,870,000	\$ 13,750,000	\$ 350,000	\$ 15,270,000	\$ 590,000
Certificates of participation	2,590,000	-	105,000	2,485,000	110,000
Premium	52,796	-	10,723	42,073	-
Discount	-	(239,250)	(11,963)	(227,287)	-
Capital leases	1,813,467	-	372,328	1,441,139	364,064
Note payable	162,238	-	162,238	-	-
Landfill post-closure liability	1,966,054	-	34,364	1,931,690	-
Compensated absences	67,006	40,754	44,122	63,638	34,163
	<u>\$ 8,521,561</u>	<u>\$ 13,551,504</u>	<u>\$ 1,066,812</u>	<u>\$ 21,006,253</u>	<u>\$ 1,098,227</u>

Internal Service Funds serve primarily the governmental funds, the long-term liabilities of which are included as part of the governmental activities. For the year ended September 30, 2014, \$1,433 of accrued compensated absences is included in the above amount. For the governmental activities, the General Fund and the Park and Recreation Fund generally liquidate accrued compensated absences.

Long-term debt (including the current portions) of the City is as follows:

Governmental Activities:

General Obligation Bonds:	Amount Outstanding
On April 21, 2009, the City issued \$4,220,000 of its General Obligation Refunding and Improvement Bonds, Series 2009 with interest rates ranging from 2.75% to 5.00%, maturing 2029 to (1) current refund the City's outstanding General Obligation Park Improvement Refunding Bonds, Series 1999 in the principal amount of \$470,000, (2) Advance refund the City's outstanding General Obligation Bonds, Series 2001 in the principal amount of \$1,855,000, and (3) pay the costs of the Project defined by the ordinance authorizing the Series 2009 Bonds. The principal amount of the Bonds was allocated as follows: \$465,000 was allocated to refund the Series 1999 Bonds, \$1,855,000 was allocated to refund the Series 2001 Bonds, and \$1,900,000 was allocated for the construction of the Project.	\$ 3,380,000

Tax Increment Revenue Bonds:

\$2,580,000 in Tax Increment Revenue Bonds issued October 1, 2005, due in varying annual installments through March 1, 2026, with interest at 4.25% to 5.625% due on March 1 and September 1 of each year. Bonds maturing on March 1, 2020, March 1, 2023 and March 1, 2026 are callable under various terms of the bond ordinance. The City has pledged a portion of future PILOTS and EATS revenues to repay the bonds issued for a retail development project. The PILOTS and EATS

City of Maryville, Missouri

Notes to Basic Financial Statements

5. Long-Term Debt, continued

were projected to produce 169% of the debt service requirements over the life of the bonds. The principal and interest remaining on the bonds is \$3,012,878 payable through March 1, 2026. For the current year, principal and interest paid were \$209,878 and PILOTS and EATS taxes were \$175,019. 2,140,000

Certificates of Participation:

\$1,730,000 in Certificates of Participation issued July 17, 2008, due in varying annual installments through December 1, 2015, with interest at 4.2% to 4.5% due June 1 and December 1 of each year. 560,000

\$3,560,000 in Certificates of Participation issued March 15, 2013, due in varying semi-annual installments through September 1, 2018, with interest at 2% due March 1 and September 1 of each year. 2,755,000

Compensated absences 159,897

Total governmental activities \$ 8,994,897

Business-Type Activities:

Revenue Bonds:

On June 17, 2009, the City issued \$3,170,000 of its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2009 with interest rates ranging from 2.75% to 4.00% to current refund the City's outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 1999A in the principal amount of \$4,000,000. Proceeds of the Bonds, along with transfers totaling \$914,000 from the funds and accounts established for the Series 1999A Bonds, provided for the payment of the principal of and interest on the Series 1999A Bonds when called for redemption.

The City has pledged future water/sewer customer revenues to repay the revenue bonds. Proceeds from the bonds provided financing for water treatment plant improvements. Annual principal and interest payments on the bonds are expected to require less than 35% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,668,419, payable through 2018. For the current year, principal and interest paid and total customer net revenues were \$417,169 and \$2,344,984 respectively. \$ 1,520,000

On November 5, 2013, the City issued \$13,750,000 of its Combined Waterworks and Sewerage System Revenue Bonds, Series 2013. Proceeds from the Bonds will be used to construct a new mechanical wastewater treatment plant. Bonds are due in annual installments through January 1, 2033, with interest at 0.50% to 4.25% due January 1 and July 1 of each year. \$ 13,750,000

City of Maryville, Missouri

Notes to Basic Financial Statements

5. Long-Term Debt, continued

Certificates of Participation:

On November 4, 2010, the City issued \$2,795,000 in Certificates of Participation, consisting of \$770,000 of tax exempt Series 2010A and \$2,025,000 of taxable Build America Bonds Series 2010B. Series 2010A bonds are due in annual installments through February 1, 2018, with interest at 2.75% to 3.0% due February 1 and August 1 of each year. Series 2010B bonds are due in annual installments starting 2019 through February 2031, with interest at 5.063% to 6.332% due February 1 and August 1 of each year starting February 1, 2011. \$ 2,485,000

Capital Leases:

In October 2007, the City entered into an agreement to finance the purchase of a Kawasaki 50ZV loader for use at the Transfer Station for a cost of \$78,445. The lease calls for monthly payments of \$1,085 at 4.35% interest until October 2014. The aggregate cost of the loader is \$78,445, less accumulated depreciation of \$72,839 results in a carrying value \$5,606. 1,080

In June 2009, the City entered into an agreement to finance the construction of concrete golf cart paths to replace the existing deteriorated asphalt paths for a cost of \$700,000. The lease calls for monthly payments of \$8,692 at 4.485% until June 2017. The aggregate cost of the golf cart paths is \$748,447, less accumulated depreciation of \$205,821 results in a carrying value of \$542,626. 269,358

In July 2013, the City entered into an agreement to re-finance the acquisition and replacement of its membranes modules for all three (3) trains at the water treatment plant and one in the Capex building. The lease calls for monthly payments of \$23,704 at 1.49% until December 2018. The aggregate cost of the membranes is \$2,178,369, less accumulated depreciation of \$544,592 results in a carrying value of \$1,633,777. 1,170,701

Compensated Absences 63,638

Total business-type activities \$ 19,259,777

Annual debt service requirements for long-term liabilities at September 30, 2014 are as follows:

Governmental Activities:

<u>Year Ending</u> <u>September 30,</u>	<u>Certificates of Participation</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 785,000	\$ 71,425
2016	815,000	48,663
2017	845,000	30,100
2019	<u>870,000</u>	<u>13,050</u>
	<u>\$ 3,315,000</u>	<u>\$ 163,238</u>

City of Maryville, Missouri

Notes to Basic Financial Statements

5. Long-Term Debt, continued

Year Ending September 30,	Tax Increment Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2015	\$ 95,000	\$ 115,060	\$ 225,000	\$ 141,843
2016	110,000	109,781	210,000	133,461
2017	115,000	103,734	230,000	123,561
2018	130,000	97,150	270,000	112,311
2019	140,000	89,894	275,000	99,533
2020 - 2024	900,000	315,072	1,245,000	319,340
2025 - 2029	650,000	42,187	925,000	111,685
	<u>\$ 2,140,000</u>	<u>\$ 872,878</u>	<u>\$ 3,380,000</u>	<u>\$ 1,041,734</u>

Business-Type Activities:

Year Ending September 30,	Revenue Bonds	
	Principal	Interest
2015	\$ 590,000	\$ 516,179
2016	600,000	502,378
2017	620,000	487,215
2018	635,000	468,701
2019	660,000	444,280
2020 - 2024	3,565,000	1,957,344
2025 - 2029	4,185,000	1,324,361
2030 - 2033	4,415,000	397,853
	<u>\$ 15,270,000</u>	<u>\$ 6,098,310</u>

Year Ending September 30,	Capital Leases		Certificates of Participation	
	Principal	Interest	Principal	Interest
2015	\$ 364,064	\$ 25,773	\$ 110,000	\$ 131,898
2016	371,311	17,442	115,000	128,667
2017	353,716	8,924	115,000	125,504
2018	281,113	3,331	120,000	122,273
2019	70,935	176	125,000	117,459
2020 - 2024	-	-	680,000	480,438
2025 - 2029	-	-	835,000	257,708
2030 - 2031	-	-	385,000	24,536
	<u>\$ 1,441,139</u>	<u>\$ 55,646</u>	<u>\$ 2,485,000</u>	<u>\$ 1,388,483</u>

Debt Covenants

The covenants providing for the issuance of the Combined Waterworks and Sewerage Refunding Revenue Bonds issued in 2009 and the Combined Waterworks and Sewerage Revenue Bonds issued in 2013 are as follows:

The City will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the system to produce revenues sufficient to:

- i. Pay the costs of operation and maintenance
- ii. Pay the principal and interest on the bonds

City of Maryville, Missouri

Notes to Basic Financial Statements

5. Long-Term Debt, continued

- iii. Enable the City to have Net Revenues Available for Debt Service not less than 110% of the amount required to be paid in principal and interest of the fiscal year on all system revenue bonds outstanding
- iv. Provide reasonable and adequate reserves for the payment of the bonds

The 2009 Combined Waterworks and Sewerage Refunding Revenue Bonds have the following reserve requirements:

- i. The City will deposit monthly payments not less than 1/6th of the interest that will be the succeeding interest payment and monthly payments not less than 1/12th of the next principal payment.

The 2013 Combined Waterworks and Sewerage Revenue Bonds have the following reserve requirements:

- i. The City will deposit monthly payments not less than 1/6th of the interest that will be the succeeding interest payment and monthly payments not less than 1/12th of the next principal payment.

