

CITY OF WASHINGTON, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014





CITY OF WASHINGTON, MISSOURI

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FINANCIAL REPORT***

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SEPTEMBER 30, 2014

PREPARED BY: MARY J. SPRUNG, CPA
FINANCE MANAGER

CITY OF WASHINGTON, MISSOURI
FINANCIAL REPORT

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SECTION I - INTRODUCTORY SECTION



February 23, 2015

To the Honorable Mayor, City Council Members, and Citizens of the City of Washington:

We are pleased to present the Comprehensive Annual Financial Report of the City of Washington, Missouri for the fiscal year ended September 30, 2014. The Finance Department prepared this report and responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly present the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements were audited by Hochschild, Bloom and Company LLP. The goal of the independent audit was to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor has issued an unqualified opinion on these financial statements for the year ended September 30, 2014. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles (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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the City/Local Economy

Lucinda Owens officially founded Washington on May 29, 1839. A charter was granted to the town by the State Legislature on February 15, 1841. Washington is a third class city duly organized under Missouri State laws, with a Council/Administrator form of government. The Council consists of

eight members representing four wards plus a mayor that is city selected on a non-partisan basis. The City Administrator is appointed by the Council and is responsible for daily operations.

The City provides its citizens with typical services, such as street maintenance and construction, dispatching services, police and fire protection, code enforcement, engineering and planning, facilities inspections, parks and recreation and library facility. These services are financed from general revenues of the City. The City also, provides water, sewer, and solid waste services derived from revenues from user fees.

The City of Washington is situated along the Missouri River and is located 55 miles west of St. Louis. Highway 100 and Highway 47 are the two state highways leading to the City. Construction converting Missouri State Highway 100 to four lanes from I-44 to Washington began in 2008 and was completed in 2010. The second phase of this widening extended the four lanes to High Street and was completed in 2013. Amtrak and the Union Pacific Railroads also serve the City. The City's Washington Memorial Airport is located in Warren County, approximately two and a half miles North of Washington on Missouri State Highway 47. The airport is home base for 36 airplanes. The City completed the addition of another 12-hangar unit in 2013. Ameren provides the City with electricity and Laclede Gas provides gas service. Both traditional and cellular phone service is provided by several companies. The Missouri Public Service Commission regulates these companies.

Census population figures for the City in 2000 and 2010 were 13,243 and 13,982, respectively. The City now serves a shopping population of over 150,000. With more than 300 retail stores, it is the largest shopping center between St. Louis and Jefferson City. Phoenix Center II Community Improvement District was established in 2006. This component unit of the city receives 50% of the County and City of Washington's share of sales tax collected in the District. Anchor stores for this District are Target and Kohl's. In 2013, the shopping area in Phoenix Center was expanded by adding additional retail stores including Marshall's, Joanne's Fabric, Ulta Cosmetics and Dress Barn and Ross Dress for Less. An additional phase will be complete in 2015 with Dick's Sporting Goods, Aspen Dental, and Cato Dress stores.

Over 60 industries are located in Washington, employing an estimated 7,000 people. The City has a growing visitor industry, attracted by the boat access to the Missouri River, historical buildings, and wineries located in the general area.

Washington School District operates eight elementary schools, one middle school, and a high school for the City and the surrounding area. There are several parochial schools including Immanuel Lutheran School, Our Lady of Lourdes, and St. Francis Borgia Grade School and High School. Four Rivers Career Center provides technical training. Total student attendance at these schools is approximately 4,600 students.

There are currently seven banks with combined assets of approximately \$1.4 billion dollars.

Mercy Hospital has been serving area residents since 1926. Part of the Sisters of Mercy Health System, the 187 bed non-profit facility is a Level III Trauma Center that has received numerous state and national honors over the years.

In 1989, much of the downtown area was placed on the National Register of Historical Places.

Washington was designated as a DREAM community in 2006 by former Governor Matt Blunt. This initiative will help the community to more efficiently and effectively engage in downtown redevelopment and revitalization efforts. In 2006, the Washington Downtown RPA-1 TIF District was established. This District receives 100% of the property tax and 50% of the sales taxes collected in this district above the base amounts established in 2006. In 2010, the Rhine River RPA-2 TIF District was established. This District also receives 100% of the property tax and 50% of the sales taxes collected in this district above the base amounts established in 2010.

Major Initiatives

Again in 2014, the City continued to improve its facilities and infrastructure to serve its citizens. This includes the following projects being funded by a ½% capital improvement sales tax and ½% transportation sales tax funds:

- All-abilities park was completed and new lighting improvements were added to McLaughlin Field.
- A new Saber Pumper Fire Truck was purchased.
- Airport improvements and layout plan was completed in 2014.
- Street improvements-resurfacing of Stafford & 14th Streets was started in 2014 with an estimated cost of \$1.3 million.

Long-term Financial Planning

The City adopted a five-year capital improvement plan again for the 2014-2018 budget year. Projecting project costs and estimating revenues for the next five years enables the City to prioritize and prepare for its future capital needs more effectively. The City began the five-year budget back in 2011. This five-year plan for all City funds will assist management in addressing and estimating future needs of the City.

The City adopted a Fund Balance policy on September 6, 2011 in accordance with GASB 54. The City's primary objective is to maintain a prudent level of financial resources to protect against reducing service levels, raising taxes and fees due to temporary revenue shortfalls or unexpected expenditures. The policy states the City will maintain a reserve level with a minimum 15% of

projected annual operating expenditures in the General Fund. As of September 30, 2014, the unassigned fund balance in the General Fund is in compliance with the City's policy. City management also strives to maintain a 25% reserve in its enterprise funds although not required under this policy.

In April 2011, the citizens voted on a refuse rate increase which is scheduled to be implemented over a 3-year period. The final scheduled increase was June 2014.

Economic Condition/Factors Affecting Financial Condition

Sales Tax Revenue: Over the last five years, sales tax remained flat with little growth. In 2014, the City began seeing some financial recovery in its sales tax revenues. Actual sales tax revenues were approximately 7% higher in 2014 than in 2013. The City is optimistic about future sales tax estimates but still remains conservative in spending.

Housing & Construction Permits: The City has also seen a slight increase in building permits for new construction in both 2014 and 2013. This is a strong indicator that the economy has turned a corner in the recovery process.

Property Values: The City experienced a big drop in assessed value in 2013. Assessed value decreased \$34 million resulting in a decrease in estimated revenue of \$140,000. A major medical facility merged with a non-profit medical facility which resulted in approximately 60% of the decrease in property tax revenue for 2013. A slight recovery was realized in 2014 with an increase of \$8 million in assessed value. As with many other local governments, the City continues to struggle with the aftermath of the deflated real estate market and subsequent plunging appraisal values.

Financial Information

Management depends on the City's internal control system to help safeguard assets and ensure that transactions are in accordance with management's authorization and are properly recorded. Due to inherent limitations in an internal control structure, the cost of a control should not exceed the benefits to be derived; therefore, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

The five-year annual budget serves as the foundation for the City's financial planning and control. Legal level of budgetary control is maintained at the fund level and all funds are budgeted. Transfers of appropriations and any fund level changes require City Council approval through the budget amendment process. Budget to actual schedules, which are required for each individual governmental fund with an adopted annual budget, are included in this report.

Awards

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 Washington, Missouri for its comprehensive annual financial report for the fiscal year ended September 30, 2013. This was the fifth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe 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.

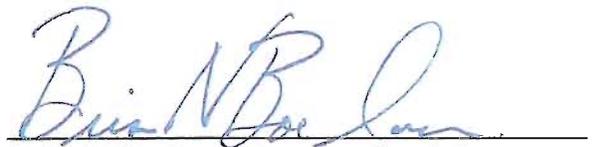
Acknowledgement

Sincere appreciation is extended to the Mayor and City Council for their continued support. This Comprehensive Annual Financial Report was prepared by the Finance Department with the efficient and dedicated services of City staff. Special acknowledgement is extended to Hochschild, Bloom and Company, LLP for their service in conducting the annual audit and assistance with this report.

Respectively Submitted,


James A. Briggs, City Administrator


Mary J. Sprung, CPA, Finance Manager


Brian N. Boehmer, Assistant City Administrator

CITY OF WASHINGTON, MISSOURI
PRINCIPAL OFFICIALS

MAYOR

Sandy Lucy

WARD 1

Steve Sullentrup
Walter Meyer

WARD 2

Jeff Mohesky
Mark Hidritch

WARD 3

Jeff Patke
Greg Skornia

WARD 4

Josh Brinker
Joe Holtmeier

ALL OTHER CITY OFFICIALS

James Briggs - City Administrator
Brian Boehmer - Assistant City Administrator
Mary Sprung, CPA - Finance Manager/City Treasurer/City Collector
Mary Trentmann - City Clerk
Mark Piontek - City Attorney
Ken Hahn - Police Chief
Lisa Hotsenpiller - Communications Director
W. H. "Bill" Halmich - Fire Chief/Emergency Preparedness Director
Donna Tune - Information Technology Director
Jackie Hawes - Library Director
Darren Dunkle - Parks Director
John "Jack" Brinker - Street Superintendent
Darren Lamb - Economic Development Director
Dan Boyce - City Engineer
Kevin Quaethem - Public Works Superintendent
Don Peters - Building Official



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Washington
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

SECTION II - FINANCIAL SECTION



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

INDEPENDENT AUDITOR'S REPORT

February 23, 2015

Mayor and City Council
CITY OF WASHINGTON, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF WASHINGTON, 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.

- 15450 South Outer Forty Road, Suite 135, Chesterfield, Missouri 63017-2066, 636-532-9525, Fax 636-532-9055
- 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, the aggregate discretely presented component unit, 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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental 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 supplemental 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 supplemental 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 supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic

financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental 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 23, 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.

Hochschild, Bloom & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF WASHINGTON, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

This section of the City of Washington, Missouri's (the City) comprehensive annual financial report presents our review of the City's financial performance during the fiscal year that ended on September 30, 2014. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$58 million (net position). Of this amount, \$9.6 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased approximately \$1.6 million. Governmental activities net position increased by \$2.3 million, while the business-type activities net position decreased by approximately \$700,000.
- General revenues for governmental activities were \$13.1 million, a decrease of \$200,000 from the prior year. Revenues included \$10.7 million (82%) in sales, franchise and tourism taxes. Property taxes accounted for \$2.4 million (18%).
- Net expenses from the various functions of governmental activities were \$10.8 million. More specifically, general government was \$2.2 million (20%), public safety was \$4 million (37%), and culture and recreation amounted to \$2 million (19%).

OVERVIEW OF THE FINANCIAL STATEMENTS

This management's discussion and analysis is provided as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplemental information and other supplemental information.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, including component units, in a manner similar to a private-sector business. The government-wide financial statements exclude fiduciary fund activities.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Increases or decreases in net position serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* represents 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 the future fiscal periods (e.g., uncollected special assessment charges and earned but unused vacation leave).

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, highways and streets, airport, culture and recreation, and economic development. The business-type activities of the City include water operations, sewage treatment system, and solid waste collection including a recycling center.

Two separate organizations are considered component units of the City - the Industrial Development Authority (IDA) and the Phoenix Center II Community Improvement District (the District). The IDA is organized to develop and promote commercial industrial, agricultural, and manufacturing facilities in the City. The financial activity of the IDA is insignificant in relation to the City and the component unit has been excluded from the accompanying basic financial statements. The District is organized

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

to construct public infrastructure improvement projects to serve as a new commercial redevelopment project in the City. The District financial activity is discretely presented in the City's basic financial statements.

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, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers 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 several individual governmental funds. Information is presented separately in the balance sheet and the statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvements Sales Tax Fund, Transportation Sales Tax Fund, and COPS Fund, all of which are considered to be major funds. Due to similarity of purpose, the revenue and expenditures of the Storm Water Improvement Fund and the General Fund are combined and reported in the General Fund. Data from the four other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the other supplemental information section of this report.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

Proprietary funds. The City maintains *Enterprise funds* to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewage treatment, and solid waste operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund statements provide separate information for the Water Fund, Sewage Treatment Fund, and Solid Waste Fund operations, all of which are considered to be major funds of the City.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. These funds are Taxable Industrial Revenue Bonds (Pauwels Project), Series 2008 A and B, and Taxable Industrial Revenue Bonds (Valent Aerostructures), Series 2010 A and B.

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

Other information. In addition to the basic financial statements and accompanying notes, this report contains certain *required supplemental information* regarding budgetary information. The combining and individual statements for the nonmajor governmental funds are presented as other supplemental information and immediately follow the required supplemental information.

CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents its financial statements as required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Therefore, a comparative analysis of government-wide data is also included in this report.

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. As of September 30, 2014, assets exceeded liabilities by \$58 million. The largest portion of the City's net position, \$40.2 million (69%) reflects its investment in capital assets (e.g. land and permanent easements, construction in progress, buildings, improvements, machinery and equipment, and infrastructure); less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets may not be used to liquidate these liabilities.

The following table reflects the condensed statement of net position as of September 30, 2014 and 2013:

	Condensed Statement Of Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 21,006,414	20,981,917	7,204,302	7,550,091	28,210,716	28,532,008
Capital assets, net	56,913,587	56,174,777	36,052,335	37,251,940	92,965,922	93,426,717
Total Assets	<u>77,920,001</u>	<u>77,156,694</u>	<u>43,256,637</u>	<u>44,802,031</u>	<u>121,176,638</u>	<u>121,958,725</u>
Deferred Outflows of Resources						
Deferred charge on refunding	1,532,865	1,631,611	-	-	1,532,865	1,631,611
Liabilities						
Current liabilities	1,226,531	1,401,386	699,044	1,000,114	1,925,575	2,401,500
Noncurrent liabilities	37,967,756	39,458,917	24,863,448	25,451,228	62,831,204	64,910,145
Total Liabilities	<u>39,194,287</u>	<u>40,860,303</u>	<u>25,562,492</u>	<u>26,451,342</u>	<u>64,756,779</u>	<u>67,311,645</u>
Net Position						
Net investment in capital assets	23,593,009	21,387,681	16,582,931	17,326,013	40,175,940	38,713,694
Restricted	8,184,159	8,358,335	-	-	8,184,159	8,358,335
Unrestricted	8,481,411	8,181,986	1,111,214	1,024,676	9,592,625	9,206,662
Total Net Assets	<u>\$ 40,258,579</u>	<u>37,928,002</u>	<u>17,694,145</u>	<u>18,350,689</u>	<u>57,952,724</u>	<u>56,278,691</u>

The City is able to report the following positive balances in all categories of net position.

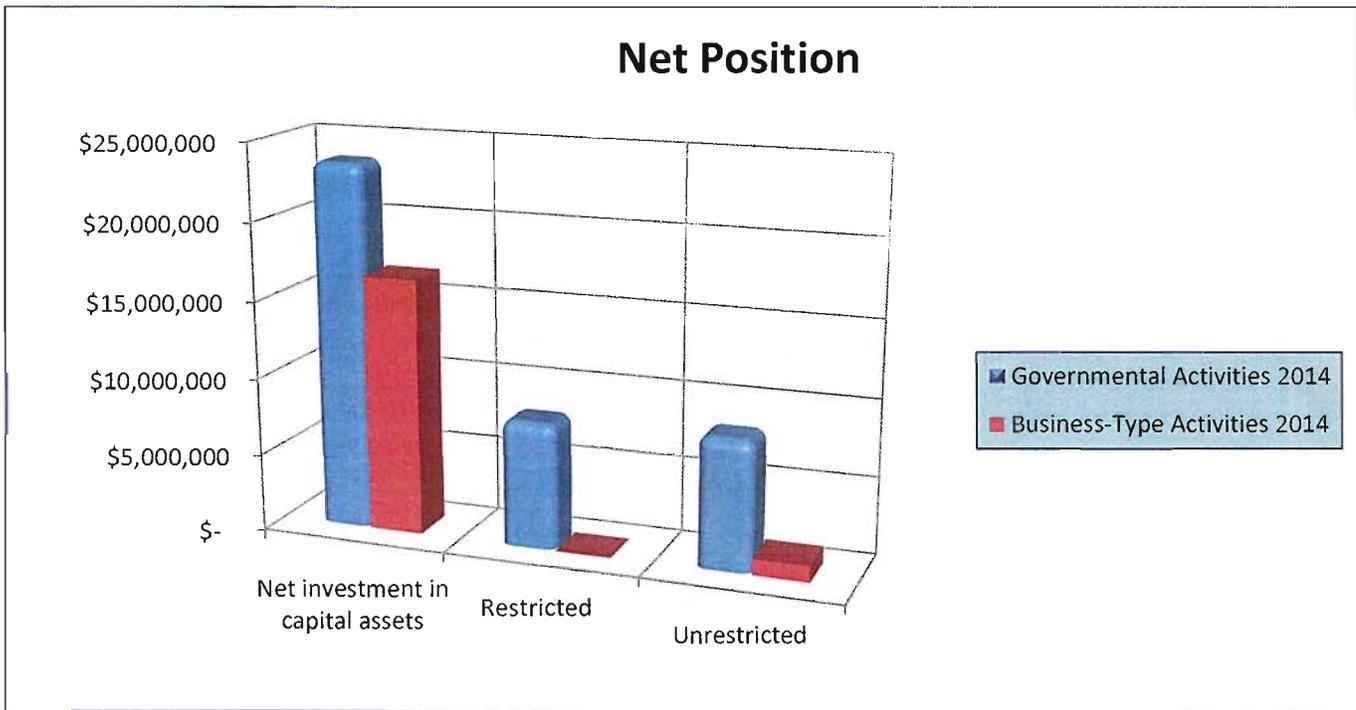
- \$40.2 million Net investment in capital assets
- 8.2 million Restricted
- 9.6 million Unrestricted

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

The City's combined net position increased to \$58 million from \$56.3 million as a result of the year's expenses exceeding revenues as reflected in the change in net position table. Governmental activities reflect net position of \$40.3 million while business-type activities reflect \$17.7 million.