On September 30, 2014, the City has the following reserves:

2009 Debt service account	\$ 105,417
2013 Debt service account	283,768
Operation and maintenance account	<u>200,000</u>
Total	<u>\$ 589,185</u>

6. Interfund Transfers and Balances

Interfund transfers for the year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities:		
Major Governmental Funds:		
General	\$ 74,575	\$ 78,541
Park and Recreation	-	6,130
Capital Improvements	29,500	24,520
Nonmajor Governmental Funds:		
TIF	110,341	-
Debt Service	-	6,130
Total governmental activities	<u>\$ 214,416</u>	<u>\$ 115,321</u>
Business-type activities:		
Mozingo Recreation	\$ -	24,520
Total business-type activities	<u>\$ -</u>	<u>\$ 24,520</u>
Fiduciary Funds:		
Private Purpose Trust Fund	\$ -	74,575
Total business-type activities	<u>\$ -</u>	<u>\$ 74,575</u>
 Total interfund transfers	 <u>\$ 214,416</u>	 <u>\$ 214,416</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Maryville, Missouri

Notes to Basic Financial Statements

6. Interfund Transfers and Balances, continued

The General Fund was reimbursed for administrative expenses by the Enterprise Funds in the amount of \$214,542. This reimbursement is recorded as an operating expense by the Enterprise Funds and as revenue by the General Fund.

Interfund balances for the year were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Governmental activities:		
General Fund	\$ <u>51,841</u>	\$ <u>-</u>
Business-type activities:		
Water and Sewer Fund	\$ 249,625	\$ -
Solid Waste Fund	<u>-</u>	<u>301,466</u>
Total business-type activities	<u>\$ 249,625</u>	<u>\$ 301,466</u>
Total interfund balances	<u>\$ 301,466</u>	<u>\$ 301,466</u>

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

7. Operating Lease

The City has a lease for golf carts dated September 2013 for a period through October 2017. This lease does not meet the criteria for capitalization and, accordingly, accounts for this lease as an operating lease. The future minimum lease payments required for the lease are as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2015	\$ 38,220
2016	38,220
2017	38,220
2018	<u>3,185</u>
Total	<u>\$ 117,845</u>

8. Risk Management

The City is a member of the Missouri Intergovernmental Risk Management Association (the Association), a not-for-profit organization incorporated in 1981 to operate as a group self-insurer. The Association seeks to prevent or lessen casualty or property losses to its members, which consist of cities within the State of Missouri. The Association has approximately sixty members. The Association is governed by a ten-member board of directors elected by the members of the Association. The Association operates as a risk management pool. The City has no direct control over budgeting, financing, governing body or management selection.

The Association is funded by its member cities. Member assessments are collected in advance and are calculated based on members' payroll data multiplied by a pool assessment factor. The assessment factor is based on the loss experience of the entire pool adjusted up or down for each City depending on the City's own loss experience. Cities with a consistent record of costly claims will pay more than cities with a consistent record of lesser claims activity. Coverage obtained by the City through the Association includes property, crime, general liability, auto liability, workers' compensation, public officials and police professional

City of Maryville, Missouri

Notes to Basic Financial Statements

8. Risk Management, continued

liability. Per-occurrence coverage limits provided by the Association (the Association's self-insured retention limits combined with excess insurance contract limits) are \$2,000,000 for liability claims, \$100,000 for crime claims, \$10,725,000 for workers' compensation claims and 100% replacement cost per location for property claims after a \$1,000 deductible. Losses from individual claims in excess of these limits remain the responsibility of the respective cities. Management of the City is not aware of any deficit situations in the Association that would require an accrual of a liability as of September 30, 2014.

In the unlikely event that all or any of the insurance companies cancel, fail to renew or are unable to meet their obligations under excess insurance contracts, the Association and its member cities would be responsible for such defaulted amounts. Additionally, the Articles of the Association provide for supplemental assessments in the event the annual assessment is not sufficient to meet obligations.

The City is commercially insured for health insurance. Settled claims have not exceeded coverage in any of the last three fiscal years.

9. Post-Closure Care Cost

State and federal laws and regulations require the City to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City closed the landfill effective October 28, 2008. The \$1,931,690 reported as landfill post-closure liability at September 30, 2014, represents the City's Financial Assurance Instrument (FAI) in its Contract of Obligation with Missouri Department of Natural Resources, and is based on the cost to perform all post-closure care. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to provide a financial assurance instrument in such amount and form as prescribed by the State of Missouri Department of Natural Resources (DNR). The City is in compliance with these requirements, and at September 30, 2014, the City was under a "Contract of Obligation" totaling \$1,931,690. The "Contract of Obligation" authorizes DNR to collect \$1,931,690 from any funds due the City from the Missouri Department of Revenue and the State Treasurer to compensate for State corrective procedures if the City does not properly close and monitor the landfill. After the sixth anniversary of the beginning of the post-closure care period, DNR will annually allow the City to decrease the FAI in an amount equal to the estimated post-closure care cost for the previous twelve months, provided the FAI is sufficient to cover the costs for the remaining post-closure care period plus five years.

10. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Section 457. The plan, available to all regular full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees or their beneficiaries until termination, retirement, death or an unforeseeable emergency.

All amounts of compensation deferred under the plan and all income attributable to those amounts are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of plan participants and/or beneficiaries in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of City management that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

City of Maryville, Missouri

Notes to Basic Financial Statements

11. Missouri LAGERS Defined Benefit Pension Plan

Plan Description

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section RSMo. 70.600-70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

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

Funding Status

The City's full-time employees do not contribute to the pension plan. The June 30th statutorily required contribution rates are 13.4% (general), and 7.8% (police), and 6.2% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by state statute.

Annual Pension Cost (APC) and Net Pension Obligation (NPO)

The NPO will be liquidated by the general and enterprise funds. The City's annual pension cost and net pension obligation for the current year were as follows:

Annual required contribution	\$ 360,679
Interest on net pension obligation	8,256
Adjustment to annual required contribution	<u>(6,283)</u>
Annual pension cost	362,652
Actual contributions	<u>356,350</u>
Increase (decrease) in NPO	6,302
NPO beginning of year	<u>113,878</u>
NPO end of year	<u>\$ 120,180</u>

The annual required contribution (ARC) was determined as part of the February 28, 2011 and February 29, 2012 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, and (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table setback 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2011 was 30 years for the General division, 4 years for the Police division 12 years for the Fire division. The amortization period as of February 29, 2012 was 25 years for the General division, 7 years for the Police division and 8 years for the Fire division.

City of Maryville, Missouri

Notes to Basic Financial Statements

11. Missouri LAGERS Defined Benefit Pension Plan, continued

Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2012	\$ 324,999	85.5%	\$ 85,750
6/30/2013	376,731	92.5%	113,878
6/30/2014	362,652	98.3%	120,179

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (b)	Unfunded Accrued Liability (U/OAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	OAL/UAL as a Percentage of Covered Payroll [(b-a)/c]
2/29/12	\$ 6,453,780	\$ 7,369,634	\$ 915,854	88%	\$ 2,804,556	33%
2/28/13	7,097,873	7,703,607	605,734	92	3,003,720	20
2/28/14	6,924,531	7,232,983	308,452	96	2,988,402	10

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

12. Commitments and Contingent Liabilities

As of September 30, 2014, the City was obligated on construction contracts and commitments as follows:

Project Description	Fund	Commitment	Type of Commitment
Building needs assessment	General	19,474	Engineering
S. Main study	General	35,304	Engineering
Airport runway	General	241,987	Engineering
Streetscape project	General	984,519	Construction
Streetscape project	General	51,978	Engineering
Gateway signage	General	28,763	Professional fees
Trails	Capital Improvements	6,401	Engineering
Trails	Capital Improvements	86,102	Construction
Streetscape project	Capital Improvements	200,000	Construction
Streetscape project	Water/Sewer	93,818	Construction
Sewer treatment facility	Water/Sewer	394,194	Engineering
Sewer treatment facility	Water/Sewer	5,284,891	Construction

City of Maryville, Missouri

Notes to Basic Financial Statements

12. Commitments and Contingent Liabilities, continued

Sewer line project	Water/Sewer	128,888	Construction
Inflow and infiltration	Water/Sewer	22,644	Construction
Trails	Mozingo Recreation	18,402	Construction

13. Fund Equity Deficit

At September 30, 2014 the Solid Waste (Enterprise) Fund had a deficit fund equity balance of \$1,831,757. This deficit is expected to be eliminated in the future through operating revenues from the disposal of solid waste at the Transfer Station.

14. Ground Lease

On September 11, 2002, the City and the Missouri National Guard (Guard) entered into a ground lease with Northwest Missouri State University for the land on which the armory/community center was built. In exchange for the use of the facility, the University is not charging rent to the Guard or the City. The term of the lease is 50 years with the title to the land remaining with the University.

15. Related Party Transaction

The City purchased engineering services of approximately \$772,611 from a company who is affiliated with one of the council members.

16. Subsequent Events

In January 2015, the City passed a resolution of intent for the issuance of City revenue bonds to finance and refinance a project for Kawasaki Motors Manufacturing Corporation, U.S.A. These bonds will be issued as industrial revenue bonds.

17. New Pronouncements

The City implemented the following Governmental Accounting Standards Board (GASB) statements during the year ended September 30, 2014:

- GASB Statement No. 67, *Financial Reporting for Pension Plans; an amendment of GASB Statement No. 25*. This Statement replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013. The adoption of this statement had no effect on the City.

The Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The Statements which might impact the City are as follows:

City of Maryville, Missouri

Notes to Basic Financial Statements

17. New Pronouncements, continued

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*. This Statement replaces the requirement of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014.
- GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial periods beginning after December 15, 2013, and should be applied on a prospective basis.
- GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

Management has not yet determined the effect, if any, these Statements will have in the City's future financial statements.