Restricted net position for governmental and business-type activities is \$8 million and \$0, respectively. Restricted net position equals 14% of total net position. The restricted amounts are for capital projects, debt service, and TIF Districts. Governmental activities restricted net position decreased by \$175,000 in 2014 due to changes in debt service and capital project activity.

The remaining portion of the City's net position represents *unrestricted net position*. Total unrestricted net position of \$9.6 million is available to be used to meet the City's ongoing obligations to citizens and creditors. Governmental activities unrestricted net position increased by \$300,000, leaving a balance of \$8.5 million. This slight increase is due in part to sales tax being up \$400,000 from prior year. Business-type activities unrestricted net position reflects a balance of \$1.1 million. This represents a slight increase of \$86,000 due to the AMR meter project completion and final year of trash rate increases being implemented.



**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

CHANGE IN NET POSITION

The following table reflects the revenues and expenses for the City's statement of activities for the years ended September 30:

	Change In Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 2,539,140	4,044,516	6,195,426	6,240,782	8,734,566	10,285,298
Operating grants and contributions	1,049,886	996,396	-	-	1,049,886	996,396
Capital grants and contributions	1,909,100	1,835,807	60,000	-	1,969,100	1,835,807
General revenues:						
Property taxes	2,376,260	2,701,850	-	-	2,376,260	2,701,850
Sales taxes	8,054,201	7,651,110	-	-	8,054,201	7,651,110
Franchise taxes	2,528,430	2,454,294	-	-	2,528,430	2,454,294
Tourism	133,093	97,887	-	-	133,093	97,887
Investment income	76,370	61,130	495,952	516,120	572,322	577,250
Gain on sale of capital assets	-	5,583	4,027	-	4,027	5,583
Miscellaneous	134,022	152,161	58,223	56,752	192,245	208,913
Total Revenues	<u>18,800,502</u>	<u>20,000,734</u>	<u>6,813,628</u>	<u>6,813,654</u>	<u>25,614,130</u>	<u>26,814,388</u>
Expenses						
General government	3,123,098	2,708,228	-	-	3,123,098	2,708,228
Public safety	4,870,159	4,606,699	-	-	4,870,159	4,606,699
Airport	553,205	456,308	-	-	553,205	456,308
Highways and streets	3,884,211	8,388,955	-	-	3,884,211	8,388,955
Culture and recreation	2,416,245	2,399,430	-	-	2,416,245	2,399,430
Economic development	15,831	32,327	-	-	15,831	32,327
Interest on long-term debt	1,400,876	1,457,296	-	-	1,400,876	1,457,296
Water	-	-	1,808,225	1,570,696	1,808,225	1,570,696
Sewage treatment	-	-	3,193,057	3,136,232	3,193,057	3,136,232
Solid waste	-	-	2,675,190	2,259,583	2,675,190	2,259,583
Total Expenses	<u>16,263,625</u>	<u>20,049,243</u>	<u>7,676,472</u>	<u>6,966,511</u>	<u>23,940,097</u>	<u>27,015,754</u>
Excess (deficiency) before transfers	2,536,877	(48,509)	(862,844)	(152,857)	1,674,033	(201,366)
Transfers	<u>(206,300)</u>	<u>206,600</u>	<u>206,300</u>	<u>(206,600)</u>	<u>-</u>	<u>-</u>
Change in Net Position	2,330,577	158,091	(656,544)	(359,457)	1,674,033	(201,366)
Net Position, Beginning	<u>37,928,002</u>	<u>37,769,911</u>	<u>18,350,689</u>	<u>18,710,146</u>	<u>56,278,691</u>	<u>56,480,057</u>
Net Position, Ending	<u>\$ 40,258,579</u>	<u>37,928,002</u>	<u>17,694,145</u>	<u>18,350,689</u>	<u>57,952,724</u>	<u>56,278,691</u>

GOVERNMENTAL ACTIVITIES

For the fiscal year ended September 30, 2014, total combined revenues are \$25.6 million (governmental and business-type). Governmental activity revenue totaled \$18.8 million or 73% of the total City revenues while revenues from business-type activities totaled \$6.8 million or 27% of total revenue.

Sales tax, the largest governmental category, generated \$8.1 million or 43% of governmental revenue resulting in an increase of \$400,000 or 5.27% over prior year which remains on target and reasonable overall. Property taxes decreased \$325,000 over the prior year as expected as a result of the decrease of \$34 million in 2013 assessed value. Franchise fees increased \$74,000 over

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

the prior year primarily due to a rate increase from Ameren, the local electric provider. Charges for services decreased \$1.5 million from prior year as a result of receiving a one-time refund of a deposit for Highway 100 widening from the state in 2013.

Governmental activities expense decreased \$3.8 million or 19% from 2013 to 2014. This decrease is mainly due to the payments for the Missouri Highway 100 Widening and Missouri Bridge project deposits of approximately \$4 million in 2013.

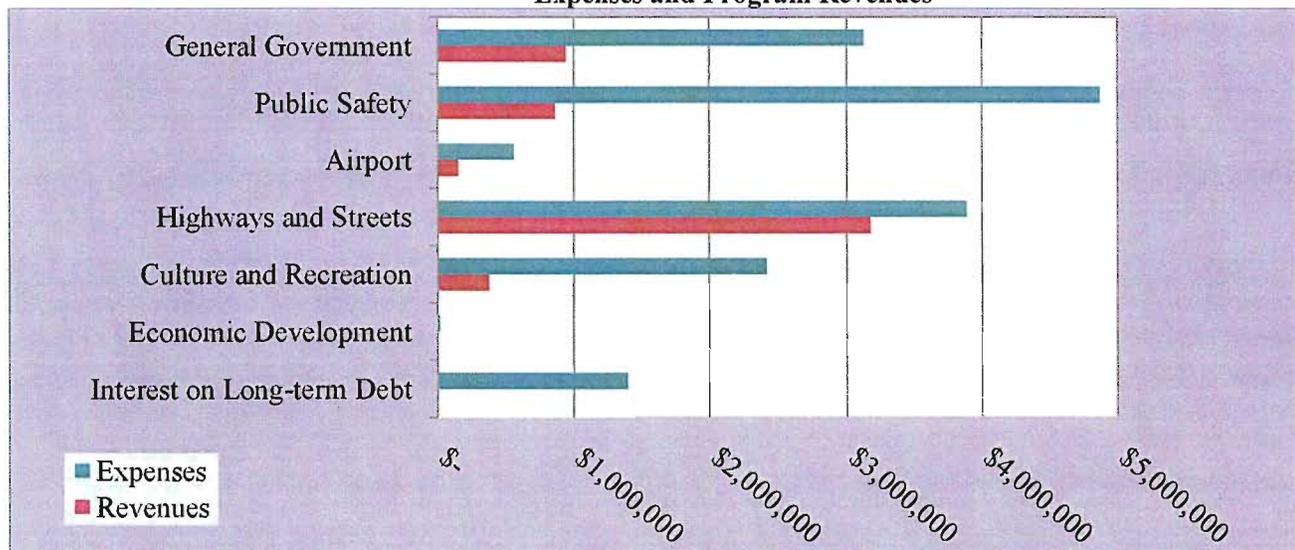
The City has experienced a slight recovery as witnessed by the 5.27% increase in sales tax in 2014. The City remains optimistic about the recovery continuing, but still maintains a proactive approach by curtailing nonessential overtime and adjusting work schedules to coordinate manpower requirements between departments.

Certain revenues are generated specific to governmental program activities. These direct revenues totaled \$5.5 million. The following table shows expenses for program activities and the effect of these direct revenues to program costs.

	Net Cost Of Governmental Activities			
	Total Cost of Service		Net Cost of Service	
	2014	2013	2014	2013
General government	\$ 3,123,098	2,708,228	(2,183,365)	(1,656,631)
Public safety	4,870,159	4,606,699	(4,009,759)	(4,071,471)
Airport	553,205	456,308	(402,036)	242,409
Highway and streets	3,884,211	8,388,955	(709,247)	(4,366,225)
Culture and recreation	2,416,245	2,399,430	(2,044,385)	(1,830,983)
Economic development	15,831	32,327	(15,831)	(32,327)
Interest on long-term debt	1,400,876	1,457,296	(1,400,876)	(1,457,296)
Total	\$ 16,263,625	20,049,243	(10,765,499)	(13,172,524)

Expenses from governmental activities totaled \$16.3 million which is a decrease from prior year of \$4 million. In comparison, net costs of these services were \$10.8 million in 2014 compared to \$13.2 million in 2013. The main reason for this decrease in expenses is that the City paid \$4 million dollars to MO DOT for the bridge and Highway 100 Widening-Phase 3 projects in 2013. Both of these projects were not grant projects so there was no revenue stream to offset the expenses. Taxes and other revenues of \$13.3 million were generated to cover these net costs from prior year.

**Governmental Activities
Expenses and Program Revenues**



**CITY OF WASHINGTON, MISSOURI
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BUSINESS-TYPE ACTIVITIES

Business-type program revenues remained consistent with \$6.2 million in both 2014 and 2013.

The following table shows expenses for program activities and the effect of these revenues to program costs.

	Net Cost Of Business-Type Activities			
	Total Cost Of Service		Net Cost Of Service	
	2014	2013	2014	2013
Water	\$ 1,808,225	1,570,696	(236,952)	(68,988)
Sewage treatment	3,193,057	3,136,232	(665,099)	(572,555)
Solid waste	2,675,190	2,259,583	(518,995)	(84,186)
Total	\$ 7,676,472	6,966,511	(1,421,046)	(725,729)

Expenses increased slightly by \$600,000 due to higher personal services as a result of wage increases and slightly higher depreciation due to the new water meter system while charges for services revenue decreased by \$50,000 mainly due to a decrease in revenue from leachate disposal.

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's fund statements can be found in the basic financial statements. Reconciliation to the government-wide financial statement has been provided with these fund statements.

Governmental Funds. The focus of the City's governmental funds is to provide information on inflows, outflows, and balances of available expendable resources. 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. In 2011, the City adopted a fund balance policy in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions which establishes clearer fund balance classifications that can be more consistently applied and clarifies existing governmental fund types. For all governmental funds, fund balance is now classified into the following five categories with the most restrictive listed first: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

General Fund -- The General Fund is the primary operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$1,632,750, while the total fund balance was \$9.3 million. 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 and transfers out. Unassigned fund balance represents 14% of total General Fund expenditures and transfers out of \$11.8 million; while total fund balance represents 79% of total General Fund expenditures and transfers out. The City's General Fund unassigned fund balance decreased approximately \$42,000 from the prior year. The change of the current year's fund balance is due to normal fluctuations from year to year and with timing of City projects.

The City recognizes the need for a fund balance that can absorb an economic downturn or natural disaster to avoid changes and reductions in service levels. In accordance with the City's fund balance policy adopted in 2011, an amount equal to 15% of operating expenditures in the General Fund balance should be maintained. For September 30, 2014, 15% of operating expenditures (excludes debt service and capital outlay) is \$1,572,184 and unassigned fund balance is \$1,632,750 resulting in compliance with the City's resolution.

Capital Improvements Sales Tax -- At the end of the current fiscal year, the total fund balance of this capital projects fund was \$4 million, a slight decrease of \$220,000 over prior year. Many of the big projects originally planned for this fund have been

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

completed resulting in lower expenditures and very little change from prior year. The Capital Improvement Sales Tax was initially approved July 1989 and is scheduled to expire in 2018.

Transportation Sales Tax -- In April 2006, the voters passed a ½-cent sales tax for the purposes of transportation, including, but not limited to, payment of the local share of the cost of expanding Highway 100 from Interstate 44 to High Street from two lanes to four lanes. This is a 50/50 cost-sharing project with the Missouri Highways and Transportation Commission. Phase I is completed (Highway 100 from the city limits to Highway 47). Phase II (City limits to Interstate 44) is completed. Phase III (Highway 100 to High Street) was completed in 2013. In addition, the City has a ten-year plan for upgrading and improving local roadways. This tax was effective October 1, 2005 and expires June 30, 2030. The fund balance at September 30, 2014 was \$3.6 million, an increase of \$330,000 from prior year. This increase is mainly due to the timing of various grant projects and the City having only 1 grant related project in 2014 that was in construction phase.

COPS -- The COPS fund balance of this Debt Service Fund is \$274,000 as of September 30, 2014 which was a decrease of \$205,000 from the prior year. This decrease is differences in debt service payments between years.

Proprietary Funds. The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. As of September 30, 2014 and 2013, the net position for these funds decreased by \$650,000. Individual fund changes were as follows:

- Water increased slightly by \$37,000 or .60% due to normal operating changes.
- Sewage treatment decreased by \$186,000 or 2% due to normal operating changes and a slight decrease in charges for service revenue of \$65,000.
- Solid waste decreased by \$507,000 or 30% mainly due to lower landfill revenues from landfill usage and an increase of \$200,000 in closure/post closure expense.

A review of the operations of the enterprise funds indicates water, sewage treatment, and solid waste operations reflect a net operating loss totaling \$568,600 resulting from an increase in contractual services. Landfill fee income is \$110,000 lower than prior year. In addition, closure/post closure expense increased by \$200,000 due to the opening of the new phase of the landfill in prior year.

The Water Fund operating income showed an operating loss of \$135,591 with a change in net position of \$36,742. As a result of the AMR meter project completed in 2013, depreciation expense in 2014 increased by \$70,000 which explains the majority of the operating loss.

The Sewage Treatment Fund operations reported an operating income of \$85,986 with a change in net position of (\$186,141) which is an increase in deficit from 2013 of \$110,000. As stated above, the reason for this increase is mainly due to lower sewer fee revenue of \$65,000 and slight increase related to normal operations.

Solid waste operations consist of residential solid waste collection, landfill operation, and a recycling center. The City opened the third phase of the landfill in 2013. The solid waste operations reported an operating loss of \$518,995 which is an increase of \$430,000 from the operating loss of the prior year. As stated above, this increase in operating loss is mainly due to higher closure/post closure costs and other contractual services related to the opening of the new phase. The staff has implemented better compaction methods in an effort to extend the life expectancy, monitored operating costs, and evaluated user fees to reduce the loss. This increase in revenue will help to cover the increased costs related to the solid waste operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Total original revenue was budgeted at \$11.3 million which was increased to \$11.6 million. The budget was amended for an increase in expected sales tax revenues of \$155,000 and increased for an Ameren rate increase resulting in \$105,000 additional revenues.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

- The total original expenditure budget of \$10.5 million increased to \$10.7 million. This increase was due to a land purchase, increased telephone expense due to rate increases, revision of the City zoning and subdivision codes, miscellaneous repairs and supplies and a rate increase in attorney fees.

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

Final budgeted revenues were estimated at \$11,597,675 while actual revenues were \$11,478,258. Property taxes were \$52,200 under budget due to the drop in assessed valuation in prior years. Franchise fees were \$47,150 under budget and charges for services was \$43,392 under budget because these vary from year to year depending on timing of rate increases and other factors.

Expenditures were estimated at \$10,747,243 million. Actual expenditures were \$164,000 less than projected. This was primarily due to ongoing monitoring of expenditures and postponement of any unnecessary expenditure in the current year.

- Technology support was \$74,000 under budget due to Technical Services both being lower than anticipated and/or not needed.
- Parks reported \$52,000 under budget due to repair and maintenance and supplies being lower than anticipated and/or not needed.
- Capital outlay for highways and street reported \$100,000 under budget projections due to the capital outlay being delayed until 2014.

Total other financing sources are \$3,000 over budget due to sale of capital assets not budgeted.

The General Fund ended the year with actual revenues exceeding actual expenditures by \$895,000 and a net increase in change in fund balance of \$488,000.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. Total capital assets for the City as of September 30, 2014, is \$93 million, net of accumulated depreciation. Capital assets (net), decreased by approximately \$400,000 due to the following:

- Nonessential spending limitation
- Disposal of surplus capital assets and annual depreciation fluctuations
- Only essential capital assets constructed/purchased - see list following for capital asset transactions.

The following chart breaks down the City's capital assets into the various categories of assets:

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Capital Assets (Net Of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 7,963,168	6,812,240	879,795	879,795	8,842,963	7,692,035
Infrastructure	18,714,931	19,061,374	-	-	18,714,931	19,061,374
Buildings	14,888,905	15,435,961	19,115,009	20,086,417	34,003,914	35,522,378
Improvements other than buildings	10,688,537	10,947,717	14,692,128	15,269,215	25,380,665	26,216,932
Machinery and equipment	3,937,948	3,799,583	664,237	825,842	4,602,185	4,625,425
Construction in progress	720,098	117,902	701,166	190,671	1,421,264	308,573
Total Capital Assets, Net	\$ 56,913,587	56,174,777	36,052,335	37,251,940	92,965,922	93,426,717

Some of the major capital asset transactions during the year include the following:

- Land \$1.1 million of which the majority was donated to the City
- Three police vehicles, equipped totaling \$96,000
- 14th Street and Stafford - \$700,000
- Parking Lot - Front Street - \$155,000
- Ultra-thin bond wear surface and street surfacing asphalt overlay- \$555,000
- All Abilities Park - \$655,000
- Pierce Pumper Truck - \$420,000

These capital assets are funded by COP financing, user charges, sales tax revenues, and intergovernmental revenues.

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

Debt Administration. As of September 30, 2014, the City had a total of \$62.8 million of outstanding obligations. This is a decrease of \$2 million from the previous year.

In December 2007, the City issued Sewerage System Revenue Bonds, Series 2007 for \$20,000,000 for the construction of the sewage treatment facility. A principal payment of \$895,000 was made in 2014 resulting in a principal balance of \$15,670,000.

The City has \$11,365,000 in 2010 certificates of participation outstanding. In 2010, the City issued these certificates to finance the City's share of the Route 100 widening project-Phase 3, the Library renovation projects, fire training center and other various city projects to be funded from the capital improvement sales tax renewal. A principal payment of \$1,055,000 was made in 2014 resulting in a principal balance of \$8,255,000.

The City has \$30,435,000 in 2012B certificates of participation outstanding. In 2012, the City issued these certificates to refund the 2008 and 2012 COP issues. This issue is divided into \$25,825,000 original principal for governmental activities and \$4,610,000 for business-type activities. A principal payment of \$411,522 was made in 2014 resulting in a principal balance of \$25,065,578 for governmental activities. A principal payment of \$73,478 was made in 2014 resulting in a principal balance of \$4,474,422 for business-type activities.

The Tax Increment Revenue outstanding balance is \$4,222,599. Principal payments of \$25,280 were made in 2014.

Additional information on the City's long-term debt can be found in Note G of this report.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Combined General Fund revenues for fiscal year 2015 are projected to total \$11 million. This represents an increase of \$200,000 over the prior year budget. The City experienced a slight increase in sales tax revenues in 2014 and subsequently budgeted a 3% increase for 2015. The City remains cautiously optimistic with the current economic conditions for sales tax and anticipates sales tax growing in future years.

General Fund expenditures are projected to total \$10.1 million compared to \$9.8 in fiscal year 2014. This represents an increase of \$300,000 primarily due essential spending only and also implementation of the new pay plan. The City remains on a hiring freeze and is currently not replacing employees upon termination unless deemed absolutely necessary.

Health insurance premium increases were budgeted with a 10% increase due to the upward spiral in health insurance costs as evidenced the last few years. In addition, the City has a deductible plan in which the City is currently paying 100% of all deductibles. Indications still predict a higher premium increase for future budgets with anticipation of more participation from employees required in future budgets.

All nonessential capital projects were removed from the budget again in 2015.

A majority of the capital projects funded from the capital improvement sales tax fund are scheduled for 2015 and 2016.

By making both revenue and expenditure adjustments as listed above and maintaining a conservative approach, the City feels confident that it will be able to meet the needs of its citizens and services will remain relatively unchanged.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Any questions regarding the report or request for additional information should be directed to Mary J. Sprung, CPA, Finance Manager, City of Washington, 405 Jefferson Street, Washington, Missouri 63090.

CITY OF WASHINGTON, MISSOURI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government			Component Unit - Community Improvement District
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and investments	\$ 10,137,155	5,223,751	15,360,906	3,246
Receivables (net of allowance for uncollectibles)	3,705,963	830,585	4,536,548	165,427
Loans receivable	2,719,773	-	2,719,773	-
Inventory	407,128	124,182	531,310	-
Prepaid items	557,817	119,241	677,058	18,502
Internal balances	(117,675)	117,675	-	-
Cash and investments with agent - restricted	3,596,253	788,868	4,385,121	1,556,457
Nondepreciable capital assets:				
Land	7,963,168	879,795	8,842,963	-
Construction in progress	720,098	701,166	1,421,264	-
Depreciable capital assets:				
Infrastructure	18,714,931	-	18,714,931	-
Buildings	14,888,905	19,115,009	34,003,914	-
Improvements other than buildings	10,688,537	14,692,128	25,380,665	-
Machinery and equipment	3,937,948	664,237	4,602,185	-
Total Assets	<u>77,920,001</u>	<u>43,256,637</u>	<u>121,176,638</u>	<u>1,743,632</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,532,865	-	1,532,865	-
LIABILITIES				
Accounts payable	572,228	283,077	855,305	7,027
Accrued wages	146,864	32,841	179,705	-
Deposits	54,610	196,423	251,033	-
Accrued interest payable	447,076	186,703	633,779	1,350,770
Unearned revenue	5,753	-	5,753	-
Noncurrent liabilities:				
Due within one year	1,708,080	1,014,983	2,723,063	280,000
Due in more than one year	36,040,633	23,790,952	59,831,585	20,692,887
Due in more than one year - net pension obligation	130,985	30,509	161,494	-
Due in more than one year - net OPEB obligation	88,058	27,004	115,062	-
Total Liabilities	<u>39,194,287</u>	<u>25,562,492</u>	<u>64,756,779</u>	<u>22,330,684</u>
NET POSITION				
Net investment in capital assets	23,593,009	16,582,931	40,175,940	-
Restricted for:				
Capital projects	6,504,082	-	6,504,082	-
Debt service	1,415,854	-	1,415,854	-
TIF districts	264,223	-	264,223	-
Unrestricted net position	8,481,411	1,111,214	9,592,625	(20,587,052)
Total Net Position	<u>\$ 40,258,579</u>	<u>17,694,145</u>	<u>57,952,724</u>	<u>(20,587,052)</u>

See notes to financial statements

CITY OF WASHINGTON, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes In Net Position			Component Unit - Community Improvement District
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 3,123,098	862,726	77,007	-	(2,183,365)	-	(2,183,365)	-
Public safety	4,870,159	825,997	22,052	12,351	(4,009,759)	-	(4,009,759)	-
Airport	553,205	151,169	-	-	(402,036)	-	(402,036)	-
Highways and streets	3,884,211	434,868	843,347	1,896,749	(709,247)	-	(709,247)	-
Culture and recreation	2,416,245	264,380	107,480	-	(2,044,385)	-	(2,044,385)	-
Economic development	15,831	-	-	-	(15,831)	-	(15,831)	-
Interest on long-term debt	1,400,876	-	-	-	(1,400,876)	-	(1,400,876)	-
Total Governmental Activities	<u>16,263,625</u>	<u>2,539,140</u>	<u>1,049,886</u>	<u>1,909,100</u>	<u>(10,765,499)</u>	<u>-</u>	<u>(10,765,499)</u>	<u>-</u>
Business-type Activities								
Water	1,808,225	1,541,273	-	30,000	-	(236,952)	(236,952)	-
Sewage treatment	3,193,057	2,497,958	-	30,000	-	(665,099)	(665,099)	-
Solid waste	2,675,190	2,156,195	-	-	-	(518,995)	(518,995)	-
Total Business-type Activities	<u>7,676,472</u>	<u>6,195,426</u>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>(1,421,046)</u>	<u>(1,421,046)</u>	<u>-</u>
Total Primary Government	<u>\$ 23,940,097</u>	<u>8,734,566</u>	<u>1,049,886</u>	<u>1,969,100</u>	<u>(10,765,499)</u>	<u>(1,421,046)</u>	<u>(12,186,545)</u>	<u>-</u>
Component Unit								
Community Improvement District	<u>\$ 1,242,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,242,437)</u>
General Revenues								
Taxes:								
Property					2,376,260	-	2,376,260	-
Sales					8,054,201	-	8,054,201	1,006,193
Franchise					2,528,430	-	2,528,430	-
Tourism					133,093	-	133,093	-
Gain on sale of capital assets					-	4,027	4,027	-
Grants and contributions not restricted to specific programs					134,022	-	134,022	-
Miscellaneous					-	58,223	58,223	-
Investment income					76,370	495,952	572,322	411
Transfers					<u>(206,300)</u>	<u>206,300</u>	<u>-</u>	<u>-</u>
Total General Revenues And Transfers					<u>13,096,076</u>	<u>764,502</u>	<u>13,860,578</u>	<u>1,006,604</u>
CHANGE IN NET POSITION					2,330,577	(656,544)	1,674,033	(235,833)
NET POSITION, OCTOBER 1					<u>37,928,002</u>	<u>18,350,689</u>	<u>56,278,691</u>	<u>(20,351,219)</u>
NET POSITION, SEPTEMBER 30					<u>\$ 40,258,579</u>	<u>17,694,145</u>	<u>57,952,724</u>	<u>(20,587,052)</u>

CITY OF WASHINGTON, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	General	Capital Improvements Sales Tax	Transportation Sales Tax	COPS	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 4,676,245	709,138	2,627,462	-	2,124,310	10,137,155
Cash and investments with agent - restricted	2,586	2,439,387	-	1,154,065	215	3,596,253
Accounts receivable, net of allowance	1,556,870	859,814	1,253,780	-	35,499	3,705,963
Loans receivable	2,719,773	-	-	-	-	2,719,773
Inventory	407,128	-	-	-	-	407,128
Prepaid items	541,580	-	-	-	16,237	557,817
Due from other funds	879,659	-	-	-	-	879,659
Advance to other funds	-	-	-	-	500,000	500,000
Total Assets	<u>\$ 10,783,841</u>	<u>4,008,339</u>	<u>3,881,242</u>	<u>1,154,065</u>	<u>2,676,261</u>	<u>22,503,748</u>
LIABILITIES						
Accounts payable	\$ 315,173	13,106	230,945	-	13,004	572,228
Accrued wages	139,353	-	-	-	7,511	146,864
Deposits	54,610	-	-	-	-	54,610
Due to other funds	-	-	-	879,659	-	879,659
Unearned revenue	5,753	-	-	-	-	5,753
Advance from other funds	617,675	-	-	-	-	617,675
Total Liabilities	<u>1,132,564</u>	<u>13,106</u>	<u>230,945</u>	<u>879,659</u>	<u>20,515</u>	<u>2,276,789</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - Court	321,015	-	-	-	-	321,015
FUND BALANCES						
Nonspendable:						
Prepaid items	541,580	-	-	-	16,237	557,817
Inventory	407,128	-	-	-	-	407,128
Loans receivable	2,719,773	-	-	-	-	2,719,773
Advances	-	-	-	-	500,000	500,000
Restricted for:						
Debt service	-	1,141,448	-	274,406	-	1,415,854
Capital improvements	-	2,853,785	3,650,297	-	-	6,504,082
TIF Districts	-	-	-	-	264,223	264,223
Committed for:						
Purchase of supplies and services	4,168	-	-	-	-	4,168
Library	-	-	-	-	42,709	42,709
Stormwater	2,949,482	-	-	-	-	2,949,482
Volunteer fire	1,075,381	-	-	-	-	1,075,381
Vehicle and equipment replacement	-	-	-	-	1,832,577	1,832,577
Unassigned	1,632,750	-	-	-	-	1,632,750
Total Fund Balances	<u>9,330,262</u>	<u>3,995,233</u>	<u>3,650,297</u>	<u>274,406</u>	<u>2,655,746</u>	<u>19,905,944</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 10,783,841</u>	<u>4,008,339</u>	<u>3,881,242</u>	<u>1,154,065</u>	<u>2,676,261</u>	<u>22,503,748</u>

CITY OF WASHINGTON, MISSOURI
RECONCILIATION OF THE BALANCE SHEET - GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

Total Fund Balances - Governmental Funds	\$ 19,905,944
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of these assets are \$85,598,984 and the accumulated depreciation is \$28,685,397.	56,913,587
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	321,015
Certain obligations are not financial uses and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension obligation	(130,985)
OPEB obligation	(88,058)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Certificates of participation	(33,320,578)
Notes payable	(4,222,599)
Accrued compensated absences payable	(205,536)
Accrued interest payable	(447,076)
Unamortized bond deferred charges	1,532,865
Total Net Position Of Governmental Activities	\$ 40,258,579

CITY OF WASHINGTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Capital Improvements Sales Tax	Transportation Sales Tax	COPS	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 1,998,675	-	-	-	377,585	2,376,260
Sales	4,297,657	1,892,091	1,891,059	-	28,481	8,109,288
Franchise	2,528,430	-	-	-	-	2,528,430
Tourism	133,093	-	-	-	-	133,093
Licenses and permits	154,016	-	-	-	-	154,016
Fees and fines	247,374	-	-	-	55,983	303,357
Intergovernmental	95,890	-	1,277,533	-	6,965	1,380,388
Charges for services	1,768,718	-	-	-	-	1,768,718
Rents	168,529	-	-	-	-	168,529
Contributions and donations	40,171	64,000	-	-	14,336	118,507
Investment income	45,705	12,963	8,628	134,116	8,980	210,392
Total Revenues	<u>11,478,258</u>	<u>1,969,054</u>	<u>3,177,220</u>	<u>134,116</u>	<u>492,330</u>	<u>17,250,978</u>
EXPENDITURES						
Current:						
General government	2,508,859	32,951	-	-	15,831	2,557,641
Public safety	4,128,520	-	-	-	-	4,128,520
Highways and streets	2,250,697	-	162,757	-	-	2,413,454
Airport	191,952	-	3,330	-	-	195,282
Culture and recreation	1,401,200	-	-	-	496,607	1,897,807
Economic development	-	-	-	-	157,949	157,949
Debt service:						
Principal	-	-	-	1,466,522	25,280	1,491,802
Interest and fiscal charges	1,638	-	-	1,163,276	120,788	1,285,702
Capital outlay:						
General government	30,981	41,013	-	-	35,334	107,328
Public safety	37,116	86,783	-	-	110,660	234,559
Highways and streets	-	307,488	1,177,940	-	-	1,485,428
Airport	-	66,581	-	-	72,825	139,406
Culture and recreation	32,604	663,885	-	-	145,991	842,480
Total Expenditures	<u>10,583,567</u>	<u>1,198,701</u>	<u>1,344,027</u>	<u>2,629,798</u>	<u>1,181,265</u>	<u>16,937,358</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>894,691</u>	<u>770,353</u>	<u>1,833,193</u>	<u>(2,495,682)</u>	<u>(688,935)</u>	<u>313,620</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	786,100	-	-	2,496,500	410,000	3,692,600
Sale of capital assets	3,000	-	-	-	20,137	23,137
Transfers out	(1,196,100)	(992,790)	(1,503,710)	(206,300)	-	(3,898,900)
Total Other Financing Sources (Uses)	<u>(407,000)</u>	<u>(992,790)</u>	<u>(1,503,710)</u>	<u>2,290,200</u>	<u>430,137</u>	<u>(183,163)</u>
NET CHANGE IN FUND BALANCES	487,691	(222,437)	329,483	(205,482)	(258,798)	130,457
FUND BALANCES, OCTOBER 1	<u>8,842,571</u>	<u>4,217,670</u>	<u>3,320,814</u>	<u>479,888</u>	<u>2,914,544</u>	<u>19,775,487</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 9,330,262</u>	<u>3,995,233</u>	<u>3,650,297</u>	<u>274,406</u>	<u>2,655,746</u>	<u>19,905,944</u>

CITY OF WASHINGTON, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Net Change In Fund Balances - Governmental Funds \$ 130,457

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$3,421,329) exceeded capital outlays over the capitalization threshold (\$2,935,263) in the current period. (486,066)

The net effect of various miscellaneous transactions involving capital assets:

Contributed assets	1,462,563	
Sale of assets	(176,582)	
Write off old construction in progress projects	(61,105)	1,224,876

Receivables that do not provide current financial resources and, therefore, are not reported in the government funds. (55,087)

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 142,048

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

Repayments:

Certificates of participation	1,466,522	
Tax increment revenue notes	25,280	
Amortization	(98,746)	
Compensated absences	(5,887)	
Net Adjustment		1,387,169

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	(18,066)	
Net pension obligation	1,086	
Net OPEB obligation	4,160	(12,820)

Change In Net Position Of Governmental Activities \$ 2,330,577

CITY OF WASHINGTON, MISSOURI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2014