Required Supplementary Information

City of Maryville, Missouri

**Required Supplementary Information
Budgetary Comparison Schedule
General Fund**

For the Year Ended September 30, 2014

	Budget		Actual	Final to Actual Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,949,215	\$ 3,949,215	\$ 4,056,847	\$ 107,632
Licenses and permits	75,200	75,200	80,920	5,720
Intergovernmental revenues	1,416,151	1,416,151	736,395	(679,756)
Charges for services	51,320	51,320	51,663	343
Fines and forfeitures	341,385	341,385	318,664	(22,721)
Interest	4,025	4,025	3,938	(87)
Other	207,203	207,203	157,970	(49,233)
Total Revenues	<u>6,044,499</u>	<u>6,044,499</u>	<u>5,406,397</u>	<u>(638,102)</u>
EXPENDITURES				
Current:				
General government	1,300,481	1,300,481	1,229,039	71,442
Public safety	2,362,720	2,362,720	2,208,932	153,788
Public works	3,966,003	3,966,003	2,290,323	1,675,680
Total expenditures	<u>7,629,204</u>	<u>7,629,204</u>	<u>5,728,294</u>	<u>1,900,910</u>
Excess of revenues over (under) expenditures	<u>(1,584,705)</u>	<u>(1,584,705)</u>	<u>(321,897)</u>	<u>1,262,808</u>
OTHER FINANCING USES				
Transfers in	390,000	390,000	74,575	(315,425)
Transfers out	<u>(78,210)</u>	<u>(78,210)</u>	<u>(78,541)</u>	<u>(331)</u>
Total other financing uses	<u>311,790</u>	<u>311,790</u>	<u>(3,966)</u>	<u>(315,756)</u>
Net change in fund balances	<u>\$ (1,272,915)</u>	<u>\$ (1,272,915)</u>	<u>(325,863)</u>	<u>\$ 947,052</u>
Fund balances - Beginning			<u>2,788,085</u>	
Fund balances - Ending			<u>\$ 2,462,222</u>	

City of Maryville, Missouri

**Required Supplementary Information
Budgetary Comparison Schedule
Park and Recreation Fund
For the Year Ended September 30, 2014**

	Budget		Actual	Final to Actual Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 623,000	\$ 623,000	\$ 641,866	\$ 18,866
Charges for services	600,780	550,556	546,345	(4,211)
Interest	1,200	1,200	433	(767)
Other	13,100	63,900	61,208	(2,692)
Total Revenues	<u>1,238,080</u>	<u>1,238,656</u>	<u>1,249,852</u>	<u>11,196</u>
EXPENDITURES				
Current:				
Park and recreation	<u>1,232,400</u>	<u>1,322,127</u>	<u>1,273,954</u>	<u>48,173</u>
Excess of revenues over (under) expenditures	5,680	(83,471)	(24,102)	59,369
OTHER FINANCING USES				
Transfers out	<u>(5,680)</u>	<u>(6,130)</u>	<u>(6,130)</u>	<u>---</u>
Net change in fund balances	<u>\$ ---</u>	<u>\$ (89,601)</u>	<u>(30,232)</u>	<u>\$ 59,369</u>
Fund balances - Beginning			<u>281,896</u>	
Fund balances - Ending			<u>\$ 251,664</u>	

City of Maryville, Missouri

Note to Required Supplementary Information

Budgetary Data

A legally adopted annual budget is prepared for governmental fund types by the City Manager and presented to Council each year prior to the beginning of the fiscal year. This budget is officially adopted by the City Council each September through the passage of an ordinance, and all budget amendments are approved by the City Council. All budgets are presented on the modified accrual basis of accounting. Accordingly, the budget schedules present actual expenditures in accordance with accounting principles generally accepted in the United States of America. The City's legal level of budgetary control is at the fund level. Any expenditure that will cause a fund to exceed the total fund budget must be approved by the City Council through a budget amendment ordinance. There was one budget amendment made to the original adopted budget. The amendment was made to increase expenditures in the Park and Recreation Fund, the Capital Improvements Fund and the TIF Fund by a total of \$309,608, and transfers out in the Park and Recreation Fund and the Capital Improvements Fund increased by \$2,175. A review of the budget is done annually as part of the budget preparation process and any revisions needed are presented to the City Council for supplemental appropriation. Unencumbered appropriations lapse at year-end.

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Other Supplementary Information

Combining and Individual Fund Financial
Statements and Schedules

City of Maryville, Missouri

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Capital Improvements Fund**

For the Year Ended September 30, 2014

	Budget		Actual	Final to Actual Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 858,227	\$ 880,000	\$ 884,269	\$ 4,269
Intergovernmental revenues	346,183	306,804	245,550	(61,254)
Interest	1,000	896	844	(52)
Total Revenues	<u>1,205,410</u>	<u>1,187,700</u>	<u>1,130,663</u>	<u>(57,037)</u>
EXPENDITURES				
Capital Outlay	1,022,309	1,240,877	1,171,366	69,511
Debt service:				
Principal retirement	755,000	755,000	755,000	---
Interest and fiscal charges	97,935	98,590	98,590	---
Total expenditures	<u>1,875,244</u>	<u>2,094,467</u>	<u>2,024,956</u>	<u>69,511</u>
Excess of revenues over (under) expenditures	<u>(669,834)</u>	<u>(906,767)</u>	<u>(894,293)</u>	<u>12,474</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	32,000	32,000	29,500	2,500
Transfers out	(23,100)	(24,825)	(24,520)	305
Total other financing sources (uses)	<u>8,900</u>	<u>7,175</u>	<u>4,980</u>	<u>2,805</u>
Net change in fund balances	<u>\$ (660,934)</u>	<u>\$ (899,592)</u>	<u>(889,313)</u>	<u>\$ 10,279</u>
Fund balances - Beginning			<u>1,365,187</u>	
Fund balances - Ending			<u>\$ 475,874</u>	

City of Maryville, Missouri Combining Balance Sheet

Non-Major Governmental Funds

September 30, 2014

	<u>Debt Service</u>	<u>Special Revenue</u>	<u>Total</u>
	<u>Debt Retirement Fund</u>	<u>TIF Fund</u>	<u>Non-Major Governmental Funds</u>
ASSETS			
Cash, cash equivalents and investments	\$ 573,270	\$ 534,904	\$ 1,108,174
Receivables, net:			
Taxes	34,811	---	34,811
Accounts	---	7,948	7,948
Total Assets	<u>\$ 608,081</u>	<u>\$ 542,852</u>	<u>\$ 1,150,933</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenses	\$ ---	\$ 35	\$ 35
Total Liabilities	<u>---</u>	<u>35</u>	<u>35</u>
Fund Balances:			
Restricted for:			
Debt service	<u>608,081</u>	<u>542,817</u>	<u>1,150,898</u>
Total Fund Balances	<u>608,081</u>	<u>542,817</u>	<u>1,150,898</u>
 Total Liabilities and Fund Balances	<u>\$ 608,081</u>	<u>\$ 542,852</u>	<u>\$ 1,150,933</u>

City of Maryville, Missouri
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Governmental Funds

For the Year Ended September 30, 2014

	<u>Debt Service</u>	<u>Special Revenue</u>	<u>Total</u>
	<u>Debt Retirement Fund</u>	<u>TIF Fund</u>	<u>Non-Major Governmental Funds</u>
REVENUES			
Taxes	\$ 402,612	\$ 175,019	\$ 577,631
Interest	611	59	670
Total Revenues	<u>403,223</u>	<u>175,078</u>	<u>578,301</u>
EXPENDITURES			
Capital outlay	---	22,321	22,321
Debt service:			
Principal retirement	220,000	90,000	310,000
Interest and fiscal charges	157,240	122,633	279,873
Total expenditures	<u>377,240</u>	<u>234,954</u>	<u>612,194</u>
Excess of revenues over (under) expenditures	<u>25,983</u>	<u>(59,876)</u>	<u>(33,893)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	---	110,341	110,341
Transfers out	(6,130)	---	(6,130)
Total other financing sources (uses)	<u>(6,130)</u>	<u>110,341</u>	<u>104,211</u>
Net change in fund balances	19,853	50,465	70,318
Fund balances - Beginning	<u>588,228</u>	<u>492,352</u>	<u>1,080,580</u>
Fund balances - Ending	<u>\$ 608,081</u>	<u>\$ 542,817</u>	<u>\$ 1,150,898</u>

City of Maryville, Missouri

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Debt Service - Debt Retirement Fund
For the Year Ended September 30, 2014**

	Budget		Actual	Final to Actual Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 392,380	\$ 392,380	\$ 402,612	\$ 10,232
Interest	600	600	611	11
Total Revenues	<u>392,980</u>	<u>392,980</u>	<u>403,223</u>	<u>10,243</u>
EXPENDITURES				
Debt service:				
Principal retirement	220,000	220,000	220,000	---
Interest and fiscal charges	157,760	157,760	157,240	520
Total expenditures	<u>377,760</u>	<u>377,760</u>	<u>377,240</u>	<u>520</u>
Excess of revenues over expenditures	<u>15,220</u>	<u>15,220</u>	<u>25,983</u>	<u>10,763</u>
OTHER FINANCING USES				
Transfers out	(6,000)	(6,000)	(6,130)	(130)
Total other financing uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,130)</u>	<u>(130)</u>
Net change in fund balances	<u>\$ 9,220</u>	<u>\$ 9,220</u>	19,853	<u>\$ 10,633</u>
Fund balances - Beginning			<u>588,228</u>	
Fund balances - Ending			<u>\$ 608,081</u>	

City of Maryville, Missouri

**Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
TIF Project Special Revenue Fund**

For the Year Ended September 30, 2014

	Budget		Actual	Final to Actual Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 174,410	\$ 175,020	\$ 175,019	\$ (1)
Interest	50	60	59	(1)
Total Revenues	<u>174,460</u>	<u>175,080</u>	<u>175,078</u>	<u>(2)</u>
EXPENDITURES				
Capital Outlay:				
TIF reimbursable project costs	21,000	21,652	22,322	(670)
Debt Service:				
Principal retirement	90,000	90,000	90,000	---
Interest and fiscal charges	123,298	123,304	122,633	671
Total expenditures	<u>234,298</u>	<u>234,956</u>	<u>234,955</u>	<u>1</u>
Excess of revenues under expenditures	<u>(59,838)</u>	<u>(59,876)</u>	<u>(59,877)</u>	<u>(1)</u>
OTHER FINANCING SOURCES				
Transfers in	103,930	110,341	110,342	1
Total other financing sources	<u>103,930</u>	<u>110,341</u>	<u>110,342</u>	<u>1</u>
Net change in fund balances	<u>\$ 44,092</u>	<u>\$ 50,465</u>	50,465	\$ ---
Fund balances - Beginning			<u>492,352</u>	
Fund balances - Ending			<u>\$ 542,817</u>	