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and investments	\$ 1,177,644	927,999	3,118,108	5,223,751
Accounts receivable (net of allowance)	213,008	354,000	263,577	830,585
Inventory	106,237	17,945	-	124,182
Prepaid items	37,743	44,499	36,999	119,241
Total Current Assets	<u>1,534,632</u>	<u>1,344,443</u>	<u>3,418,684</u>	<u>6,297,759</u>
Noncurrent Assets				
Cash and investments with agent - restricted	-	788,868	-	788,868
Advance to other funds	<u>617,675</u>	<u>-</u>	<u>-</u>	<u>617,675</u>
Capital assets:				
Land	67,762	767,033	45,000	879,795
Buildings	2,410,917	25,667,073	122,011	28,200,001
Improvements nonbuilding	10,156,478	9,868,353	3,228,741	23,253,572
Machinery and equipment	1,393,753	564,083	1,647,012	3,604,848
Construction in progress	8,928	-	692,238	701,166
Less - Accumulated depreciation	<u>(5,243,531)</u>	<u>(11,918,802)</u>	<u>(3,424,714)</u>	<u>(20,587,047)</u>
Total Capital Assets	<u>8,794,307</u>	<u>24,947,740</u>	<u>2,310,288</u>	<u>36,052,335</u>
Total Noncurrent Assets	<u>9,411,982</u>	<u>25,736,608</u>	<u>2,310,288</u>	<u>37,458,878</u>
Total Assets	<u>10,946,614</u>	<u>27,081,051</u>	<u>5,728,972</u>	<u>43,756,637</u>
LIABILITIES				
Current Liabilities				
Accounts payable	39,282	56,144	187,651	283,077
Accrued wages	11,144	7,889	13,808	32,841
Compensated absences payable - current	<u>9,474</u>	<u>3,810</u>	<u>7,011</u>	<u>20,295</u>
	<u>59,900</u>	<u>67,843</u>	<u>208,470</u>	<u>336,213</u>
Payable from restricted assets:				
Accrued interest payable	10,873	175,830	-	186,703
Bonds payable - current installments	<u>94,688</u>	<u>900,000</u>	<u>-</u>	<u>994,688</u>
	<u>105,561</u>	<u>1,075,830</u>	<u>-</u>	<u>1,181,391</u>
Total Current Liabilities	<u>165,461</u>	<u>1,143,673</u>	<u>208,470</u>	<u>1,517,604</u>
Noncurrent Liabilities				
Revenue bonds payable	4,379,734	14,770,000	-	19,149,734
Plus - Unamortized premiums	-	304,129	-	304,129
Customer deposits	99,763	96,660	-	196,423
Advance from other funds	-	500,000	-	500,000
Landfill care liability	-	-	4,316,794	4,316,794
Compensated absences payable	9,474	3,811	7,010	20,295
Net pension obligation	10,022	7,125	13,362	30,509
OPEB obligation	<u>8,499</u>	<u>5,840</u>	<u>12,665</u>	<u>27,004</u>
Total Noncurrent Liabilities	<u>4,507,492</u>	<u>15,687,565</u>	<u>4,349,831</u>	<u>24,544,888</u>
Total Liabilities	<u>4,672,953</u>	<u>16,831,238</u>	<u>4,558,301</u>	<u>26,062,492</u>
NET POSITION				
Net investment in capital assets	4,319,885	9,952,758	2,310,288	16,582,931
Unrestricted	<u>1,953,776</u>	<u>297,055</u>	<u>(1,139,617)</u>	<u>1,111,214</u>
Total Net Position	<u>\$ 6,273,661</u>	<u>10,249,813</u>	<u>1,170,671</u>	<u>17,694,145</u>

See notes to financial statements

CITY OF WASHINGTON, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN
NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 1,541,273	2,497,958	2,156,195	6,195,426
OPERATING EXPENSES				
Personal services	531,732	371,832	705,644	1,609,208
Contractual services	484,379	527,765	1,538,688	2,550,832
Depreciation	388,993	1,196,226	246,510	1,831,729
Supplies	271,760	316,149	184,348	772,257
Total Operating Expenses	<u>1,676,864</u>	<u>2,411,972</u>	<u>2,675,190</u>	<u>6,764,026</u>
OPERATING INCOME (LOSS)	<u>(135,591)</u>	<u>85,986</u>	<u>(518,995)</u>	<u>(568,600)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	5,144	478,958	11,850	495,952
Gain on sale of capital assets	4,027	-	-	4,027
Miscellaneous	58,223	-	-	58,223
Interest and fiscal charges	(131,361)	(781,085)	-	(912,446)
Total Nonoperating Revenues (Expenses)	<u>(63,967)</u>	<u>(302,127)</u>	<u>11,850</u>	<u>(354,244)</u>
LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANS- FERS	(199,558)	(216,141)	(507,145)	(922,844)
CAPITAL CONTRIBUTIONS	30,000	30,000	-	60,000
TRANSFERS IN	<u>206,300</u>	<u>-</u>	<u>-</u>	<u>206,300</u>
CHANGE IN NET POSITION	36,742	(186,141)	(507,145)	(656,544)
NET POSITION, OCTOBER 1	<u>6,236,919</u>	<u>10,435,954</u>	<u>1,677,816</u>	<u>18,350,689</u>
NET POSITION, SEPTEMBER 30	<u><u>\$ 6,273,661</u></u>	<u><u>10,249,813</u></u>	<u><u>1,170,671</u></u>	<u><u>17,694,145</u></u>

See notes to financial statements

CITY OF WASHINGTON, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,573,338	2,521,010	2,144,495	6,238,843
Payments to suppliers	(1,058,945)	(854,719)	(1,333,690)	(3,247,354)
Payments for employees and benefits	(528,110)	(368,473)	(702,436)	(1,599,019)
Other receipts	58,223	-	-	58,223
Net Cash Provided By Operating Activities	<u>44,506</u>	<u>1,297,818</u>	<u>108,369</u>	<u>1,450,693</u>
Cash flows from noncapital financing activities:				
Advances	(1,637)	(100,000)	-	(101,637)
Net transfers in	206,300	-	-	206,300
Net Cash Provide By (Used In) Capital And Related Financing Activities	<u>204,663</u>	<u>(100,000)</u>	<u>-</u>	<u>104,663</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(68,559)	-	(503,568)	(572,127)
Gain on sale of assets	4,027	-	-	4,027
Principal paid on capital debt	(73,478)	(895,000)	-	(968,478)
Interest and fiscal charges	(131,422)	(811,374)	-	(942,796)
Net Cash Used In Capital And Related Financing Activities	<u>(269,432)</u>	<u>(1,706,374)</u>	<u>(503,568)</u>	<u>(2,479,374)</u>
Cash flows provided by investing activities:				
Investment income	5,144	478,958	11,850	495,952
NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,119)	(29,598)	(383,349)	(428,066)
CASH AND CASH EQUIVALENTS, OCTOBER 1 (including \$788,113 for the Sewage Treatment Fund reported in restricted accounts)	<u>1,192,763</u>	<u>1,746,465</u>	<u>3,501,457</u>	<u>6,440,685</u>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30 (including \$788,868 for the Sewage Treatment Fund reported in restricted accounts)	<u>\$ 1,177,644</u>	<u>1,716,867</u>	<u>3,118,108</u>	<u>6,012,619</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (135,591)	85,986	(518,995)	(568,600)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	388,993	1,196,226	246,510	1,831,729
Other adjustment to operating activities	58,223	-	-	58,223
(Increase) decrease in:				
Receivables (net)	20,566	11,249	(11,700)	20,115
Inventory	23,601	(1,854)	-	21,747
Prepays	(7,376)	(10,811)	(4,315)	(22,502)
Increase (decrease) in:				
Accounts payable	(319,031)	1,860	(3,408)	(320,579)
Landfill care liability	-	-	397,069	397,069
Customer deposits	11,499	11,803	-	23,302
Other liabilities	3,622	3,359	3,208	10,189
Total Adjustments	<u>180,097</u>	<u>1,211,832</u>	<u>627,364</u>	<u>2,019,293</u>
Net Cash Provided By Operating Activities	<u>\$ 44,506</u>	<u>1,297,818</u>	<u>108,369</u>	<u>1,450,693</u>

CITY OF WASHINGTON, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
Supplemental disclosure of cash flow information:				
Noncash investing, capital, and financing activities:				
Contributions of capital assets from developers	<u>\$ 30,000</u>	<u>30,000</u>	<u>-</u>	<u>60,000</u>

CITY OF WASHINGTON, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
AGENCY FUNDS
SEPTEMBER 30, 2014

ASSETS

Cash and investments

\$ 1

LIABILITIES

Due to lessee

\$ 1

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the **CITY OF WASHINGTON, MISSOURI** (the City) in the preparation of the accompanying basic financial statements are summarized below:

1. Reporting Entity

The City was founded in May 1839, chartered by the State in February 1841, and established a mayor/council/city administrator form of government. The City's operations include general administrative services, public safety, street maintenance and improvements, airport, city library, and recreation activities. Enterprise operations owned by the City include water, sewage treatment, and solid waste collection.

The financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board Statement No. 14 (GASB 14), *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units - an Amendment of GASB 14*. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's governing body or because the component unit will provide a financial benefit or impose a financial burden on the City. Based on this criteria the Washington Missouri Redevelopment Corporation is excluded from the accompanying basic financial statements. The Industrial Development Authority (IDA) of the City is organized to develop and promote commercial, industrial, agricultural, and manufacturing facilities in the City. All of the directors of the IDA are appointed by the Mayor of the City and confirmed by the City Council. The IDA is a component unit of the City; however, the financial activity is insignificant in relation to the City and the component unit has been excluded from the accompanying basic financial statements. The Phoenix Center II Community Improvement District (the District) was incorporated in 2006. All directors of the District are appointed by the Mayor of the City and confirmed by the City Council. The District is also included in the City's reporting entity because of the City's ability to impose its will on the District as the City provides administrative support to the District. The District is organized to construct public infrastructure improvement projects to serve a new commercial redevelopment project in the City. The District is a component unit of the City and is discretely presented as such in the basic financial statements. The District issues a separate financial statement which may be obtained from the Finance Manager at the City.

2. 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. For the most part, the effect of interfund activities have been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements (Continued)

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

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balances for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 fiduciary fund financial statements. 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 imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, fines, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

Capital Improvements Sales Tax Fund -- The Capital Improvements Sales Tax Fund, a Capital Projects Fund, is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and agency funds).

Transportation Sales Tax Fund -- The Transportation Sales Tax Fund, a Capital Projects Fund, is used to account for financial resources to be used for purposes of transportation projects. This includes, but not limited to, payment of the local share of the cost of expanding Highway 100 from Interstate Highway 44 to High Street from two lanes to four lanes.

COPS Fund -- The COPS Fund, a Debt Service Fund, is used to account for debt service payments for the City COPS issues.

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds, which account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes and a Capital Projects Fund, which accounts for financial resources to be used for the acquisition of vehicles and equipment. The nonmajor funds of the City are the Library Fund, Rhine River TIF Fund, Downtown TIF Fund, and Vehicle and Equipment Replacement Fund.

The City reports the following major proprietary funds:

Water Fund -- The Water Fund accounts for the billing and collection of charges for water service for the City's residents. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Sewage Treatment Fund -- The Sewage Treatment Fund is used to account for the provision of sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Solid Waste Fund -- The Solid Waste Fund is used to account for solid waste collection, operation of the landfill, and operation of the recycling center.

Additionally, the City reports the following fiduciary fund type:

Agency Funds -- Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units. Agency Funds are custodial in nature (assets equal liabilities) and do not have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables. These funds account for activities of the Taxable Industrial Revenue Bonds, Series 2008A and B; and Taxable Industrial Revenue Bonds, Series 2010A and B.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between the City's business-type activities/Enterprise Funds, as well as some Special Revenue Funds and the General Fund. The City allocates charges as reimbursement for services provided by the General Fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

Amounts reported as program revenues include: 1) charges to customers or applications for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments, identifiable with a particular function. Taxes, investment income, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Cash and Cash Investments

Cash and cash equivalents include cash on hand, demand deposits, and money market mutual funds. The City considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. Cash and investments of the City are stated at cost, which approximates fair value.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Inventories and Prepaid Items

Inventory is recorded at cost on the first-in, first-out (FIFO) method.

In governmental fund types, the purchase method for inventory is used. This means that inventory is recorded as an expenditure when acquired regardless of when it is used.

In the proprietary fund types, the consumption method is used. This means that acquisition of materials and supplies is recorded initially in inventory accounts and charged as an expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements on the consumption method. Prepaid items are recorded as expenditures when consumed rather than purchased.

6. Capital Assets

Capital assets, which include land, permanent easements, buildings, other improvements, vehicles, machinery and equipment, and infrastructure (e.g., streets, sidewalks, bridges, and similar items), are 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 or more and an estimated useful life of two years or more. Infrastructure assets are reported when costs are \$25,000 or more.

In accordance with GASB Statement No. 34, infrastructure assets constructed, purchased, or donated effective October 1, 2002 are reported in the government-wide financial statements. All major general infrastructure assets prior to this date will be retroactively reported beginning in the fiscal year after September 30, 2007 or earlier at historical or estimated historical cost.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets acquired under lease/purchase agreements are capitalized. Land held for redevelopment is recorded at the lower of cost or net realizable value.

The costs of normal maintenance and repairs, except for any substantial betterment, are not capitalized. "Betterment" is defined as an addition made to, or change made in, a capital asset, which is expected to prolong its life or to increase its efficiency over and above that arising from maintenance. Betterments to general assets should have a cost of \$10,000 or greater to be included as a capital asset. Betterments to infrastructure assets should have a cost of \$25,000 or greater to be included as a capital asset. The cost of which is added to the property records as a separate item and depreciated over the remaining useful lives of the related capital assets, if applicable.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Capital Assets (Continued)

Capital assets are depreciated using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of depreciable capital assets are as follows:

Asset	Years
Infrastructure	20 - 40
Buildings	10 - 50
Improvements other than buildings	10 - 50
Machinery and equipment	2 - 15

7. Restricted Assets

Assets restricted for debt service are segregated on the government-wide statement of net position and the proprietary fund statement of net position.

8. Receivables and Payables

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. City property taxes are recognized when levied to the extent they result in current receivables. Property tax receivables are shown net of an allowance for uncollectibles.

Assessment revenues and receivables are recognized at the time property owners are assessed for the property improvement. Assessment receivables are offset by deferred revenue for those property owners who have extended payment plans.

The City records as accounts receivable in the Enterprise Fund's financial statements the amount of accrued, but unbilled revenue for the Water Fund, Sewage Treatment Fund, and Solid Waste Fund determined by prorating actual subsequent billings.

9. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, a total of 10 to 20 days of vacation and 5 to 15 days of sick leave per year depending on years of service. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A maximum of 20 days of vacation and 180 days of sick leave may be accumulated by each employee. The current portion of compensated absences is estimated at 50% as of September 30, 2014.

11. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. The bond discounts on the Sewage Treatment Fund bonds are being amortized on the straight-line method over the life of the bonds. There is no significant difference between the straight-line method and the present-value method required by accounting principles generally accepted in the United States of America for the bond discounts.

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.

12. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisi-

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Deferred Outflows/Inflows of Resources (Continued)

tion of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from courts. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

13. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds. Encumbrances outstanding at year-end amounted to \$4,168, \$239,493, \$437,838, and \$1,805 for the General, Capital Improvements Sales Tax, Transportation Sales Tax, and nonmajor funds, respectively.

14. Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

Restricted -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

Committed -- The portion of fund balance with constraints or limitations by formal action (ordinance) of the Board of Aldermen, the highest level of decision-making authority.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the City Administrator or Finance Manager based on the Board of Aldermen direction. Intent can be expressed by the Board of Aldermen in the form of a motion. Action by the City Council must occur prior to year-end.

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 restricted amounts and then the least restricted - committed, assigned, and then unassigned.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance Policies (Continued)

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. The target is to maintain a rolling beginning fund balance of not less than 15% of annual operating expenditures (excluding debt service and capital outlay) for the current fiscal year. Should the balance fall below the 15%, the City will identify a plan to restore the fund balance to its targeted amount as part of the budget proposal.

15. Capital Contributions

Capital contributions represent government grants and other aid used to fund capital projects. Donations by developers are recognized as revenue when final subdivision plats are accepted by the City. Other capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

16. Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - CASH AND INVESTMENTS

1. Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of September 30, 2014, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

As of September 30, 2014, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' name.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments

As of September 30, 2014, the City had the following investments:

Investments	Fair Value	Maturities			Credit Risk	
		No Maturity	Less Than One Year	1 - 5 Years		5 - 10 Years
Primary Government						
Money Market Fund	\$ 3,227,807	3,227,807	-	-	-	Not rated
U.S. Government and Municipal Bonds	1,131,505	-	-	1,131,505	-	AAA
Total Primary Government	<u>\$ 4,359,312</u>	<u>3,227,807</u>	<u>-</u>	<u>1,131,505</u>	<u>-</u>	
Component Unit						
Money Market Fund	<u>\$ 1,556,457</u>	<u>1,556,457</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated
Fiduciary Fund						
Money Market Fund	<u>\$ 1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by only investing in very safe or “investment grade” securities and when feasible, diversifying the portfolio so that potential losses on individual securities will be minimized.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities, money market funds, or similar pools.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City minimizes concentration of credit risk by diversifying the portfolio.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - RECEIVABLES

Receivables as of September 30, 2014, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			Business-type Activities			Total	Component Unit	
	General	Capital Improvements Sales Tax	Transportation Sales Tax	Nonmajor Governmental Funds	Water	Sewage Treatment			Solid Waste
Receivables:									
Taxes	\$ 1,032,468	303,964	379,997	34,015	-	-	-	1,750,444	165,427
Accounts Intergovernmental	491,319	555,850	319,119	-	213,604	354,000	265,433	2,199,325	-
	40,700	-	554,664	2,178	-	-	-	597,542	-
Gross receivables	<u>1,564,487</u>	<u>859,814</u>	<u>1,253,780</u>	<u>36,193</u>	<u>213,604</u>	<u>354,000</u>	<u>265,433</u>	<u>4,547,311</u>	<u>165,427</u>
Less - Allowance for uncollectibles	<u>7,617</u>	<u>-</u>	<u>-</u>	<u>694</u>	<u>596</u>	<u>-</u>	<u>1,856</u>	<u>10,763</u>	<u>-</u>
Total Receivables, Net	<u>\$ 1,556,870</u>	<u>859,814</u>	<u>1,253,780</u>	<u>35,499</u>	<u>213,008</u>	<u>354,000</u>	<u>263,577</u>	<u>4,536,548</u>	<u>165,427</u>

NOTE D - CAPITAL ASSETS

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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - CAPITAL ASSETS (Continued)

For The Year Ended September 30, 2014

	Balance September 30 2013	Additions And Reclassi- fications	Deletions And Reclassi- fications	Balance September 30 2014
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 6,812,240	1,150,928	-	7,963,168
Construction in progress	117,902	700,036	97,840	720,098
Total Capital Assets Not Being Depreciated	<u>6,930,142</u>	<u>1,850,964</u>	<u>97,840</u>	<u>8,683,266</u>
Capital assets being depreciated:				
Infrastructure	25,920,930	1,057,618	-	26,978,548
Buildings	23,380,210	79,624	348,515	23,111,319
Improvements other than buildings	15,148,564	517,532	-	15,666,096
Machinery and equipment	10,376,596	950,284	167,125	11,159,755
Total Capital Assets Being Depreciated	<u>74,826,300</u>	<u>2,605,058</u>	<u>515,640</u>	<u>76,915,718</u>
Less - Accumulated depreciation for:				
Infrastructure	6,859,556	1,404,061	-	8,263,617
Buildings	7,944,249	453,003	174,838	8,222,414
Improvements other than buildings	4,200,847	776,712	-	4,977,559
Machinery and equipment	6,577,013	809,014	164,220	7,221,807
Total Accumulated Depreciation	<u>25,581,665</u>	<u>3,442,790</u>	<u>339,058</u>	<u>28,685,397</u>
Total Capital Assets Being Depreciated, Net	<u>49,244,635</u>	<u>(837,732)</u>	<u>176,582</u>	<u>48,230,321</u>
Governmental Activities Capital Assets, Net	<u>\$ 56,174,777</u>	<u>1,013,232</u>	<u>274,422</u>	<u>56,913,587</u>
Business-type Activities				
Capital assets not being depreciated:				
Land	\$ 879,795	-	-	879,795
Construction in progress	190,671	512,495	2,000	701,166
Total Capital Assets Not Being Depreciated	<u>1,070,466</u>	<u>512,495</u>	<u>2,000</u>	<u>1,580,961</u>
Capital assets being depreciated				
Building	28,200,001	-	-	28,200,001
Improvements other than buildings	23,153,526	100,046	-	23,253,572
Machinery and equipment	3,705,938	21,583	122,673	3,604,848
Total Capital Assets Being Depreciated	<u>55,059,465</u>	<u>121,629</u>	<u>122,673</u>	<u>55,058,421</u>
Less - Accumulated depreciation for:				
Buildings	8,113,584	971,408	-	9,084,992
Improvements other than buildings	7,884,311	677,133	-	8,561,444
Machinery and equipment	2,880,096	183,188	122,673	2,940,611
Total Accumulated Depreciation	<u>18,877,991</u>	<u>1,831,729</u>	<u>122,673</u>	<u>20,587,047</u>
Total Capital Assets Being Depreciated, Net	<u>36,181,474</u>	<u>(1,710,100)</u>	<u>-</u>	<u>34,471,374</u>
Business-type Activities Capital Assets, Net	<u>\$ 37,251,940</u>	<u>(1,197,605)</u>	<u>2,000</u>	<u>36,052,335</u>

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - CAPITAL ASSETS (Continued)

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

	For The Year Ended September 30 2014
Governmental Activities	
General government	\$ 558,670
Public safety	542,048
Airport	357,922
Highway and streets	1,448,331
Culture and recreation	<u>514,358</u>
Total	<u>\$3,421,329</u>
Business-type Activities	
Water	\$ 388,993
Sewage treatment	1,196,226
Solid waste	<u>246,510</u>
Total	<u>\$1,831,729</u>

A transfer was made to the governmental activities from the Sewage fund of a fully depreciated asset with an original cost of \$21,461.

NOTE E - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The individual interfund balances are as follows:

Advances from/to other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	September 30 2014
Nonmajor Fund - Vehicle and Equipment Fund	Sewage Treatment Fund	\$ 500,000
Water Fund	General Fund	<u>617,675</u>
Total		<u>\$1,117,675</u>

The outstanding balances between funds result from: 1) payments to fund deeds of trust issued by the Washington Missouri Redevelopment Corporation, and 2) payments to fund initial sewer treatment project costs. The balances are not expected to be repaid within the fiscal year ending September 30, 2015.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Individual interfund transfers are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended September 30 2014</u>
General Fund	Nonmajor Fund - Library Fund	\$ 185,000
General Fund	Nonmajor Fund - Vehicle and Equipment Fund	225,000
General Fund	COPS Fund	786,100
Transportation Sales Tax Fund	General Fund	786,100
Transportation Sales Tax Fund	COPS Fund	717,610
Capital Improvements Sales Tax Fund	COPS Fund	992,790
COPS Fund	Water Fund	<u>206,300</u>
Total		<u>\$3,898,900</u>

Interfund transfers were used to: 1) move unrestricted revenues collected in the General Fund to finance other funds in accordance with budgetary authorization, 2) reimburse one fund for expenses that should have been paid out of a different fund, 3) allocate contribution of equipment purchase to support business operation, and 4) make debt service payments.

Interfund assets and liabilities are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>September 30 2014</u>
General Fund	COPS Fund	<u>\$879,659</u>

Interfund balances are due to negative cash balances and are expected to be repaid during the fiscal year ending September 30, 2015.

NOTE F - TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue notes issued to finance certain improvements in the City. The notes are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the notes. Total principal and interest remaining on the notes per Note G is payable through July 2033. For the current year, principal and interest and incremental tax revenues were \$146,068 and \$243,537, respectively.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT

Debt payable was comprised of the following:

	September 30 2014
Governmental Activities	
\$25,825,000 certificates of participation, under the terms of the refinancing agreement, Series 2012 B, due in annual installments through April 1, 2030; interest payable at 0.7% to 3.5%.	\$25,065,578
\$11,365,000 certificates of participation (Series 2010 Build America Bonds), due in annual installments through October 1, 2020; interest payable at 2% to 6%.	<u>8,255,000</u>
Total Governmental Activities Long-term Debt	<u>\$33,320,578</u>
Business-type Activities	
\$20,000,000 Sewerage System Revenue Bonds, under the terms of the refinancing agreement Series 2007, due in annual installments through January 1, 2029; interest payable at 4% to 5%.	\$15,670,000
\$4,610,000 certificates of participation, under the terms of the refinancing agreement Series 2012B, due in annual installments through April 1, 2030; interest payable at 0.7% to 3.5%.	<u>4,474,422</u>
Total Business-type Activities Long-term Debt	<u>\$20,144,422</u>

The annual debt service requirements for debt payable is as follows:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

For The Years Ended September 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 1,605,312	1,116,847	994,688	814,070
2016	1,783,800	1,066,993	1,051,200	774,844
2017	1,873,195	1,007,236	1,076,805	735,281
2018	2,400,325	933,120	1,179,675	692,631
2019	2,516,690	845,152	1,208,310	648,026
2020 - 2024	10,527,415	2,898,757	6,587,585	2,499,552
2025 - 2029	10,449,278	1,294,257	7,660,722	956,878
2030	2,164,563	37,865	385,437	6,760
Total	<u>\$ 33,320,578</u>	<u>9,200,227</u>	<u>20,144,422</u>	<u>7,128,042</u>

The City has tax increment revenue notes which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and incremental increases in economic activity taxes in the project area. The notes do not constitute a general obligation of the City.

Notes outstanding at September 30, 2014 are as follows:

	Date Issued	Date Of Maturity	Original Amount	Balance September 30 2014
Tax increment revenue notes:				
Bank of Washington - Series A	6/10/2010	2/19/2030	\$2,941,137	\$2,985,424
Rhine River - Series A	8/20/2010	7/5/2033	900,000	869,740
Rhine River - Series C	8/20/2010	7/5/2033	375,000	<u>367,435</u>
Total				<u>\$4,222,599</u>

Changes in Long-term Liabilities

The changes in general long-term debt are as follows:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

	For The Year Ended September 30, 2014			Balance September 30 2014	Amounts Due Within One Year
	Balance September 30 2013	Additions	Deletions		
	Governmental Activities				
Certificates of participation	\$ 34,787,100	-	1,466,522	33,320,578	1,605,312
Tax increment revenue notes	4,247,879	-	25,280	4,222,599	-
Compensated absences payable	199,649	205,536	199,649	205,536	102,768
Total Governmental Activities Long- term Liabilities	\$ 39,234,628	205,536	1,691,451	37,748,713	1,708,080
Business-type Activities					
Revenue bonds payable	\$ 21,112,900	-	968,478	20,144,422	994,688
Plus - Net premiums (discounts)	325,471	-	21,342	304,129	-
Total Revenue Bonds Payable	21,438,371	-	989,820	20,448,551	994,688
Compensated absences payable	40,629	40,590	40,629	40,590	20,295
Landfill care liability	3,919,725	397,069	-	4,316,794	-
Total Business-type Activities Long- term Liabilities	\$ 25,398,725	437,659	1,030,449	24,805,935	1,014,983

Compensated absences are generally liquidated by the General Fund.

Component Unit	September 30 2014
Series 2013A refunding revenue bonds, authorized \$10,150,000, interest rate of 4.0 - 5.0%, interest payable semi-annually May 1 and November 1, due per the trust indenture with final maturity on November 1, 2037.	\$ 9,710,000
Series 2013B subordinate refunding revenue bonds, authorized \$11,801,153, interest rate of 6.75%, interest payable semi-annually May 1 and November 1, due per the trust indenture with final maturity on March 1, 2037	11,301,153
Total Long-term Debt	\$21,011,153

In May 2006, the City; Franklin County, Missouri (the County); and Phoenix Center II Development Co., LLC (the Developer) entered into a Development Agreement, whereby the City and the County agreed to use a portion of their sales tax revenues from a shopping center being constructed by the Developer to pay for roads and other public improvements associated with the shopping center.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

On March 1, 2013 the Series 2013A refunding revenue bonds in the amount of \$10,150,000 were issued to refund the Series 2006 sales tax revenue notes (principal and accreted interest). The Series 2013B subordinate refunding revenue bonds in the amount of \$11,801,153 were also issued to refund the Series 2006 sales tax revenue notes (principal and accreted interest).

The refunding revenue bonds, which are limited obligations of the District, are payable solely from sales tax revenues and special assessments as provided in the indenture. The bonds do not constitute a general obligation of the District, the City, or the Missouri Highways and Transportation Commission.

The following is a summary of the changes in the District's long-term debt:

	For The Year Ended September 30, 2014			Balance September 30 2014	Amounts Due Within One Year
	Balance September 30 2013	Additions	Deletions		
Sales Tax Refunding Revenue Bonds					
Series 2013A	\$ 10,150,000	-	440,000	9,710,000	280,000
Less - Discount	(39,918)	-	(1,652)	(38,266)	-
Taxable Subordinate Sales Tax Refunding Revenue Bonds Series 2013B	<u>11,801,153</u>	<u>-</u>	<u>500,000</u>	<u>11,301,153</u>	<u>-</u>
Total	<u>\$ 21,911,235</u>	<u>-</u>	<u>938,348</u>	<u>20,972,887</u>	<u>280,000</u>

The District makes payments on the sales tax revenue notes based on the amount of sales tax collected and, therefore, there is not a formal debt maturity schedule.

NOTE H - GENERAL FUND'S FUND BALANCE

Due to similarity of purpose, Stormwater Management Improvement Fund and Volunteer Fire Fund revenue and expenditures are reported in the General Fund. After these combinations, the General Fund's fund balance was as follows:

	September 30 2014
General Fund	\$4,434,838
Volunteer Fire Fund	1,075,381
Stormwater Management Improvement Fund	<u>3,820,043</u>
Total	<u>\$9,330,262</u>

NOTE I - EMPLOYEE RETIREMENT SYSTEMS

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with provisions of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the assets and liabilities of the deferred compensation plan are not included in the City's basic financial statements.

Missouri Local Government Employees Retirement System

1. 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 State Statute, Section RSMo 700.600 - 70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

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

2. Funding Policy

The City's full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rate is 13.3% (general) and 13.2% (police) 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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

3. Annual Pension Cost (APC)

The City's APC and net pension obligation (NPO) for the current year were as follows:

Annual required contribution (ARC)	\$720,917
Interest on NPO	11,725
Adjustment to ARC	<u>(12,682)</u>
APC	719,960
Actual contributions	<u>720,196</u>
Increase (decrease) in NPO	(236)
NPO, beginning of year	<u>161,730</u>
NPO, End Of Year	<u>\$161,494</u>

The ARC was determined as part of the February 28, 2011 and February 29, 2012 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included: a) a rate of return on the 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% to 6% per year, depending on age and division, attributable to seniority/merit; d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table set back zero years for men and zero years for women; and e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back zero years for men and zero years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2011 was 21 years for the General division and 30 years for the Police division. The amortization period as of February 29, 2012 was 18 years for the General division and 22 years for the Police division.

Three-year Trend Information

For The Plan Years Ended June 30	<u>APC</u>	Percentage Of APC <u>Contributed</u>	<u>NPO</u>
2014	\$719,960	100.0%	\$161,494
2013	738,642	98.0	161,730
2012	689,008	90.8	147,173

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

3. Annual Pension Cost (APC) (Continued)

Schedule of Funding Progress

For The Actuarial Valuation Years Ended February 28/29	Actuarial Value Of Assets	Entry Age Actuarial Accrued Liability (AAL)	Unfunded Accrued Liability (UAL)
2014	\$15,820,895	\$16,193,795	\$ 372,900
2013	14,127,196	16,259,613	2,132,417
2012	12,889,008	14,685,323	1,796,315
For The Actuarial Valuation Years Ended February 28/29	Funded Ratio	Annual Covered Payroll	UAL As A Percentage Of Covered Payroll
2014	98%	\$5,441,376	7%
2013	87	5,639,448	38
2012	88	5,037,800	36

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, MO.

NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City provides a single-employer defined benefit plan that provides healthcare benefits to employees who are eligible to retire once they have attained age 55 (police) plus the number of years of service to equal the rule of 80. This benefit terminates at age 65 for both employees and spouses. Employees and their family must be on the plan at time of retirement to be eligible to participate in the plan after retirement. Medical and prescription drug benefits are available to retirees in the City's insurance plan. Retirees must contribute \$466.68/\$1,064.04 per month for single/family coverage. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the ARC of the employer, an amount actuarially determined in accordance with the parameters of GASB 45.

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The latest actuarial valuation was for the plan year ended September 30, 2013. The City's annual OPEB cost for the year and the related information are as follows:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

	For The Year Ended September 30 <u>2014</u>
Normal cost	\$ 20,058
Amortization of unfunded accrued liability	17,780
Interest to end of year	<u>1,892</u>
ARC	39,730
Adjustment to ARC	(5,329)
Interest on net OPEB obligation	<u>4,095</u>
Annual OPEB Cost	38,496
Contributions made	<u>(5,334)</u>
Increase In Net OPEB Obligation	33,162
Net OPEB obligation - beginning of year	<u>81,900</u>
Net OPEB Obligation - End Of Year	<u>\$115,062</u>

The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

In future years, three-year trend information will be presented. Fiscal year 2010 was the year of implementation of GASB 45 and the City has elected to implement prospectively, therefore, prior year comparative funding progress is not available.