City of Maryville, Missouri

Combining Statement of Net Position

Internal Service Funds

September 30, 2014

	Central Garage Fund	Group Insurance Fund	Totals
ASSETS			
Current:			
Cash and cash equivalents	\$ 5,577	\$ 89,970	\$ 95,547
Receivables, net:			
Other	---	2,742	2,742
Prepaid items	2,657	---	2,657
Inventory	4,710	---	4,710
Total Current Assets	<u>12,944</u>	<u>92,712</u>	<u>105,656</u>
Noncurrent:			
Capital assets, net of accumulated depreciation	1,580	---	1,580
Total Noncurrent Assets	<u>1,580</u>	<u>---</u>	<u>1,580</u>
Total Assets	<u>14,524</u>	<u>92,712</u>	<u>107,236</u>
LIABILITIES			
Current:			
Accounts payable and accrued liabilities	5,142	---	5,142
Compensated absences payable	1,433	---	1,433
Total Current Liabilities	<u>6,575</u>	<u>---</u>	<u>6,575</u>
Noncurrent:			
Net pension obligation	2,444	---	2,444
Total Noncurrent Liabilities	<u>2,444</u>	<u>---</u>	<u>2,444</u>
Total Liabilities	<u>9,019</u>	<u>---</u>	<u>9,019</u>
NET POSITION			
Net investment in capital assets	1,580	---	1,580
Unrestricted	3,925	92,712	96,637
Total net position	<u>\$ 5,505</u>	<u>\$ 92,712</u>	<u>\$ 98,217</u>

City of Maryville, Missouri
Combining Statement of Revenues, Expenses,
and Changes in Net Position

Internal Service Funds

For the Year Ended September 30, 2014

	Central Garage Fund	Group Insurance Fund	Totals
Operating Revenues:			
Charges for services	\$ 126,911	\$ 1,052,374	\$ 1,179,285
Miscellaneous	84	19,480	19,564
Total Operating Revenues	<u>126,995</u>	<u>1,071,854</u>	<u>1,198,849</u>
Operating Expenses:			
Personnel	65,331	---	65,331
Contractual services	14,309	1,075,132	1,089,441
Commodities	47,419	---	47,419
Depreciation	630	---	630
Total Operating Expenses	<u>127,689</u>	<u>1,075,132</u>	<u>1,202,821</u>
Operating income	(694)	(3,278)	(3,972)
Total Net Position - Beginning	<u>6,199</u>	<u>95,990</u>	<u>102,189</u>
Total Net Position - Ending	<u>\$ 5,505</u>	<u>\$ 92,712</u>	<u>\$ 98,217</u>

City of Maryville, Missouri

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2014

	Central Garage Fund	Group Insurance Fund	Totals
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 127,073	\$ 1,069,112	\$ 1,196,185
Cash Paid to Suppliers	(60,368)	(1,075,132)	(1,135,500)
Cash Paid to Employees	(64,660)	---	(64,660)
Net Cash Provided by (used in) Operating Activities	<u>2,045</u>	<u>(6,020)</u>	<u>(3,975)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,045	(6,020)	(3,975)
Cash and Cash Equivalents, beginning of year	<u>3,532</u>	<u>95,990</u>	<u>99,522</u>
Cash and Cash Equivalents, end of year	<u>\$ 5,577</u>	<u>\$ 89,970</u>	<u>\$ 95,547</u>
Reconciliation of Operating Income to Net Cash			
Provided by (used in) Operating Activities:			
Operating income	\$ (694)	\$ (3,278)	\$ (3,972)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	630	---	630
Net pension obligation	151	---	151
Change in assets and liabilities:			
Other receivables	78	(2,742)	(2,664)
Prepaid expense	318	---	318
Inventory	303	---	303
Accounts payable and accrued expenses	623	---	623
Compensated absences	<u>636</u>	<u>---</u>	<u>636</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,045</u>	<u>\$ (6,020)</u>	<u>\$ (3,975)</u>

City of Maryville, Missouri
Combining Statement of Assets and Liabilities

Agency Funds

September 30, 2014

	Municipal Court Fund	Library Tax Fund	Total
ASSETS			
Cash, cash equivalents and investments	\$ 7,593	\$ ---	\$ 7,593
Total Assets	<u>\$ 7,593</u>	<u>\$ ---</u>	<u>\$ 7,593</u>
LIABILITIES			
Court bonds payable	\$ 7,593	\$ ---	\$ 7,593
Total Liabilities	<u>\$ 7,593</u>	<u>\$ ---</u>	<u>\$ 7,593</u>

City of Maryville, Missouri
Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended September 30, 2014

	<u>Balance September 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2014</u>
Municipal Court Fund				
Assets:				
Cash and cash equivalents	\$ 10,404	\$ 339,565	\$ 342,376	\$ 7,593
Total Assets	<u>\$ 10,404</u>	<u>\$ 339,565</u>	<u>\$ 342,376</u>	<u>\$ 7,593</u>
Liabilities:				
Court bonds payable	<u>\$ 10,404</u>	<u>\$ 339,565</u>	<u>\$ 342,376</u>	<u>\$ 7,593</u>
Library Tax Fund				
Assets:				
Cash and cash equivalents	\$ ---	\$ 221,179	\$ 221,179	\$ ---
Total Assets	<u>\$ ---</u>	<u>\$ 221,179</u>	<u>\$ 221,179</u>	<u>\$ ---</u>
Liabilities:				
Due to other governments	<u>\$ ---</u>	<u>\$ 221,179</u>	<u>\$ 221,179</u>	<u>\$ ---</u>
Total				
Assets:				
Cash and cash equivalents	\$ 10,404	\$ 560,744	\$ 563,555	\$ 7,593
Total Assets	<u>\$ 10,404</u>	<u>\$ 560,744</u>	<u>\$ 563,555</u>	<u>\$ 7,593</u>
Liabilities:				
Court bonds payable	\$ 10,404	\$ 339,565	\$ 342,376	\$ 7,593
Due to other governments	<u>---</u>	<u>221,179</u>	<u>221,179</u>	<u>---</u>
Total Liabilities	<u>\$ 10,404</u>	<u>\$ 560,744</u>	<u>\$ 563,555</u>	<u>\$ 7,593</u>

**Statistical Section
(Unaudited)**

City of Maryville, Missouri

Statistical Section Contents

The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	61 – 70
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and sales tax.	71 – 77
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	78 – 84
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	85 – 87
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	88 – 89

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City of Maryville, Missouri

Net Position By Component Last Ten Fiscal Years (*accrual basis of accounting*) (*Unaudited*)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net investment in capital assets	\$ 3,519,045	\$ 3,978,525	\$ 4,369,098	\$ 5,949,774	\$ 6,185,728	\$ 6,388,044	\$ 7,819,761	\$ 7,984,866	\$ 9,256,203	\$ 10,070,223
Restricted	385,450	938,474	953,509	1,201,217	1,392,988	1,866,593	2,649,575	2,704,827	2,028,658	1,881,446
Unrestricted	900,872	(1,637,416)	(1,207,956)	(881,601)	(43,187)	(304,162)	(195,542)	128,651	579,473	338,833
Total governmental activities net position	<u>\$ 4,805,367</u>	<u>\$ 3,279,583</u>	<u>\$ 4,114,651</u>	<u>\$ 6,269,390</u>	<u>\$ 7,535,529</u>	<u>\$ 7,950,475</u>	<u>\$ 10,273,794</u>	<u>\$ 10,818,344</u>	<u>\$ 11,864,334</u>	<u>\$ 12,290,502</u>
Business-type activities:										
Net investment in capital assets	\$ 14,410,026	\$ 13,698,042	\$ 13,670,414	\$ 12,683,513	\$ 12,904,914	\$ 12,684,104	\$ 12,574,685	\$ 12,427,605	\$ 13,718,139	\$ 14,347,365
Restricted	1,052,940	1,107,056	1,162,722	1,091,437	---	251,098	253,967	256,698	254,292	589,185
Unrestricted	2,007,753	1,295,601	1,055,910	2,967,868	4,272,990	4,135,749	4,863,131	5,265,594	4,071,046	3,528,145
Total business-type activities net position	<u>\$ 17,470,719</u>	<u>\$ 16,100,699</u>	<u>\$ 15,889,046</u>	<u>\$ 16,742,818</u>	<u>\$ 17,177,904</u>	<u>\$ 17,070,951</u>	<u>\$ 17,691,783</u>	<u>\$ 17,949,897</u>	<u>\$ 18,043,477</u>	<u>\$ 18,464,695</u>
Primary government:										
Net investment in capital assets	\$ 17,929,071	\$ 17,676,567	\$ 18,039,512	\$ 18,633,287	\$ 19,090,642	\$ 19,072,148	\$ 20,394,446	\$ 20,412,471	\$ 22,974,342	\$ 24,417,588
Restricted	1,438,390	2,045,530	2,116,231	2,292,654	1,392,988	2,117,691	2,903,542	2,961,525	2,282,950	2,470,631
Unrestricted	2,908,625	(341,815)	(152,046)	2,086,267	4,229,803	3,831,587	4,667,589	5,394,245	4,650,519	3,866,978
Total primary government net position	<u>\$ 22,276,086</u>	<u>\$ 19,380,282</u>	<u>\$ 20,003,697</u>	<u>\$ 23,012,208</u>	<u>\$ 24,713,433</u>	<u>\$ 25,021,426</u>	<u>\$ 27,965,577</u>	<u>\$ 28,768,241</u>	<u>\$ 29,907,811</u>	<u>\$ 30,755,197</u>