Schedule Of Funding Progress

Actuarial Valuation Date <u>October 1</u>	Actuarial Value Of Assets <u>(1)</u>	Actuarial Accrued Liability (AAL) <u>(2)</u>	Unfunded AAL (UAAL) <u>(1)-(2)</u>	Funded Ratio <u>(1)/(2)</u>	Covered Payroll <u>(3)</u>	UAAL As A Percentage Of Covered Payroll <u>(1-2)/(3)</u>
2013	\$ -	\$286,990	(\$286,990)	- %	\$5,268,938	5.4%
2010	-	244,981	(244,981)	-	4,502,974	5.4

Schedule Of Employer Contributions

<u>For The Year Ended September 30</u>	<u>Contribution Made</u>	<u>OPEB Cost</u>		<u>ARC</u>		<u>Net OPEB Obligation</u>
		<u>Amount</u>	<u>Percent Contributed</u>	<u>Amount</u>	<u>Percent Contributed</u>	
2013	\$5,334	\$38,496	13.9%	\$39,730	13.4%	\$115,062
2012	5,753	32,640	17.6	33,468	17.2	81,900
2011	5,753	33,051	17.4	33,468	17.2	55,013
2010	5,753	33,468	17.2	33,468	17.2	27,715

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumption about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

Significant actuarial assumptions used in the valuation are as follows:

Actuarial cost method	Projected unit credit
Amortization period	20 years for initial UAAL, open
Mortality rates	1994 Group Annuity Reserving Table (blended rates using 50% male and 50% female)
Healthcare cost trend rate	7% for fiscal year 2013 reduced by decrements to an ultimate 5% for 2017 and later years
Investment earnings:	
Pre-retirement	5%
Post-retirement	5%
Projected salary increases	N/A
Inflation rate	5% - 10%

NOTE K - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for other risks of loss, general liability, property and casualty, and workers' compensation benefits. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

NOTE L - CLOSURE AND POST-CLOSURE CARE COST

State and federal laws and regulations require the City to place a final cover on its Steutermann and Struckhoff landfill sites when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE L - CLOSURE AND POST-CLOSURE CARE COST (Continued)

costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$4,316,794 reported as landfill care liability at September 30, 2014, represents the post-closure care estimate for the Steutermann landfill closed in 1994 and the cumulative amount reported to date based on the use of 41% of the estimated capacity of the Struckhoff landfill. The landfill capacity was revised in fiscal 2002 to 1,767,900 cubic yards, an increase in capacity of 112,900 cubic yards because of improved compaction methods. The City will recognize the remaining estimated cost of closure and post-closure care of \$5.2 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2006. Actual cost may be higher due to inflation, changes in technology, and/or changes in regulations. The current portion of the liability is minimal, therefore all considered long-term.

The City is required by state and federal laws and regulations to make annual contributions to a reserve account to finance closure and post-closure care.

NOTE M - COMMITMENTS

The City had commitments for water and sewer engineering services and other contracts totaling \$131,545 at September 30, 2014.

NOTE N - CONDUIT DEBT

The City issued industrial revenue bonds to provide funds for the purpose of carrying out industrial development projects by the City providing loans to private corporations pursuant to loan agreements between the City and the private corporation. The loan agreements call for the private corporations to repay the loans in the principal amount of the bonds plus related interest thereon. The related transactions are accounted for in various Agency Funds of the City. The City's conduit debt amounts are as follows:

	<u>September 30</u> <u>2014</u>
\$13,000,000 Taxable Industrial Revenue Bonds (Series 2008B), due in annual installments through December 1, 2018; interest payable at 6%.	\$ 9,842,155
\$7,500,000 Variable Rate Demand Industrial Revenue Bonds (Series 2008A), due December 1, 2028.	6,845,000
\$5,635,645 Recovery Zone Facility Revenue Bonds (Series 2010A), due September 1, 2020; interest payable at 2.8%.	5,253,878
\$2,391,751 Taxable Industrial Revenue Bonds (Series 2010B), due September 1, 2020; interest payable at 2.8%.	<u>1,714,414</u>
Total	<u>\$23,655,447</u>

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE O - RELATED PARTY TRANSACTIONS

The City has entered into transactions with Paper Chase LLC and Washington Fence Company, Inc., owned by two members of the City Council. The expenses totaled \$1,447 and \$895, respectively for the year ended September 30, 2014.

NOTE P - RESTRICTED NET POSITION

The government-wide statement of net position reports \$8,184,159 of restricted net position, of which \$6,768,305 is restricted by enabling legislation.

NOTE Q - FINES AND COURT COSTS FOR TRAFFIC VIOLATIONS

RSMo 302.341.2 requires an accounting of the percentage of annual fines and court costs for traffic violations, including amended charges from any charged traffic violation, occurring within the City to total general operating revenue, to be included in the annual financial report. During the year, the amount of traffic fines and court costs, general operating revenue, and related percent amounted to \$165,832, \$11,382,368, and 1.46%, respectively, which is below the threshold of 30% identified in RSMo 302.341.2.

NOTE R - PRIOR PERIOD ADJUSTMENT

The previously stated net position has been restated as follows:

	<u>Governmental Activities - Component Unit</u>
Net position, September 30, 2013, as previously reported	(\$19,933,016)
Restatement for accrued interest	<u>(418,203)</u>
Net Position, September 30, 2013 As Restated	(<u>\$20,351,219</u>)

NOTE S - SUBSEQUENT EVENT

On November 1, 2014 the component unit issued \$1,150,000 in sales tax revenue bonds.

NOTE T - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB 68, *Accounting and Financial Reporting for Pensions*, will require the City to record UAAL on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the City for the year ending September 30, 2015.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF WASHINGTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	\$ 2,050,875	2,050,875	1,998,675	(52,200)
Sales	4,128,400	4,283,400	4,297,657	14,257
Franchise	2,470,580	2,575,580	2,528,430	(47,150)
Tourism	124,000	124,000	133,093	9,093
Licenses and permits	184,800	184,800	154,016	(30,784)
Fees and fines	170,000	245,000	247,374	2,374
Intergovernmental	94,500	94,500	95,890	1,390
Charges for services	1,812,110	1,812,110	1,768,718	(43,392)
Rents	159,510	159,510	168,529	9,019
Contributions and donations	27,400	27,400	40,171	12,771
Investment income	40,500	40,500	45,705	5,205
Total Revenues	<u>11,262,675</u>	<u>11,597,675</u>	<u>11,478,258</u>	<u>(119,417)</u>
EXPENDITURES				
Current:				
General government:				
Executive	1,032,585	1,049,585	1,094,544	44,959
Financial administration	526,535	526,535	520,757	(5,778)
Technology support	501,160	501,160	426,922	(74,238)
Economic development	140,275	140,275	133,913	(6,362)
Maintenance - building and grounds	257,155	302,655	332,723	30,068
Total General Government	<u>2,457,710</u>	<u>2,520,210</u>	<u>2,508,859</u>	<u>(11,351)</u>
Public safety:				
Judicial	36,020	36,020	39,374	3,354
Police	2,589,920	2,614,920	2,713,248	98,328
Communications center	866,010	908,130	886,700	(21,430)
Volunteer Fire	515,565	515,565	489,198	(26,367)
Total Public Safety	<u>4,007,515</u>	<u>4,074,635</u>	<u>4,128,520</u>	<u>53,885</u>
Highways and streets:				
Engineering, inspections, and planning	650,480	694,980	715,880	20,900
Streets	1,525,170	1,582,170	1,534,817	(47,353)
Total Highways And Streets	<u>2,175,650</u>	<u>2,277,150</u>	<u>2,250,697</u>	<u>(26,453)</u>
Airport	<u>187,210</u>	<u>187,210</u>	<u>191,952</u>	<u>4,742</u>

(Continued)

CITY OF WASHINGTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
Current (continued):				
Culture and recreation:				
Parks	1,276,650	1,276,650	1,225,152	(51,498)
Aquatic center	218,470	218,470	176,048	(42,422)
Total Culture And Recreation	1,495,120	1,495,120	1,401,200	(93,920)
Debt service:				
Interest	1,000	1,000	1,638	638
Capital outlay:				
General government	-	26,000	30,981	4,981
Public safety	24,000	24,000	37,116	13,116
Highways and streets	100,000	100,000	-	(100,000)
Culture and recreation	41,000	41,918	32,604	(9,314)
Total Capital Outlay	165,000	191,918	100,701	(91,217)
Total Expenditures	10,489,205	10,747,243	10,583,567	(163,676)
REVENUES OVER EXPENDITURES	773,470	850,432	894,691	44,259
OTHER FINANCING SOURCES (USES)				
Transfers in	786,100	786,100	786,100	-
Sale of capital assets	-	-	3,000	3,000
Transfers out	(1,196,100)	(1,196,100)	(1,196,100)	-
Total Other Financing Sources (Uses)	(410,000)	(410,000)	(407,000)	(3,000)
NET CHANGE IN FUND BALANCE	\$ 363,470	440,432	487,691	47,259
FUND BALANCE, OCTOBER 1			8,842,571	
FUND BALANCE, SEPTEMBER 30			\$ 9,330,262	

CITY OF WASHINGTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Budgetary Information

The City follows these procedures in establishing the budgetary data:

- a. Prior to October 1, the City Finance Manager submits to the City Council a proposed operating budget for the fiscal period. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings and open council meetings are held to obtain taxpayer comments.
- c. Prior to October 1, the budget is adopted by the City Council.
- d. Formal budgetary integration is employed as a management control device during the period for all funds. The legal level of budgetary control defined as the budgeted appropriation amount at the fund level of expenditures.
- e. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America except that budgets do not include economic development and debt proceeds related to the tax increment financing projects.
- f. Current year budget includes amendments. Budget amendments must be approved by the City Council.
- g. Unencumbered appropriations at the end of the period are reconsidered for subsequent budgets.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>	<u>Total</u>
	<u>Library</u>	<u>Rhine</u>	<u>Downtown</u>	<u>Fund</u>	
		<u>River</u>	<u>TIF</u>	<u>TIF</u>	
		<u>TIF</u>		<u>Equipment</u>	
				<u>Replacement</u>	
ASSETS					
Cash and investments	\$ 55,991	594	235,148	1,832,577	2,124,310
Cash with agent	215	-	-	-	215
Accounts receivable, net of allowance	7,018	-	28,481	-	35,499
Prepaid items	16,237	-	-	-	16,237
Advance to other funds	-	-	-	500,000	500,000
				<u>500,000</u>	<u>500,000</u>
Total Assets	<u>\$ 79,461</u>	<u>594</u>	<u>263,629</u>	<u>2,332,577</u>	<u>2,676,261</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 13,004	-	-	-	13,004
Accrued wages	7,511	-	-	-	7,511
Total Liabilities	<u>20,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,515</u>
Fund Balances					
Nonspendable:					
Prepaid items	16,237	-	-	-	16,237
Advances	-	-	-	500,000	500,000
Restricted for:					
TIF Districts	-	594	263,629	-	264,223
Committed for:					
Library	42,709	-	-	-	42,709
Vehicle and equipment replacement	-	-	-	1,832,577	1,832,577
Total Fund Balances	<u>58,946</u>	<u>594</u>	<u>263,629</u>	<u>2,332,577</u>	<u>2,655,746</u>
Total Liabilities And Fund Balances	<u>\$ 79,461</u>	<u>594</u>	<u>263,629</u>	<u>2,332,577</u>	<u>2,676,261</u>

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>	<u>Total</u>
	<u>Library</u>	<u>Rhine</u>	<u>Downtown</u>	<u>Fund</u>	
		<u>River</u>		<u>Vehicle And</u>	
		<u>TIF</u>	<u>TIF</u>	<u>Equipment</u>	
				<u>Replacement</u>	
REVENUES					
Property taxes	\$ 162,529	20,913	194,143	-	377,585
Sales tax	-	-	28,481	-	28,481
Fees and fines	55,983	-	-	-	55,983
Intergovernmental	6,965	-	-	-	6,965
Contributions and donations	14,336	-	-	-	14,336
Investment income	2,252	13	558	6,157	8,980
Total Revenues	<u>242,065</u>	<u>20,926</u>	<u>223,182</u>	<u>6,157</u>	<u>492,330</u>
EXPENDITURES					
Current:					
General government	-	-	15,831	-	15,831
Culture and recreation:					
Library	496,607	-	-	-	496,607
Economic development	-	313	157,636	-	157,949
Debt service:					
Principal	-	20,913	4,367	-	25,280
Interest and fiscal charges	-	-	120,788	-	120,788
Capital outlay:					
General government	-	-	-	35,334	35,334
Public safety:					
Police	-	-	-	110,660	110,660
Airport	-	-	-	72,825	72,825
Culture and recreation:					
Parks and recreation	-	-	-	145,991	145,991
Total Expenditures	<u>496,607</u>	<u>21,226</u>	<u>298,622</u>	<u>364,810</u>	<u>1,181,265</u>
REVENUES UNDER EXPENDITURES	<u>(254,542)</u>	<u>(300)</u>	<u>(75,440)</u>	<u>(358,653)</u>	<u>(688,935)</u>
OTHER FINANCING SOURCES					
Transfers in	185,000	-	-	225,000	410,000
Sale of capital assets	-	-	-	20,137	20,137
Total Other Financing Sources	<u>185,000</u>	<u>-</u>	<u>-</u>	<u>245,137</u>	<u>430,137</u>
NET CHANGE IN FUND BALANCES	(69,542)	(300)	(75,440)	(113,516)	(258,798)
FUND BALANCES, OCTOBER 1	<u>128,488</u>	<u>894</u>	<u>339,069</u>	<u>2,446,093</u>	<u>2,914,544</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 58,946</u>	<u>594</u>	<u>263,629</u>	<u>2,332,577</u>	<u>2,655,746</u>

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 164,685	164,685	162,529	(2,156)
Fees and fines	54,700	57,200	55,983	(1,217)
Intergovernmental	-	4,500	6,965	2,465
Contributions and donations	7,900	14,200	14,336	136
Investment income	1,500	1,500	2,252	752
Total Revenues	228,785	242,085	242,065	(20)
EXPENDITURES				
Current:				
Library	494,130	500,580	496,607	(3,973)
REVENUES UNDER EXPENDITURES	(265,345)	(258,495)	(254,542)	3,953
OTHER FINANCING SOURCES				
Transfers in	185,000	185,000	185,000	-
NET CHANGE IN FUND BALANCE	\$ (80,345)	(73,495)	(69,542)	3,953
FUND BALANCE, OCTOBER 1			128,488	
FUND BALANCE, SEPTEMBER 30			\$ 58,946	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
RHINE RIVER TIF SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 20,000	20,990	20,913	(77)
Investment income	10	10	13	3
Total Revenues	20,010	21,000	20,926	(74)
EXPENDITURES				
Economic development	-	500	313	(187)
Debt service:				
Principal	-	21,000	20,913	(87)
Interest	20,000	-	-	-
Total Expenditures	20,000	21,500	21,226	(274)
NET CHANGE IN FUND BALANCE	\$ 10	(500)	(300)	200
FUND BALANCE, OCTOBER 1			894	
FUND BALANCE, SEPTEMBER 30			\$ 594	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
DOWNTOWN TIF SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 220,000	220,000	194,143	(25,857)
Sales	18,900	18,900	28,481	9,581
Investment income	1,000	1,000	558	(442)
Total Revenues	239,900	239,900	223,182	(16,718)
EXPENDITURES				
Current:				
General government	-	16,000	15,831	(169)
Economic development	-	158,000	157,636	(364)
Debt service				
Principal	-	5,000	4,367	(633)
Interest	120,000	120,000	120,788	788
Total Expenditures	120,000	299,000	298,622	(378)
NET CHANGE IN FUND BALANCE	\$ 119,900	(59,100)	(75,440)	(16,340)
FUND BALANCE, OCTOBER 1			339,069	
FUND BALANCE, SEPTEMBER 30			\$ 263,629	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL IMPROVEMENTS SALES TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Sales	\$ 1,807,500	1,807,500	1,892,091	84,591
Intergovernmental	234,470	234,470	-	(234,470)
Contributions and donations	110,000	110,000	64,000	(46,000)
Investment income	8,500	8,500	12,963	4,463
Total Revenues	2,160,470	2,160,470	1,969,054	(191,416)
EXPENDITURES				
Current:				
General government	-	-	32,951	32,951
Capital outlay:				
General government	320,000	320,000	41,013	(278,987)
Public safety	-	-	86,783	86,783
Highways and streets	1,025,000	1,025,000	307,488	(717,512)
Airport	251,630	251,630	66,581	(185,049)
Culture and recreation	747,880	750,000	663,885	(86,115)
Total Expenditures	2,344,510	2,346,630	1,198,701	(1,147,929)
REVENUES OVER (UNDER) EXPEN- DITURES	(184,040)	(186,160)	770,353	956,513
OTHER FINANCING USES				
Transfers out	(992,790)	(992,790)	(992,790)	-
NET CHANGE IN FUND BALANCE	\$ (1,176,830)	(1,178,950)	(222,437)	956,513
FUND BALANCE, OCTOBER 1			4,217,670	
FUND BALANCE, SEPTEMBER 30			\$ 3,995,233	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
TRANSPORTATION SALES TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Taxes:			
Sales	\$ 1,807,500	1,891,059	83,559
Intergovernmental	1,795,000	1,277,533	(517,467)
Investment income	8,000	8,628	628
Total Revenues	<u>3,610,500</u>	<u>3,177,220</u>	<u>(433,280)</u>
EXPENDITURES			
Current:			
Highways and streets	-	162,757	162,757
Airport	-	3,330	3,330
Capital outlay:			
Highways and streets	3,400,000	1,177,940	(2,222,060)
Total Expenditures	<u>3,400,000</u>	<u>1,344,027</u>	<u>(2,055,973)</u>
REVENUES OVER EXPENDITURES	210,500	1,833,193	1,622,693
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,503,710)</u>	<u>(1,503,710)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,293,210)</u>	329,483	<u>1,622,693</u>
FUND BALANCE, OCTOBER 1		<u>3,320,814</u>	
FUND BALANCE, SEPTEMBER 30		<u>\$ 3,650,297</u>	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - COPS DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Investment income	\$ 140,000	134,116	(5,884)
EXPENDITURES			
Debt service:			
Principal	1,540,000	1,466,522	(73,478)
Interest and fiscal charges	1,295,600	1,163,276	(132,324)
Total Expenditures	<u>2,835,600</u>	<u>2,629,798</u>	<u>(205,802)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,695,600)</u>	<u>(2,495,682)</u>	<u>199,918</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,701,400	2,496,500	(204,900)
Transfers out	-	(206,300)	(206,300)
Total Other Financing Sources (Uses)	<u>2,701,400</u>	<u>2,290,200</u>	<u>(411,200)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5,800</u>	<u>(205,482)</u>	<u>(211,282)</u>
FUND BALANCE, OCTOBER 1		<u>479,888</u>	
FUND BALANCE, SEPTEMBER 30		<u>\$ 274,406</u>	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
VEHICLE AND EQUIPMENT REPLACEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 8,000	8,000	6,157	(1,843)
EXPENDITURES				
Capital outlay:				
General government	52,000	52,000	35,334	(16,666)
Public safety	107,000	107,000	110,660	3,660
Highways and streets	472,800	472,800	72,825	(399,975)
Culture and recreation	151,615	201,346	145,991	(55,355)
Total Expenditures	783,415	833,146	364,810	(468,336)
REVENUES UNDER EXPENDI- TURES	(775,415)	(825,146)	(358,653)	466,493
OTHER FINANCING SOURCES				
Sale of capital assets	10,000	10,000	20,137	10,137
Transfers in	225,000	225,000	225,000	-
Total Other Financing Sources	235,000	235,000	245,137	10,137
NET CHANGE IN FUND BALANCE	\$ (540,415)	(590,146)	(113,516)	476,630
FUND BALANCE, OCTOBER 1			2,446,093	
FUND BALANCE, SEPTEMBER 30			\$ 2,332,577	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - 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>Deductions</u>	<u>Balance September 30 2014</u>
TAXABLE INDUSTRIAL REVENUE BONDS (PAUWELS PROJECT), SERIES 2008A AND B				
Assets - cash and cash investments	\$ -	148,526	148,526	-
Liabilities - due to lessee	\$ -	148,526	148,526	-
TAXABLE INDUSTRIAL REVENUE BONDS (VALENT AEROSTRUCTURES, SERIES 2010A AND B)				
Assets - cash and cash investments	\$ 1	661,494	661,494	1
Liabilities - due to lessee	\$ 1	661,494	661,494	1
ALL AGENCY FUNDS				
Assets - cash and cash investments	\$ 1	810,020	810,020	1
Liabilities - due to lessee	\$ 1	810,020	810,020	1

SECTION III - STATISTICAL SECTION

This part of the City's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City's overall financial health.

Contents	Pages
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.	67 - 75
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	76 - 79
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	80 - 82
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.	83 - 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

Sources: Unless otherwise noted, the information in these schedules is derived from the CAFRs for the relevant year.

CITY OF WASHINGTON, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net investment in capital assets	\$ 23,593,009	21,387,681	26,117,593	19,903,202	19,586,634	18,496,183	15,218,196	34,824,279	32,150,021	28,607,705
Restricted	8,184,159	8,358,335	3,960,864	10,227,205	8,910,870	7,188,207	7,543,818	2,055,727	3,234,143	2,336,893
Unrestricted	8,481,411	8,181,986	7,691,454	4,631,064	4,266,818	8,264,306	6,746,371	4,026,763	6,014,491	5,721,384
Total Governmental Activities Net Position	<u>\$ 40,258,579</u>	<u>37,928,002</u>	<u>37,769,911</u>	<u>34,761,471</u>	<u>32,764,322</u>	<u>33,948,696</u>	<u>29,508,385</u>	<u>40,906,769</u>	<u>41,398,655</u>	<u>36,665,982</u>
Business-type Activities										
Net investment in capital assets	\$ 16,582,931	17,326,013	18,527,376	17,257,501	17,783,318	18,894,569	20,033,834	15,680,130	13,746,355	12,910,727
Restricted	-	-	-	203,500	203,500	203,500	297,545	146,297	126,521	137,959
Unrestricted	1,111,214	1,024,676	182,770	747,705	(7,742)	(1,351,629)	(3,779,395)	(773,014)	1,413,186	2,285,676
Total Business-type Activities Net Position	<u>\$ 17,694,145</u>	<u>18,350,689</u>	<u>18,710,146</u>	<u>18,208,706</u>	<u>17,979,076</u>	<u>17,746,440</u>	<u>16,551,984</u>	<u>15,053,413</u>	<u>15,286,062</u>	<u>15,334,362</u>
Primary Government										
Net investment in capital assets	\$ 40,175,940	38,713,694	44,644,969	37,160,703	37,369,952	37,390,752	35,252,030	50,504,409	45,896,376	41,518,432
Restricted	8,184,159	8,358,335	3,960,864	10,430,705	9,114,370	7,391,707	7,841,363	2,202,024	3,360,664	2,474,852
Unrestricted	9,592,625	9,206,662	7,874,224	5,378,769	4,259,076	6,912,677	2,966,976	3,253,749	7,427,677	8,007,060
Total Primary Gov- ernment Net Position	<u>\$ 57,952,724</u>	<u>56,278,691</u>	<u>56,480,057</u>	<u>52,970,177</u>	<u>50,743,398</u>	<u>51,695,136</u>	<u>46,060,369</u>	<u>55,960,182</u>	<u>56,684,717</u>	<u>52,000,344</u>

Source: Basic financial statements

GASB 63 and 65 were implemented in 2013.

CITY OF WASHINGTON, MISSOURI

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS

	September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
EXPENSES										
Governmental Activities										
General government	\$ 3,123,098	2,708,228	2,322,012	2,391,957	2,459,637	2,450,212	2,746,947	2,310,768	2,015,197	1,861,917
Public safety	4,870,159	4,606,699	4,227,328	4,167,300	4,209,328	4,167,081	4,127,090	3,821,556	3,423,303	3,375,127
Airport	553,205	456,308	362,569	389,357	358,257	315,409	318,800	327,757	308,987	123,243
Highways and streets	3,884,211	8,388,955	3,235,149	3,138,175	2,993,414	2,757,131	20,587,741	7,572,762	1,994,062	2,787,179
Culture and recreation	2,416,245	2,399,430	2,080,185	2,036,074	1,862,053	1,784,181	1,842,721	1,649,763	1,624,823	1,507,396
Economic development	15,831	32,327	25,408	422,541	3,793,925	-	-	-	-	-
Interest on long-term debt	1,400,876	1,457,296	2,153,977	1,893,340	1,312,223	1,482,847	906,982	317,491	185,745	70,005
Total Governmental Activities Expenses	16,263,625	20,049,243	14,406,628	14,438,744	16,988,837	12,956,861	30,530,281	16,000,097	9,552,117	9,724,867
Business-type Activities										
Water	1,808,225	1,570,696	1,552,818	1,432,160	1,319,119	1,279,316	1,342,968	1,465,602	1,401,617	1,360,439
Sewer	3,193,057	3,136,232	3,019,661	3,028,022	2,964,188	1,055,581	1,040,995	1,132,035	1,094,885	1,001,500
Solid waste	2,675,190	2,259,583	2,407,304	2,416,011	2,215,213	1,966,384	2,022,255	1,953,286	1,895,078	1,774,550
Total Business-type Activities Expenses	7,676,472	6,966,511	6,979,783	6,876,193	6,498,520	4,301,281	4,406,218	4,550,923	4,391,580	4,136,489
Total Primary Government	23,940,097	27,015,754	21,386,411	21,314,937	23,487,357	17,258,142	34,936,499	20,551,020	13,943,697	13,861,356
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	862,726	900,778	837,821	650,501	629,382	562,142	567,567	1,350,504	535,916	491,685
Public safety	825,997	516,419	586,728	711,465	790,962	789,842	757,633	660,336	458,891	435,562
Airport	151,169	114,359	128,629	88,271	84,093	65,799	72,146	74,398	72,370	70,017
Highways and streets	434,868	2,045,897	408,292	440,248	148,644	340,178	302,063	243,061	212,792	215,693
Culture and recreation	264,380	467,063	285,782	328,277	258,933	244,987	261,742	234,071	209,057	238,542
Operating grants and contributions	1,049,886	996,396	675,527	659,758	651,778	917,539	981,166	771,566	662,219	1,352,922
Capital grants and contributions	1,909,100	1,835,807	3,622,700	349,061	1,040,427	2,145,388	3,412,588	37,328	1,661,422	5,362,513
Total Governmental Activities Program Revenues	5,498,126	6,876,719	6,545,479	3,227,581	3,604,219	5,065,875	6,354,905	3,371,264	3,812,667	8,166,934
Business-type Activities										
Charges for services:										
Water	1,541,273	1,501,708	1,580,125	1,406,588	1,287,713	1,166,340	1,135,956	1,210,367	1,214,914	1,156,441
Sewage treatment	2,497,958	2,563,677	2,531,867	2,664,993	2,633,395	2,208,748	1,847,759	1,062,103	1,016,435	992,653
Solid waste	2,156,195	2,175,397	2,233,955	2,212,897	2,023,514	1,932,124	1,818,526	1,831,979	1,643,469	1,798,321
Operating grants and contributions	-	-	-	-	25,000	-	-	-	-	-
Capital grants and contributions	60,000	-	-	-	25,849	44,000	575,292	-	-	400,205
Total Business-type Activities Program Revenue	6,255,426	6,240,782	6,345,947	6,284,478	5,995,471	5,351,212	5,377,533	4,104,449	3,874,818	4,347,620
Total Primary Government Program Revenues	11,753,552	13,117,501	12,891,426	9,512,059	9,599,690	10,417,087	11,732,438	7,475,713	7,687,485	12,514,554

(Continued)

CITY OF WASHINGTON, MISSOURI

CHANGE IN NET POSITION (Continued)

LAST TEN FISCAL YEARS

	September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
NET REVENUES (EXPENSES)										
Governmental activities	(10,765,499)	(13,172,524)	(7,861,149)	(11,211,163)	(13,384,618)	(7,890,986)	(24,175,376)	(12,628,833)	(5,739,450)	(1,557,933)
Business-type activities	(1,421,046)	(725,729)	(633,836)	(591,715)	(503,049)	1,049,931	971,315	(446,474)	(516,762)	211,131
Total Primary Government Net Revenues (Expenses)	<u>(12,186,545)</u>	<u>(13,898,253)</u>	<u>(8,494,985)</u>	<u>(11,802,878)</u>	<u>(13,887,667)</u>	<u>(6,841,055)</u>	<u>(23,204,061)</u>	<u>(13,075,307)</u>	<u>(6,256,212)</u>	<u>(1,346,802)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes:										
Property	2,376,260	2,701,850	2,612,413	2,494,598	2,416,799	2,283,620	2,114,522	1,981,426	1,735,672	1,538,475
Sales	8,054,201	7,651,110	7,567,369	7,491,229	7,218,424	7,353,667	7,887,896	7,681,616	6,959,132	5,169,890
Franchise	2,528,430	2,454,294	2,302,904	2,294,682	2,154,923	2,225,337	2,194,529	1,747,738	1,461,906	1,361,239
Tourism	133,093	97,887	123,550	112,684	102,583	105,274	108,790	80,806	65,315	62,038
Investment income	76,370	61,130	258,158	325,407	287,603	357,399	471,255	592,261	457,575	235,722
Gain on sale of capital assets	-	5,583	43,210	-	22,967	-	-	53,100	5,335	5,493
Grants and contributions not restricted to specific programs	134,022	152,161	165,045	130,095	-	-	-	-	-	-
Miscellaneous	-	-	-	100	-	-	-	-	-	-
Transfers	(206,300)	206,600	(729,430)	-	(3,055)	6,000	-	-	(212,812)	(294,766)
Total Governmental Activities General Revenues And Other Changes In Net Position	<u>13,096,076</u>	<u>13,330,615</u>	<u>12,343,219</u>	<u>12,848,795</u>	<u>12,200,244</u>	<u>12,331,297</u>	<u>12,776,992</u>	<u>12,136,947</u>	<u>10,472,123</u>	<u>8,078,091</u>
Business-type Activities										
Miscellaneous	58,223	56,752	57,382	53,000	50,909	50,429	40,139	11,982	41,150	45,041
Investment income	495,952	516,120	628,749	663,207	681,271	100,096	173,377	201,843	214,500	127,141
Gain on sale of capital assets	4,027	-	-	779	450	-	-	-	-	-
Transfers	206,300	(206,600)	729,430	-	3,055	(6,000)	-	-	212,812	294,766
Total Business-type Activities General Revenues And Other Change In Net Position	<u>764,502</u>	<u>366,272</u>	<u>1,415,561</u>	<u>716,986</u>	<u>735,685</u>	<u>144,525</u>	<u>213,516</u>	<u>213,825</u>	<u>468,462</u>	<u>466,948</u>
Total Primary Government General Revenues And Other Change In Net Position	<u>13,860,578</u>	<u>13,696,887</u>	<u>13,758,780</u>	<u>13,565,781</u>	<u>12,935,929</u>	<u>12,475,822</u>	<u>12,990,508</u>	<u>12,350,772</u>	<u>10,940,585</u>	<u>8,545,039</u>
CHANGE IN NET POSITION										
Governmental activities	2,330,577	158,091	4,482,070	1,637,632	(1,184,374)	4,440,311	(11,398,384)	(491,886)	4,732,673	6,520,158
Business-type activities	(656,544)	(359,457)	781,725	125,271	232,636	1,194,456	1,184,831	(232,649)	(48,300)	678,079
Total Primary Government	<u>\$ 1,674,033</u>	<u>(201,366)</u>	<u>5,263,795</u>	<u>1,762,903</u>	<u>(951,738)</u>	<u>5,634,767</u>	<u>(10,213,553)</u>	<u>(724,535)</u>	<u>4,684,373</u>	<u>7,198,237</u>

Source: Basic financial statements

Notes: In 2008, \$26.8 million of certificates of participation for the building improvements and Highway 100 widening project. Also, issued \$20 million revenue bonds payable for a new wastewater treatment plant constructed in 2009.

CITY OF WASHINGTON, MISSOURI
PROGRAM REVENUES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Program Revenues									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
General government	\$ 939,733	1,051,597	3,703,631	744,366	668,716	602,367	604,567	1,402,881	571,078	544,136
Public safety	860,400	535,228	615,559	763,078	861,323	876,502	822,543	692,732	527,034	763,125
Airport	151,169	698,717	321,688	88,271	84,093	65,799	372,146	74,398	84,928	3,512,966
Highways and streets	3,174,964	4,022,730	1,520,607	1,264,027	1,618,658	3,193,749	4,125,170	910,555	2,395,452	2,951,605
Culture and recreation	371,860	568,447	383,994	367,839	371,429	327,458	430,479	290,698	234,175	395,102
Total Governmental Activities Program Revenues	<u>5,498,126</u>	<u>6,876,719</u>	<u>6,545,479</u>	<u>3,227,581</u>	<u>3,604,219</u>	<u>5,065,875</u>	<u>6,354,905</u>	<u>3,371,264</u>	<u>3,812,667</u>	<u>8,166,934</u>
Business-type Activities										
Water	1,571,273	1,501,708	1,580,125	1,406,588	1,287,713	1,166,340	1,392,292	1,210,367	1,214,914	1,370,200
Sewage treatment	2,527,958	2,563,677	2,531,867	2,664,993	2,659,244	2,252,748	2,166,715	1,062,103	1,016,435	1,179,099
Solid waste	2,156,195	2,175,397	2,233,955	2,212,897	2,048,514	1,932,124	1,818,526	1,831,979	1,643,469	1,798,321
Total Business-type Activities Program Revenues	<u>6,255,426</u>	<u>6,240,782</u>	<u>6,345,947</u>	<u>6,284,478</u>	<u>5,995,471</u>	<u>5,351,212</u>	<u>5,377,533</u>	<u>4,104,449</u>	<u>3,874,818</u>	<u>4,347,620</u>
Total Primary Government Program Revenues	<u>\$ 11,753,552</u>	<u>13,117,501</u>	<u>12,891,426</u>	<u>9,512,059</u>	<u>9,599,690</u>	<u>10,417,087</u>	<u>11,732,438</u>	<u>7,475,713</u>	<u>7,687,485</u>	<u>12,514,554</u>

Source: Basic financial statements

CITY OF WASHINGTON, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Reserved	\$ -	-	-	-	2,831,117	2,840,423	2,853,708	3,422,273	2,567,531	2,342,160
Unreserved	-	-	-	-	2,602,568	2,290,772	1,854,701	1,030,187	1,187,417	2,967,639
Nonspendable	3,668,481	2,780,963	2,788,601	2,710,881	-	-	-	-	-	-
Committed	4,029,031	4,386,479	3,750,988	3,348,275	-	-	-	-	-	-
Assigned	-	-	-	31,168	-	-	-	-	-	-
Unassigned	1,632,750	1,675,129	1,562,485	1,054,785	-	-	-	-	-	-
Total General Fund	<u>\$ 9,330,262</u>	<u>8,842,571</u>	<u>8,102,074</u>	<u>7,145,109</u>	<u>5,433,685</u>	<u>5,131,195</u>	<u>4,708,409</u>	<u>4,452,460</u>	<u>3,754,948</u>	<u>5,309,799</u>
All Other Governmental Funds										
Reserved	\$ -	-	-	-	1,180,447	901,763	1,744,378	4,851,927	1,847,880	5,237,059
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	726,528	1,156,007	1,011,113	894,740	840,286	935,536
Capital Projects Fund	-	-	-	-	9,989,878	8,412,597	10,483,168	3,544,028	3,640,445	(3,160,141)
Debt Service Fund	-	-	-	-	-	1,587	8,606	-	-	-
Nonspendable	516,237	617,172	612,229	606,501	-	-	-	-	-	-
Restricted	8,184,159	8,358,335	11,987,066	20,173,320	-	-	-	-	-	-
Committed	1,875,286	1,957,409	2,062,584	2,052,037	-	-	-	-	-	-
Unassigned	-	-	-	(236,426)	-	-	-	-	-	-
Total All Other Govern- mental Funds	<u>\$ 10,575,682</u>	<u>10,932,916</u>	<u>14,661,879</u>	<u>22,595,432</u>	<u>11,896,853</u>	<u>10,471,954</u>	<u>13,247,265</u>	<u>9,290,695</u>	<u>6,328,611</u>	<u>3,012,454</u>

Source: Basic financial statements

For fiscal year 2011 GASB 54 was implemented.