City of Maryville, Missouri

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
General government	\$ 834,858	\$ 896,311	\$ 430,629	\$ 1,547,491	\$ 844,858	\$ 1,061,500	\$ 502,630	\$ 1,098,756	\$ 1,102,420	\$ 872,047
Public safety	1,754,039	1,817,181	1,785,307	1,982,827	2,043,053	2,179,812	2,173,896	2,102,893	2,146,563	1,919,497
Public works	1,289,136	4,097,552	1,842,358	897,955	2,253,884	2,174,413	2,438,217	2,054,923	1,998,155	3,164,805
Park and recreation	1,268,945	1,370,480	1,336,385	1,317,098	1,368,933	1,672,139	1,655,649	1,736,145	1,728,542	1,713,593
Interest on long-term debt	146,181	285,965	281,927	281,591	399,091	400,762	402,338	373,431	389,857	368,199
Total governmental activities expenses	5,293,159	8,467,489	5,676,606	6,026,962	6,909,819	7,488,626	7,172,730	7,366,148	7,365,537	8,038,141
Business-type activities:										
Solid waste	638,542	1,432,001	644,904	719,249	754,271	758,319	948,629	1,137,210	562,525	418,168
Water/sewer utility	3,317,895	3,306,602	3,944,645	3,284,078	3,548,055	3,241,484	3,748,738	3,982,930	3,996,966	4,163,637
Mozingo Golf	1,488,283	1,700,723	1,565,417	1,688,031	1,665,136	2,036,812	2,013,424	2,089,024	1,908,341	1,995,356
Total business-type activities expenses	5,444,720	6,439,326	6,154,966	5,691,358	5,967,462	6,036,615	6,710,791	7,209,164	6,467,832	6,577,161
Total primary government expenses	10,737,879	14,906,815	11,831,572	11,718,320	12,877,281	13,525,241	13,883,521	14,575,312	13,833,369	14,615,302
Program revenue:										
Governmental activities:										
Charges for services:										
General government	360,634	378,750	393,894	358,886	386,139	396,289	565,200	467,611	376,968	458,213
Public safety	323,747	428,524	467,129	421,022	452,724	414,684	441,091	418,709	349,472	365,135
Public works	378,846	380,241	379,215	364,685	358,689	363,338	368,052	392,281	483,342	491,011
Park and recreation	404,394	457,769	479,106	480,262	467,269	541,611	918,550	585,590	521,037	546,345
Operating grants and contributions	21,744	58,585	19,901	123,740	32,270	152,545	154,075	112,576	110,251	19,802
Capital grants and contributions	401,399	1,257,633	503,111	1,828,000	1,002,892	606,339	1,440,742	133,298	605,224	658,383
Total governmental activities program revenue	1,890,764	2,961,502	2,242,356	3,576,595	2,699,983	2,474,806	3,887,710	2,110,065	2,446,294	2,538,889

City of Maryville, Missouri

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Business-type activities:										
Charges for services:										
Solid Waste	596,615	577,177	570,900	1,212,335	977,333	660,291	831,060	1,046,054	429,948	269,052
Water/sewer utility	2,521,234	2,680,582	3,363,600	3,205,186	3,167,192	3,513,702	3,675,318	4,468,878	4,188,882	4,583,388
Mozingo Recreation	801,118	850,088	937,881	877,950	940,089	860,217	872,540	1,007,647	996,717	1,004,493
Operating grants and contributions:										
Solid Waste	---	---	---	---	---	---	---	---	19,302	---
Water/sewer utility	---	---	---	---	---	---	---	---	---	39,178
Mozingo Recreation	---	---	---	---	25,249	39,325	---	---	---	---
Capital grants and contributions:										
Solid Waste	---	---	---	---	---	---	---	---	---	---
Water/sewer utility	---	---	18,000	240,684	92,904	---	208,912	42,218	35,364	97,736
Mozingo Recreation	17,400	---	---	---	182,552	2,282	72,648	91,351	---	79,555
Total business-type activities										
program revenue	3,936,367	4,107,847	4,890,381	5,536,155	5,385,319	5,075,817	5,660,478	6,656,148	5,670,213	6,073,402
Total primary government										
program revenue	5,827,131	7,069,349	7,132,737	9,112,750	8,085,302	7,550,623	9,548,188	8,766,213	8,116,507	8,612,291
Net (expense) revenue:										
Governmental activities	(3,402,395)	(5,505,987)	(3,434,250)	(2,450,367)	(4,209,836)	(5,013,820)	(3,285,020)	(5,256,083)	(4,919,243)	(5,499,252)
Business-type activities	(1,508,353)	(2,331,479)	(1,264,585)	(155,203)	(582,143)	(960,798)	(1,050,313)	(553,016)	(797,619)	(503,759)
Total primary government net expense	(4,910,748)	(7,837,466)	(4,698,835)	(2,605,570)	(4,791,979)	(5,974,618)	(4,335,333)	(5,809,099)	(5,716,862)	(6,003,011)

City of Maryville, Missouri

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	906,297	905,727	905,771	971,527	1,023,334	983,898	1,013,246	1,018,854	1,056,533	1,075,334
Sales taxes	2,020,830	1,893,726	2,057,902	2,132,592	2,799,785	2,850,396	3,025,166	3,206,400	3,063,597	3,178,249
Franchise taxes	636,872	650,309	679,430	889,928	904,949	936,294	1,007,703	1,030,452	1,106,195	1,130,069
Other taxes	315,753	309,075	325,880	293,981	290,489	285,817	293,098	301,019	303,659	293,028
PILOT & EATS - TIF	---	22,878	44,159	146,223	149,852	156,181	161,532	170,706	173,724	175,019
Interest	33,964	108,329	111,956	76,987	23,387	18,255	14,281	8,245	6,304	5,886
Other	41,122	88,705	136,087	82,254	114,720	181,031	75,039	109,022	341,110	43,315
Transfers	---	1,454	8,133	11,614	(47,190)	16,894	18,274	22,366	23,261	24,520
Special item	---	---	---	---	---	---	---	(66,431)	---	---
Total governmental activities	3,954,838	3,980,203	4,269,318	4,605,106	5,259,326	5,428,766	5,608,339	5,800,633	6,074,383	5,925,420
Business-type activities:										
Sales taxes	813,804	763,251	828,882	859,241	821,465	827,357	879,203	932,995	892,287	925,380
Interest	121,955	199,662	232,183	147,648	51,873	43,382	29,235	17,377	13,335	17,055
Gain on sale of capital assets	---	---	---	---	---	---	---	25,267	5,532	---
Other	---	---	---	13,700	---	---	780,981	20,929	83,898	7,062
Transfers	---	(1,454)	(8,133)	(11,614)	47,190	(16,894)	(18,274)	(22,366)	(23,261)	(24,520)
Special item	---	---	---	---	---	---	---	(163,072)	---	---
Total business-type activities	935,759	961,459	1,052,932	1,008,975	920,528	853,845	1,671,145	811,130	971,791	924,977
Total primary government	4,890,597	4,941,662	5,322,250	5,614,081	6,179,854	6,282,611	7,279,484	6,611,763	7,046,174	6,850,397
Changes in net position:										
Governmental activities	552,443	(1,525,784)	835,068	2,154,739	1,049,490	414,946	2,323,319	544,550	1,155,140	426,168
Business-type activities	(572,594)	(1,370,020)	(211,653)	853,772	338,385	(106,953)	620,832	258,114	174,172	421,218
Total primary government	\$ (20,151)	\$ (2,895,804)	\$ 623,415	\$ 3,008,511	\$ 1,387,875	\$ 307,993	\$ 2,944,151	\$ 802,664	\$ 1,329,312	\$ 847,386

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City of Maryville, Missouri

Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting) (Unaudited)

	Fiscal Year				
	2005	2006	2007	2008	2009
General Fund:					
Nonspendable	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Restricted	---	---	---	---	---
Committed	---	---	---	---	---
Assigned	---	---	---	---	---
Unassigned	---	---	---	---	---
Reserved	6,343	6,099	6,394	5,619	3,919
Unreserved	805,614	1,000,232	1,399,965	1,477,003	1,781,122
Total General Fund	<u>\$ 811,957</u>	<u>\$ 1,006,331</u>	<u>\$ 1,406,359</u>	<u>\$ 1,482,622</u>	<u>\$ 1,785,041</u>
All other governmental funds:					
Restricted	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Committed	---	---	---	---	---
Unassigned	---	---	---	---	---
Reserved	379,107	801,036	736,423	1,986,835	2,023,029
Unreserved reported in:					
Special revenue funds	130,866	119,272	198,144	375,518	440,342
Capital project funds	---	---	---	---	---
Debt service fund	---	---	---	---	---
Total all other governmental funds	<u>\$ 509,973</u>	<u>\$ 920,308</u>	<u>\$ 934,567</u>	<u>\$ 2,362,353</u>	<u>\$ 2,463,371</u>

GASB Statement No. 54 Implemented in Fiscal Year 2011

2010	2011	2012	2013	2014
\$ ---	\$ ---	\$ 6,666	\$ 26,127	\$ 30,064
---	3,310	3,010	3,010	3,010
---	78,631	419,063	152,700	558,582
---	---	35,870	1,120,215	634,366
---	1,883,103	1,865,578	1,486,033	1,236,200
3,690	---	---	---	---
1,855,250	---	---	---	---
<u>\$ 1,858,940</u>	<u>\$ 1,965,044</u>	<u>\$ 2,330,187</u>	<u>\$ 2,788,085</u>	<u>\$ 2,462,222</u>

\$ ---	\$ 2,201,022	\$ 2,701,817	\$ 2,727,663	\$ 1,878,436
---	---	---	---	---
---	---	---	---	---
1,646,795	---	---	---	---
502,987	---	---	---	---
---	---	---	---	---
---	---	---	---	---
<u>\$ 2,149,782</u>	<u>\$ 2,201,022</u>	<u>\$ 2,701,817</u>	<u>\$ 2,727,663</u>	<u>\$ 1,878,436</u>

City of Maryville, Missouri

Changes In Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting) (Unaudited)

	Fiscal Year				
	2005	2006	2007	2008	2009
Revenues:					
Taxes	\$ 4,186,637	\$ 4,081,154	\$ 4,326,783	\$ 4,732,082	\$ 5,461,205
Licenses and permits	60,334	76,213	61,749	73,573	72,647
Intergovernmental revenues	748,958	1,663,823	894,818	2,095,926	1,312,175
Charges for services	424,186	469,413	493,271	491,354	479,018
Fines and forfeitures	322,290	428,524	463,305	417,626	448,312
Interest	33,964	108,329	111,956	76,987	23,387
Other	69,233	112,795	151,660	98,859	164,070
Total Revenues	5,845,602	6,940,251	6,503,542	7,986,407	7,960,814
Expenditures:					
General government	831,887	966,842	990,900	861,449	1,198,202
Public safety	1,847,270	1,789,493	1,737,083	2,011,583	2,056,542
Public works	1,133,297	2,406,142	1,686,581	2,976,300	1,957,843
Park and recreation	918,751	1,026,116	1,075,373	994,128	1,054,628
Economic development	---	---	---	---	---
Capital outlay	623,696	2,014,998	20,765	795,391	2,595,297
Debt service:					
Principal retirement	315,429	330,036	304,102	285,060	290,993
Bond issuance costs	---	30,743	---	36,181	101,190
Interest and fiscal charges	163,633	281,454	282,584	273,357	340,932
Total expenditures	5,833,963	8,845,824	6,097,388	8,233,449	9,595,627
Excess of revenues over (under) expenditures	11,639	(1,905,573)	406,154	(247,042)	(1,634,813)
Other financing sources (uses):					
Transfers in	622,845	5,092	28,465	340,707	142,466
Transfers out	(622,845)	(3,638)	(20,332)	(329,093)	(148,786)
Bond discount	---	(71,172)	---	---	---
Bond premium	---	---	---	9,477	141,439
Payment to refunded bond escrow agent	---	---	---	---	(2,373,758)
Issuance of long-term debt	59,202	2,580,000	---	1,730,000	4,276,889
Total other financing sources (uses)	59,202	2,510,282	8,133	1,751,091	2,038,250
Net changes in fund balance	70,841	604,709	414,287	1,504,049	403,437
Fund balances - Beginning	1,251,089	1,321,930	1,926,639	2,340,926	3,844,975
Fund balances - Ending	\$ 1,321,930	\$ 1,926,639	\$ 2,340,926	\$ 3,844,975	\$ 4,248,412
Debt service as a percentage of noncapital expenditures					
	9.67%	7.91%	10.98%	10.34%	11.10%

2010	2011	2012	2013	2014
\$ 5,509,955	\$ 5,794,679	\$ 6,029,752	\$ 6,005,812	\$ 6,160,613
69,577	83,153	96,015	84,463	80,920
1,221,644	1,840,908	636,912	1,054,119	981,945
554,038	625,179	634,216	574,502	598,008
412,474	412,964	377,954	303,797	318,664
18,255	14,281	8,244	6,304	5,885
223,662	161,259	563,230	468,419	219,178
<u>8,009,605</u>	<u>8,932,423</u>	<u>8,346,323</u>	<u>8,497,416</u>	<u>8,365,213</u>
1,037,182	984,469	1,006,846	1,207,917	1,229,039
2,205,200	2,034,663	2,121,685	2,130,002	2,208,932
1,613,443	2,306,486	1,658,433	1,889,771	2,290,323
1,122,491	1,310,634	1,343,647	1,529,234	1,273,954
---	---	---	---	---
1,559,124	1,297,896	512,327	3,610,800	1,193,687
343,468	481,397	501,031	835,000	1,065,000
---	---	---	24,500	---
394,051	377,808	358,782	369,709	378,463
<u>8,274,959</u>	<u>8,793,353</u>	<u>7,502,751</u>	<u>11,596,933</u>	<u>9,639,398</u>
<u>(265,354)</u>	<u>139,070</u>	<u>843,572</u>	<u>(3,099,517)</u>	<u>(1,274,185)</u>
184,793	252,934	150,646	104,678	214,416
(159,129)	(234,660)	(128,280)	(81,417)	(115,321)
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	3,560,000	---
<u>25,664</u>	<u>18,274</u>	<u>22,366</u>	<u>3,583,261</u>	<u>99,095</u>
(239,690)	157,344	865,938	483,744	(1,175,090)
4,248,412	4,008,722	4,166,066	5,032,004	5,515,748
<u>\$ 4,008,722</u>	<u>\$ 4,166,066</u>	<u>\$ 5,032,004</u>	<u>\$ 5,515,748</u>	<u>\$ 4,340,658</u>
10.37%	12.80%	12.64%	16.92%	18.44%

City of Maryville, Missouri

Tax Revenues by Source, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting) (Unaudited)

Fiscal Year	Property Taxes	Sales Tax	Franchise Fees	Excise Taxes	Other Taxes	Total
2005	\$ 906,125	\$ 2,020,831	\$ 636,872	\$ 354,034	\$ 268,775	\$ 4,186,637
2006	904,787	1,893,726	650,309	350,024	282,308	4,081,154
2007	905,381	2,057,903	679,430	378,409	305,660	4,326,783
2008	967,358	2,132,592	889,928	367,015	375,189	4,732,082
2009	1,017,010	2,799,785	904,949	352,413	387,048	5,461,205
2010	983,898	2,850,396	936,294	351,505	387,862	5,509,955
2011	1,013,246	3,025,166	1,007,703	346,888	401,676	5,794,679
2012	1,018,854	3,206,400	1,030,452	355,734	418,310	6,029,750
2013	1,056,532	3,063,597	1,106,195	351,340	428,148	6,005,812
2014	1,075,334	3,178,249	1,130,069	355,311	421,650	6,160,613
Change 2005-2014	18.67%	57.27%	77.44%	0.36%	56.88%	47.15%

Notes: In the Statement of Activities the State Gasoline excise tax is reported as Public Works Charges for Services.

City of Maryville, Missouri

Program Revenues by Function/Program Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	\$ 360,634	\$ 378,750	\$ 393,894	\$ 358,886	\$ 386,139	\$ 396,289	\$ 565,200	\$ 467,611	\$ 376,968	\$ 458,213
Public safety	458,374	487,109	477,481	431,381	465,412	629,806	563,891	445,742	385,660	406,865
Public works	667,362	1,637,874	891,875	2,301,796	1,381,163	907,100	1,840,069	606,885	1,162,629	1,074,666
Park and recreation	404,394	457,769	479,106	484,532	467,269	541,611	918,550	589,827	521,037	599,145
Total governmental activities	1,890,764	2,961,502	2,242,356	3,576,595	2,699,983	2,474,806	3,887,710	2,110,065	2,446,294	2,538,889
Business-type activities:										
Solid Waste	596,615	577,177	570,900	1,212,335	977,333	660,291	831,060	1,046,054	449,250	269,052
Water/sewer utility	2,521,234	2,680,582	3,381,600	3,445,870	3,260,096	3,513,702	3,884,230	4,511,096	4,224,246	4,720,302
Mozingo Golf	818,518	850,088	937,881	877,950	1,147,890	901,824	945,188	1,098,998	996,717	1,084,048
Total business-type activities	3,936,367	4,107,847	4,890,381	5,536,155	5,385,319	5,075,817	5,660,478	6,656,148	5,670,213	6,073,402
Total primary government	\$ 5,827,131	\$ 7,069,349	\$ 7,132,737	\$ 9,112,750	\$ 8,085,302	\$ 7,550,623	\$ 9,548,188	\$ 8,766,213	\$ 8,116,507	\$ 8,612,291

City of Maryville, Missouri

Principal Sales Tax Industries Current Year and Six Years Ago (Unaudited)

Industry	FY 2014		FY 2008	
	Rank	Percentage of Total City Sales Tax Revenues	Rank	Percentage of Total City Sales Tax Revenues
General Merchandise Store	1	30.26%		
Food Stores	2	13.92%		
Eating & Drinking Places	3	12.00%		
Electric, Gas & Sanitary Services	4	7.56%		
Building materials, Hardware, Garden Supply, etc	5	7.14%		
Motor Vehicle Account	6	5.96%		
Miscellaneous Retail	7	3.97%		
Communication	8	3.45%		
Automotive Repair, Services, and Parking	9	1.75%		
Automotive Dealers and Gasoline Services	10	1.73%		
Total Percentage of Sales Tax Revenue		<u>87.74%</u>		
Department Stores			1	32.49%
Eating & Drinking Places			2	21.56%
Lumber & Other Building Materials			3	11.42%
Telephone Communication			4	7.16%
Retail Stores not Elsewhere Classified			5	4.69%
Miscellaneous Shopping Goods			6	3.13%
Miscellaneous Business Services			7	2.73%
Auto & Home Supply Stores			8	2.51%
Automotive Repair Shops			9	2.02%
Services not Elsewhere Classified			10	1.93%
Total Percentage of Sales Tax Revenue				<u>89.64%</u>

Source: Missouri Department of Revenue

Note: Information for FY 2008 is the earliest available data.

City of Maryville, Missouri

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years (Unaudited)

Fiscal Year	City Direct Rate	Nodaway County Rate	Nodaway County Ambulance Rate	State Rate	Total Rate
2005	1.750%	1.000%	0.500%	4.225%	7.475%
2006	1.750%	1.000%	0.500%	4.225%	7.475%
2007	1.750%	1.000%	0.500%	4.225%	7.475%
2008	1.750%	1.000%	0.500%	4.225%	7.475%
2009	2.250%	1.000%	0.500%	4.225%	7.975%
2010	2.250%	1.000%	0.500%	4.225%	7.975%
2011	2.250%	1.000%	0.500%	4.225%	7.975%
2012	2.250%	1.000%	0.500%	4.225%	7.975%
2013	2.250%	1.000%	0.500%	4.225%	7.975%
2014	2.250%	1.000%	0.500%	4.225%	7.975%

Source: Missouri Department of Revenue

City of Maryville, Missouri

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (Unaudited)

Fiscal Year	Residential Property	Commercial Property	Agriculture Property	Railroad & Utility	Personal Property	Total Taxable Assessed Value
2005	\$ 51,126,570	\$ 22,337,600	\$ 43,080	\$ 2,629,144	\$ 32,591,590	\$ 108,727,984
2006	52,353,710	23,636,050	45,570	2,181,778	34,229,375	112,446,483
2007	53,317,240	24,071,040	44,210	2,205,394	32,958,670	112,596,554
2008	57,926,180	27,755,590	39,460	2,296,849	33,540,020	121,558,099
2009	59,013,550	27,766,030	38,280	2,229,078	37,202,730	126,249,668
2010	60,301,700	27,529,020	38,160	2,465,690	31,849,110	122,183,680
2011	63,267,080	27,832,050	33,950	2,950,130	31,862,020	125,945,230
2012	63,828,660	28,332,300	33,430	2,633,924	28,848,970	123,677,284
2013	64,412,200	28,052,040	32,550	3,119,649	32,057,933	127,674,372
2014	65,226,180	28,148,910	29,350	3,706,225	32,054,910	129,165,575

Note: Property is reassessed once every two years.

Source: Nodaway County Clerk

Estimated Actual Value	Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
445,151,475	0.7688	24.42%
459,205,259	0.7517	24.49%
461,881,764	0.7419	24.38%
499,633,284	0.7500	24.33%
516,151,817	0.7534	24.46%
506,839,694	0.7492	24.11%
524,923,836	0.7491	23.99%
519,424,679	0.7677	23.81%
532,747,244	0.7677	23.97%
539,145,862	0.7677	23.96%

City of Maryville, Missouri

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Fiscal Year	City Direct Rates				Overlapping Rates					Total Direct & Overlapping Rates
	General Fund	Parks Fund	Debt Service Fund	Total City Tax Rate	School District Tax Rate	Library Tax Rate	Polk Township Tax Rate	County Tax Rate	Others	
2005	0.3148	0.3148	0.1392	0.7688	4.1288	0.1422	0.6695	0.0000	0.1800	5.8893
2006	0.3148	0.3148	0.1221	0.7517	4.1124	0.1422	0.6697	0.0000	0.1800	5.8560
2007	0.3192	0.3192	0.1035	0.7419	4.8124	0.1442	0.6720	0.0000	0.1800	6.5505
2008	0.3153	0.3153	0.1194	0.7500	4.7815	0.1424	0.6647	0.1600	0.1791	6.6777
2009	0.3170	0.3170	0.1194	0.7534	4.8950	0.1432	0.3220	0.1600	0.1800	6.4536
2010	0.3298	0.3000	0.1194	0.7492	4.9195	0.1490	0.4768	0.1600	0.1800	6.6345
2011	0.3297	0.3000	0.1194	0.7491	4.9336	0.1490	0.4768	0.1600	0.1800	6.6485
2012	0.3383	0.3000	0.1294	0.7677	4.9758	0.1529	0.4847	0.1400	0.1800	6.7011
2013	0.3383	0.3000	0.1294	0.7677	5.0410	0.1529	0.4847	0.1400	0.1800	6.7663
2014	0.3383	0.3000	0.1294	0.7677	5.1388	0.1529	0.4853	0.1300	0.1800	6.8547

Notes: The Others category includes the tax rate for the Senior Citizens Center, Sheltered Workshop, Health and State.
 Overlapping rates are those of local and county governments that apply to property owners within the City of Maryville.
 Rates for debt service are set based on the year's payment obligation.

Source: Nodaway County Clerk

City of Maryville, Missouri

Principal Real Property Taxpayers Current Year and Six Years Ago (Unaudited)

Taxpayer	2014			2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Energizer Battery Mfg	\$ 2,515,190	1	1.95%	\$ 2,515,160	2	2.07%
Wal-Mart	2,494,180	2	1.93%	2,607,450	1	2.15%
Maryvee, Maryvee II & Maryvee III-LLC	1,470,290	3	1.14%			
Moog Automotive Co.	971,140	4	0.75%	971,140	3	0.80%
Deluxe Mfg	742,160	5	0.57%	642,950	6	0.53%
Nucor-LMP Inc.	714,650	6	0.55%	714,650	5	59.00%
Inland Realty	602,580	7	0.47%	602,580	7	0.50%
Krzyzostaniok, Dorothy	572,320	8	0.44%	564,140	8	0.46%
Snyder & Snyder, LLC	502,850	9	0.39%	460,050	10	0.38%
Horizons West Apts	414,540	10	0.32%			
Barrington Assoc Inc.				784,600	4	0.65%
Boney Corporation				494,920	9	0.41%

Source: Nodaway County Assessor

Note: Information for 2008 is the latest available data.

City of Maryville, Missouri

Property Tax Levies and Collections Last Ten Fiscal Years (Unaudited)

Fiscal Year	Current Tax Levy	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 835,901	\$ 820,161	98.12%	\$ 15,740	\$ 835,901	100.00%
2006	845,260	826,470	97.78%	16,118	842,588	99.68%
2007	835,354	820,980	98.28%	14,284	835,264	99.99%
2008	911,686	876,702	96.16%	17,056	893,758	98.03%
2009	951,165	923,151	97.05%	13,799	936,950	98.51%
2010	915,400	894,832	97.75%	10,987	905,819	98.95%
2011	943,456	920,197	97.53%	14,033	934,230	99.02%
2012	949,471	925,679	97.49%	13,386	939,065	98.90%
2013	980,156	954,518	97.38%	16,887	971,405	99.11%
2014	991,604	954,518	96.26%	---	954,518	96.26%

Notes: Includes real estate, personal, and railroad & utility taxes.

A tax levy provides taxes remitted for the following year.

After the assessed valuation is approved by the Board of Equalization, additions and abatements are still made which are not reflected in this table; however, the impact is immaterial.

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City of Maryville, Missouri

Ratios of Outstanding Debt by Type Last Ten Fiscal Years (Unaudited)

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Capital Leases	TIF Bonds	Note Payable	Certificates of Participation
2005	\$ 3,165,000	\$ 262,775	\$ ---	\$ 21,423	\$ ---
2006	2,975,000	144,162	2,580,000	---	---
2007	2,770,000	45,060	2,580,000	---	---
2008	2,565,000	---	2,545,000	---	1,730,000
2009	4,220,000	50,896	2,500,000	---	1,730,000
2010	4,145,000	32,428	2,440,000	---	1,540,000
2011	3,980,000	6,031	2,380,000	---	1,310,000
2012	3,795,000	---	2,310,000	---	1,070,000
2013	3,600,000	---	2,230,000	---	4,070,000
2014	3,380,000	---	2,140,000	---	3,315,000

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.

* Information unavailable

Business-type Activities						
Revenue Bonds	Capital Leases	Certificates of Participation	Note Payable	Total Primary Government	Percentage of Personal Income	Debt per Capita
\$ 5,535,000	\$ 767,438	\$ 177,140	\$ 131,911	\$ 10,060,687	4.05%	\$ 951
5,090,000	522,753	86,872	119,488	11,518,275	4.61%	1,089
4,630,000	349,453	---	106,299	10,480,812	3.90%	991
4,150,000	715,415	---	92,296	11,797,711	4.21%	1,115
3,170,000	1,264,094	---	77,429	13,012,419	4.44%	1,230
2,860,000	992,575	---	61,645	12,071,648	3.72%	1,008
2,550,000	785,265	2,795,000	44,888	13,851,184	4.09%	1,157
2,220,000	2,239,314	2,695,000	27,097	14,356,411	4.16%	1,199
1,870,000	1,813,467	2,590,000	162,238	16,335,705	4.45%	1,364
15,270,000	1,441,139	2,485,000	---	28,031,139	*	2,341

City of Maryville, Missouri

Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Obligation Bonds	Fund Balance Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Debt per Capita
2005	\$ 3,165,000	\$ 367,421	\$ 2,797,579	0.63%	\$ 299
2006	2,975,000	381,689	2,593,311	0.56%	281
2007	2,770,000	385,303	2,384,697	0.52%	262
2008	2,565,000	418,153	2,146,847	0.43%	242
2009	4,220,000	404,480	3,815,520	0.74%	399
2010	4,145,000	502,355	3,642,645	0.72%	346
2011	3,980,000	530,056	3,449,944	0.66%	332
2012	3,795,000	562,805	3,232,195	0.62%	317
2013	3,600,000	588,228	3,011,772	0.57%	301
2014	3,380,000	608,081	2,771,919	0.51%	282

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.

City of Maryville, Missouri

Direct and Overlapping Governmental Activities Debt For the Year Ended September 30, 2014 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to City
Debt repaid with property taxes:			
Maryville School District	\$ 15,320,000	66.45%	\$ 10,180,140
Nodaway County	3,550,360	41.14%	1,460,618
Maryville Public Library	3,193	100.00%	3,193
City direct debt			8,835,000
Total direct and overlapping debt			\$ 20,478,951

Source: Maryville School District and Nodaway County Clerk

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

City of Maryville, Missouri

Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 21,745,597	\$ 22,489,297	\$ 22,519,311	\$ 24,311,620	\$ 25,249,934
Total net debt applicable to limit	<u>2,797,579</u>	<u>2,593,311</u>	<u>2,384,697</u>	<u>2,146,847</u>	<u>3,815,520</u>
Legal debt margin	<u>\$ 18,948,018</u>	<u>\$ 19,895,986</u>	<u>\$ 20,134,614</u>	<u>\$ 22,164,773</u>	<u>\$ 21,434,414</u>
Total net debt applicable to the limit as a percentage of debt limit	14.76%	13.03%	11.84%	9.69%	17.80%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	<u>\$ 129,165,575</u>
Debt limit (20% of assessed value)	<u>\$ 25,833,115</u>
City Debt applicable to debt limit:	
General obligation bonds	3,380,000
Less-amount available in debt service fund	<u>(608,081)</u>
Total net debt applicable to limit	<u>2,771,919</u>
Legal debt margin	<u>\$ 23,061,196</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 24,436,736	\$ 25,189,046	\$ 24,735,457	\$ 25,534,874	\$ 25,833,115
<u>3,642,645</u>	<u>3,449,944</u>	<u>3,232,195</u>	<u>3,011,772</u>	<u>2,771,919</u>
<u>\$ 20,794,091</u>	<u>\$ 21,739,102</u>	<u>\$ 21,503,262</u>	<u>\$ 22,523,102</u>	<u>\$ 23,061,196</u>
17.52%	15.87%	15.03%	13.37%	12.02%

City of Maryville, Missouri

Pledged-Revenue Coverage Last Ten Fiscal Years (Unaudited)

Water and Sewer System Bonds							
Fiscal Year	Operating Revenue (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service		Total Debt Payments	Coverage
				Principal	Interest		
2005	\$ 2,630,054	\$ 1,646,331	\$ 983,723	\$ 425,000	\$ 297,045	\$ 722,045	1.36
2006	2,856,752	1,636,982	1,219,770	445,000	278,660	723,660	1.69
2007	3,568,588	2,312,803	1,255,785	460,000	258,725	718,725	1.75
2008	3,332,071	1,659,000	1,673,071	480,000	238,115	718,115	2.33
(3) 2009	3,212,727	1,945,457	1,267,270	150,000	83,918	233,918	5.42
2010	3,550,405	1,839,555	1,710,850	310,000	102,789	412,789	4.14
2011	3,701,221	2,259,413	1,441,808	310,000	92,263	402,263	3.58
2012	4,484,593	2,295,261	2,189,332	330,000	83,600	413,600	5.29
2013	4,200,991	2,173,665	2,027,326	350,000	64,483	414,483	4.89
2014	4,599,372	2,254,388	2,344,984	350,000	481,165	831,165	2.82

(1) Operating revenue includes interest earnings

(2) Operating expenses excludes interest expense and depreciation expense

(3) In June 2009, the City refunded \$4,000,000 of the outstanding Series 1999A bonds.

The debt service amounts in the table do not reflect the defeasance of this debt.

City of Maryville, Missouri

Demographic and Economic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year	Population (1)	Personal Income	Per Capita Income (2)	Median Age (1)	School Enrollment (4)	Unemployment Rate (3)
2005	10,581	\$ 248,674,662	\$ 23,502	23	1,299	3.75%
2006	10,581	250,113,678	23,638	23	1,337	3.37%
2007	10,581	268,916,115	25,415	23	1,371	3.65%
2008	10,581	280,343,595	26,495	23	1,304	3.97%
2009	10,581	292,956,147	27,687	23	1,348	5.98%
2010	11,972	324,153,872	27,076	23	1,334	6.72%
2011	11,972	338,472,384	28,272	23	1,339	6.93%
2012	11,972	345,068,956	28,823	23	1,348	5.64%
2013	11,972	367,229,128	30,674	23	1,385	5.63%
2014	11,972	*	*	23	1,372	6.62%

- Sources:
- (1) Missouri Census Data Center - U.S. Census Bureau (ten year increments)
 - (2) U.S. Bureau of Economic Analysis (for the Maryville Micropolitan Area)
 - (3) Missouri Economic Research and Information Center - Missouri Department of Economic Development (for the Maryville Micropolitan Area)
 - (4) Maryville R-II School District

* Information unavailable

City of Maryville, Missouri

Principal Employers Current Year and Nine Years Ago (Unaudited)

Employer (1)	2014			2005		
	Employees (1)	Rank	Percentage of Total County Employment (2)	Employees (1)	Rank	Percentage of Total County Employment (2)
Kawasaki Motors Mfg. Corp	750	1	6.37%	660	2	5.50%
Northwest Missouri State University	740	2	6.28%	697	1	5.81%
St. Francis Hospital & Health Services	499	3	4.23%	405	4	3.38%
Focus	350	4	2.97%			
Maryville R-II School District	250	5	2.12%	230	8	1.92%
Wal-Mart Superstore	240	6	2.04%	250	5	2.08%
Maryville Treatment Center	240	7	2.04%	240	7	2.00%
Federal Mogul	200	8	1.70%	248	6	2.07%
Hy-Vee Food Store	195	9	1.65%	150	10	1.25%
DELUXE	125	10	1.06%	220	9	1.83%
Energizer Battery				540	3	4.50%

Sources: (1) Nodaway County Economic Development

(2) Missouri Economic Research and Information Center - Missouri Department of Economic Development
(for the Maryville Micropolitan Area)

City of Maryville, Missouri

Full-Time Equivalent City Government Employees By Function/Program Last Ten Fiscal Years (Unaudited)

Function/Program	Full-Time Equivalent Employees as of September 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013 *	2014
General Government										
Administration	4	5	5	4	5	4	4	5	5	5
Finance	4.5	4.5	5	5	6	6	6	6	6	6
Court	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.04	1.06
Public Safety										
Administration	2.5	3	3	2	2	2	2	2	2	2
Public Safety Officers	22	22	21	20	19	19	18	19	19	18
Lake Patrol	1	2	1.5	1.5	1.5	1	1	0.5	0.36	0.2
Dispatch	6	6.5	6.5	6.5	6	5.5	5.5	5	5.64	4.61
Firefighters	3	3	2	2	2	2	2	2	2	2
Volunteer Firefighters	15	18	14	13	13	15	16	15	14	14
Public Works										
Administration	3	2.5	3	2.5	2	1	2	2	2	2
Code Enforcement	3	2	2	2	2	2	2	2	1	2
Street Maintenance/Central Garage	10.5	11	10	8	9	9	9	9	9	7
Airport	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.13	1.13
GIS	0.5	1	1	1	1	1	1	1	1.44	1
Parks & Recreation										
Administration	4	3	3	3	3	3	3	3	3	3
Recreation	66	73	66	67	18.5	22.5	22.5	20	8.35	8.04
Park Maintenance	8	9	10	12.5	5.5	5.5	5.5	6	6.34	5.94
Solid Waste	3.5	3	3	3	3	3	3	3	2.75	1.48
Water/Sewer	16	12	6	6	6	6	5	6.5	6	7
Mozingo Recreation										
Operations										10.38
Maintenance										13.25
Golf Clubhouse	10.5	11.5	11.5	9.5	8	7	5.5	7	6.27	
Golf Maintenance	14	15.5	11	13.5	9	8.5	7.5	8	6.52	
Park Maintenance	10	11.5	9.5	10	6.5	6.5	7.5	8.5	9.47	
Total	210	222	197	195	131	132.5	131	133.5	118.31	115.09

* **Note:** Prior to 2013, full time employees were treated as one FTE and part-time employees were treated as one-half of an FTE. Beginning in 2013, FTE's were calculated based on hours worked during the last pay period of the fiscal year. The volunteer firefighters are reported as 1 FTE.

Source: City records

City of Maryville, Missouri

Operating Indicators by Function/Program Last Ten Fiscal Years (Unaudited)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Municipal Court:										
General operating revenue (1)	#	#	#	#	#	#	#	#	\$ 4,600,648	\$ 4,476,396
Traffic violations	#	#	#	#	#	#	#	#	\$ 141,000	\$ 142,746
% of general operating revenue from traffic violations revenue	#	#	#	#	#	#	#	#	3.1%	3.2%
Public Safety:										
Arrests	1,156	1,152	1,054	1,095	888	1,041	856	794	686	688
Parking violations	560	605	768	719	648	644	570	529	392	617
Traffic violations	1,005	1,254	1,239	970	969	916	688	1,285	840	682
Vehicle accidents	323	298	321	330	321	270	313	280	325	382
Total calls answered	9,955	11,239	11,786	11,131	12,054	8,764	7,999	7,613	7,708	8,727
Fire:										
Total calls answered	170	195	309	171	322	313	237	331	286	252
Public Works:										
Commercial building permits	17	13	13	5	15	10	15	16	19	34
Residential building permits	76	95	96	74	56	50	54	57	59	85
Water:										
Number of service connections	3,843	3,857	3,864	3,931	3,892	3,897	4,003	4,074	4,114	4,146
Daily average consumption in gallons	1.6 mgd	1.7 mgd	1.8 mgd	1.8 mgd	1.8 mgd	1.8 mgd				
Water Pollution Control:										
Daily average flow in gallons	1.6 mgd	1.8 mgd	1.8 mgd	1.8 mgd	1.8 mgd					

Source: City records

(1) General operating revenue includes the total general fund operating revenues less those restricted for other purposes.

Not required reporting by State of Missouri

* Information unavailable

City of Maryville, Missouri

Capital Asset Statistics by Function/Program Last Ten Fiscal Years (Unaudited)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety Stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Area of city (square miles)	5.80	5.86	5.86	5.86	5.86	6.12	6.12	6.13	6.18	6.32
Miles of streets	61.50	62.11	62.11	62.11	62.11	74.45	76.98	80.06	80.31	82.82
Number of streets	113	114	114	114	114	128	129	130	132	203
Miles of sidewalks	34	34	34	34	34	34	34	34	35	35
Number of street lights	810	816	816	816	816	816	816	816	823	823
Miles of storm sewers	18	18	18	18	18	18	18	18	18	18
Parks & Recreation:										
Parks	10	10	10	10	10	10	10	10	10	10
Acreage	110	110	110	110	110	110	110	110	110	110
Tennis courts	4	4	4	4	4	4	4	4	4	4
Baseball/softball diamonds	8	8	8	8	8	8	8	8	8	8
Community center	1	1	1	1	1	1	1	1	1	1
Aquatic center	1	1	1	1	1	1	1	1	1	1
Water:										
Miles of water mains	74	76	76	76	76	74	74	74	74	73
Number of fire hydrants	496	497	498	498	498	485	478	485	490	485
Maximum daily capacity in gallons	5.0 mgd									
Water Pollution Control:										
Miles of sanitary sewer	63	63	63	63	63	63	63	63	63	55
Maximum daily capacity in gallons	1.7 mlg									

Source: City records

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