Note: Parks and recreation and airport were combined into the General Fund in 2006. Leasehold Revenue Bonds Debt Service was closed in 2006. 2008 COPS was created in 2008 when issued.

CITY OF WASHINGTON, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

For The Years Ended September 30

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
REVENUES										
Taxes	\$13,147,071	12,905,141	12,606,236	12,405,976	11,869,859	11,922,898	12,305,737	11,491,586	10,223,724	8,131,642
Licenses and permits	154,016	190,637	148,144	161,408	157,699	257,292	275,501	274,026	243,598	222,720
Fees and fines	303,357	169,847	179,298	339,193	385,326	418,607	401,662	367,838	178,555	182,085
Intergovernmental	1,380,388	2,583,370	4,395,340	1,046,949	1,796,434	2,436,948	2,606,561	1,160,107	1,656,240	5,196,472
Charges for services	1,768,718	3,408,398	1,726,584	1,588,564	1,221,589	1,215,896	1,171,277	1,822,755	1,577,131	951,972
Rents	168,529	128,733	142,683	81,631	104,967	81,815	87,546	102,896	92,406	103,662
Contributions and donations	118,507	309,037	67,932	91,965	86,419	79,593	182,875	58,677	64,736	195,342
Investment income	210,392	213,291	258,158	325,407	287,603	357,399	471,255	592,261	457,575	235,722
Miscellaneous	-	-	-	100	-	-	-	-	-	-
Total Revenues	<u>17,250,978</u>	<u>19,908,454</u>	<u>19,524,375</u>	<u>16,041,193</u>	<u>15,909,896</u>	<u>16,770,448</u>	<u>17,502,414</u>	<u>15,870,146</u>	<u>14,493,965</u>	<u>15,219,617</u>
EXPENDITURES										
General government	2,557,641	2,576,952	2,337,131	2,206,848	2,208,897	2,219,240	2,117,484	2,091,008	1,825,933	1,699,172
Public safety	4,128,520	4,066,023	3,796,697	3,725,467	3,733,315	3,665,617	3,607,981	3,385,829	3,166,590	3,096,913
Highways and streets	2,413,454	6,959,291	2,055,046	1,963,827	1,993,395	1,896,982	19,961,827	7,040,504	1,711,568	2,554,341
Airport	195,282	159,320	148,467	150,895	147,453	125,228	127,694	163,678	132,816	87,802
Culture and recreation	1,897,807	1,952,203	1,857,089	1,780,003	1,620,513	1,542,205	1,616,265	1,471,726	1,453,355	1,359,816
Economic development	157,949	-	-	422,212	3,793,925	-	-	-	-	-
Debt service:										
Principal	1,491,802	1,399,812	1,152,454	5,000	5,000	4,125,000	7,814,451	425,000	585,645	545,000
Interest and fiscal charges	1,285,702	1,407,719	2,196,447	1,406,587	1,282,518	1,401,027	455,085	207,134	155,122	69,483
Bond issue costs	-	-	570,630	227,300	-	-	662,960	-	-	-
Advance refunding escrow	-	-	2,900,029	-	-	-	-	-	-	-
Capital outlay	2,809,201	4,582,200	10,496,655	3,934,450	3,211,328	4,153,674	3,988,216	4,843,222	8,674,067	7,356,576
Total Expenditures	<u>16,937,358</u>	<u>23,103,520</u>	<u>27,510,645</u>	<u>15,822,589</u>	<u>17,996,344</u>	<u>19,128,973</u>	<u>40,351,963</u>	<u>19,628,101</u>	<u>17,705,096</u>	<u>16,769,103</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>313,620</u>	<u>(3,195,066)</u>	<u>(7,986,270)</u>	<u>218,604</u>	<u>(2,086,448)</u>	<u>(2,358,525)</u>	<u>(22,849,549)</u>	<u>(3,757,955)</u>	<u>(3,211,131)</u>	<u>(1,549,486)</u>
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	-	-	25,979,773	11,787,212	3,793,925	-	26,840,000	7,364,451	5,000,000	-
Refunding of long-term debt	-	-	(25,075,762)	-	-	-	-	-	-	-
Proceeds from capital lease	-	-	-	-	-	-	-	-	103,227	-
Sale of capital assets	23,137	-	45,671	44,670	22,967	-	222,068	53,100	5,335	5,493
Transfers in	3,692,600	6,802,900	4,079,215	3,193,958	3,362,184	2,359,746	9,024,818	896,743	3,835,256	2,598,067
Transfers out	<u>(3,898,900)</u>	<u>(6,596,300)</u>	<u>(4,019,215)</u>	<u>(3,193,958)</u>	<u>(3,365,239)</u>	<u>(2,353,746)</u>	<u>(9,024,818)</u>	<u>(896,743)</u>	<u>(3,971,381)</u>	<u>(2,697,477)</u>
Total Other Financing Sources (Uses)	<u>(183,163)</u>	<u>206,600</u>	<u>1,009,682</u>	<u>11,831,882</u>	<u>3,813,837</u>	<u>6,000</u>	<u>27,062,068</u>	<u>7,417,551</u>	<u>4,972,437</u>	<u>(93,917)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 130,457</u>	<u>(2,988,466)</u>	<u>(6,976,588)</u>	<u>12,050,486</u>	<u>1,727,389</u>	<u>(2,352,525)</u>	<u>4,212,519</u>	<u>3,659,596</u>	<u>1,761,306</u>	<u>(1,643,403)</u>

Debt service as a percentage of noncapital expenditures	19.84 %	14.65	18.82	11.85	8.72	28.89	22.74	4.28	8.20	6.53
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Source: Basic financial statements

CITY OF WASHINGTON, MISSOURI
SOURCES OF REVENUE, GOVERNMENTAL FUNDS
LAST THREE FISCAL YEARS

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Charges For Services</u>	<u>Rents</u>	<u>Intergovernmental</u>	<u>Investment Income</u>	<u>Court Fees And Fines</u>	<u>Licenses And Permits</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	76.21 %	10.25 %	0.98 %	8.00 %	1.22 %	1.76 %	0.88 %	0.70 %	100.00 %
2013	64.82	17.12	0.69	14.48	1.07	0.85	0.97	-	100.00
2012	64.57	8.84	0.73	22.51	1.32	0.92	0.76	0.35	100.00

Source: Basic financial statements

CITY OF WASHINGTON, MISSOURI
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes	Sales Taxes	Franchise Taxes	Tourism Taxes	Total
2014	\$ 2,376,260	\$ 8,109,288	\$ 2,528,430	\$ 133,093	\$ 13,147,071
2013	2,701,850	7,651,110	2,454,294	97,887	12,905,141
2012	2,612,413	7,567,369	2,302,904	123,550	12,606,236
2011	2,494,598	7,504,012	2,294,682	112,684	12,405,976
2010	2,432,969	7,179,384	2,154,923	102,583	11,869,859
2009	2,283,620	7,308,667	2,225,337	105,274	11,922,898
2008	2,114,522	7,887,896	2,194,529	108,790	12,305,737
2007	1,981,426	7,681,616	1,747,738	80,806	11,491,586
2006	1,737,371	6,959,132	1,461,906	65,315	10,223,724
2005	1,538,475	5,169,890	1,361,239	62,038	8,131,642

Source: Basic financial statements

CITY OF WASHINGTON, MISSOURI
SALES TAX REVENUE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	General Sales Tax (1%)	Percentage Change	Capital Improvement Sales Tax (0.25%)	Percentage Change	Transporation Sales Tax (0.25%)	Percentage Change	Phoenix Center CID Sales Tax Portion	Percentage Change	Other Taxes	Percentage Change	Total
2014	\$ 3,994,367	6.79 %	\$ 1,996,949	6.76 %	\$ 1,995,917	6.72 %	\$ (419,432)	3.35 %	\$ 541,487	(5.94) %	\$ 8,109,288
2013	3,740,534	0.22	1,870,453	0.23	1,870,238	0.22	(405,827)	(3.99)	575,712	9.58	7,651,110
2012	3,732,411	2.15	1,866,171	2.15	1,866,095	2.14	(422,697)	24.81	525,389	(1.78)	7,567,369
2011	3,653,879	4.59	1,826,939	4.59	1,826,956	4.60	(338,648)	0.87	534,886	1.29	7,504,012
2010	3,493,564	(1.97)	1,746,782	(1.97)	1,746,671	(1.98)	(335,728)	(9.71)	528,095	(4.50)	7,179,384
2009	3,563,682	(5.57)	1,781,841	(5.57)	1,782,013	(5.62)	(371,835)	58.49	552,966	(3.61)	7,308,667
2008	3,773,768	6.94	1,886,884	6.94	1,888,157	7.38	(234,616)	371.04	573,703	(15.59)	7,887,896
2007	3,528,884	7.30	1,764,443	7.30	1,758,421	12.08	(49,808)	N/A	679,676	48.64	7,681,616
2006	3,288,683	1.79	1,644,343	1.79	1,568,854	N/A	-	N/A	457,252	41.37	6,959,132
2005	3,230,962	4.84	1,615,478	4.84	-	N/A	-	N/A	323,450	(0.68)	5,169,890

Source: Basic financial statements

Note: Transporation sales tax began in 2006 and Phoenix Center II CID was created in 2007.

CITY OF WASHINGTON, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

CITY OF WASHINGTON

Fiscal Year	Calendar Year	Real Property	Personal Property	Railroads/ Utilities	Downtown TIF District RPA-1	Total		Total Direct Tax Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
						Assessed Value	Estimated Actual Value		
2014	2013	\$ 249,941,635	47,436,532	8,450,497	(3,807,567)	302,021,097	1,236,619,150	0.6062	24.4 %
2013	2012	278,620,923	53,477,851	7,988,308	(3,760,299)	336,326,783	1,368,049,568	0.6048	24.6
2012	2011	277,032,500	48,887,430	8,121,535	(3,518,747)	330,522,718	1,348,095,494	0.6020	24.5
2011	2010	277,615,377	48,045,023	7,624,773	(2,865,744)	330,419,429	1,351,033,504	0.5962	24.5
2010	2009	266,058,071	47,469,252	8,536,720	(2,580,323)	319,483,720	1,315,163,474	0.5959	24.3
2009	2008	260,584,083	49,687,394	6,574,327	(359,945)	316,485,859	1,301,508,210	0.5941	24.3
2008	2007	252,127,624	46,789,417	6,326,130	(181,435)	305,061,736	1,260,112,818	0.5857	24.2
2007	2006	223,667,324	53,136,943	6,375,651	-	283,179,918	1,164,609,819	0.5940	24.3
2006	2005	214,781,195	59,334,493	6,847,174	-	280,962,862	1,146,840,486	0.5177	24.5
2005	2004	182,419,979	48,966,735	6,066,045	-	237,452,759	964,585,588	0.5412	24.6

CITY OF WASHINGTON LIBRARY DISTRICT

Fiscal Year	Calendar Year	Real Property	Personal Property	Railroads/ Utilities	Downtown TIF District RPA-1	Total		Total Direct Tax Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
						Assessed Value	Estimated Actual Value		
2014	2013	\$ 107,419,601	22,266,495	6,018,105	(3,807,567)	131,896,634	556,859,937	0.1000	23.7 %
2013	2012	128,798,329	24,341,901	5,412,942	(3,760,299)	154,792,873	645,946,504	0.0945	24.0
2012	2011	129,075,368	25,764,435	5,572,582	(3,518,747)	156,893,638	651,560,422	0.0927	24.1
2011	2010	129,959,720	25,421,204	5,314,237	(2,865,744)	157,829,417	656,881,861	0.0914	24.0
2010	2009	119,393,011	24,121,853	6,354,062	(2,580,323)	147,288,603	623,704,605	0.0923	23.6
2009	2008	116,434,894	24,432,450	4,195,869	(359,945)	144,703,268	615,507,185	0.0934	23.5
2008	2007	116,430,834	27,013,131	4,401,847	(181,435)	147,664,377	621,729,822	0.0906	23.8
2007	2006	110,301,815	31,318,928	4,517,651	-	146,138,394	603,560,037	0.0905	24.2
2006	2005	109,262,677	37,254,362	5,139,715	-	151,656,754	618,261,797	0.0872	24.5
2005	2004	95,191,979	27,938,009	4,539,892	-	127,669,880	521,629,743	0.0923	24.5

Source: Franklin County Collector and Assessor's Offices

Property has an assessed value to estimated actual value as follows: commercial real estate 32%, residential real estate 19%, agricultural real estate 12%, and personal property 33½%.

Note: TIF District created in 2007 and 2008. Estimated Actual Value includes the TIF district because it is not feasible to report it separately.

CITY OF WASHINGTON, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	For The Years Ended September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed Valuation Year	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
City of Washington (excluding Library District)	<u>0.6062</u>	<u>0.6048</u>	<u>0.6020</u>	<u>0.5962</u>	<u>0.5959</u>	<u>0.5941</u>	<u>0.5857</u>	<u>0.5940</u>	<u>0.5177</u>	<u>0.5412</u>
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Franklin County - General	0.1483	0.1308	0.1382	0.1382	0.1173	0.1173	0.1173	0.1161	0.1378	0.1334
Franklin County - Road and Bridge	0.2124	0.1986	0.1978	0.1938	0.1923	0.1941	0.1941	0.2024	0.2223	0.2323
Developmental Services of Franklin County	0.1000	0.0939	0.0935	0.0916	0.0916	0.0925	0.0918	0.0957	0.0957	0.1000
Washington School District	4.0205	3.8260	3.8060	3.7860	3.7923	3.6600	3.6600	3.6600	3.6600	3.6606
East Central College	0.4541	0.4400	0.4385	0.4329	0.4329	0.4348	0.4313	0.4471	0.4473	0.4369
Washington Library	0.1000	0.0945	0.0927	0.0914	0.0923	0.0934	0.0906	0.0905	0.0872	0.0923
Washington Area Ambulance District	-	-	-	-	-	-	0.0500	0.1747	0.1732	0.1825
Franklin County Library	0.0826	0.0777	0.0777	0.0759	0.0758	0.0919	0.0913	0.0959	0.0959	0.1000
Surtax	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>	<u>0.4800</u>
Total Overlapping Governments	<u>5.6279</u>	<u>5.3715</u>	<u>5.3544</u>	<u>5.3198</u>	<u>5.3045</u>	<u>5.1940</u>	<u>5.2364</u>	<u>5.3924</u>	<u>5.4294</u>	<u>5.4480</u>
Total City And Overlapping Governments	<u>6.2341</u>	<u>5.9763</u>	<u>5.9564</u>	<u>5.9160</u>	<u>5.9004</u>	<u>5.7881</u>	<u>5.8221</u>	<u>5.9864</u>	<u>5.9471</u>	<u>5.9892</u>

Source: Franklin County Collector and Assessor's Offices (rates stated per \$100 assessed valuation)

CITY OF WASHINGTON, MISSOURI
PRINCIPAL TAXPAYERS
CURRENT YEAR AND THREE YEARS AGO

Taxpayer	2014			2011		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
REAL ESTATE						
Wal-Mart Real Estate Business	\$ 5,440,000	1	1.75 %	\$ 5,719,446	2	1.70 %
Parker - Hannifin Corp	3,474,465	2	1.12	3,491,535	3	1.04
PCII Lots 10A & 10C LLC	3,448,087	3	1.14	-		-
Bank of Washington	3,197,186	4	1.06	3,294,955	4	0.98
USR-Desco Washington Crossing	3,027,077	5	1.00	3,033,125	5	0.90
Lowes Home Centers Inc.	2,839,578	6	0.94	2,624,406	7	0.78
CG Power Systems USA Inc.	2,661,900	7	0.87	2,664,285	6	0.79
Target Corporation Target Pro	2,406,973	8	0.80	2,407,815	10	0.72
PC IT Vertical LLC	2,342,212	9	0.78	2,341,374	9	0.70
Hollingsworth Capital Partner	2,271,923	10	0.75	-		-
Creekside Land & Dev. Co. LLC	-		-	10,462,853	1	3.11
Creekside Land & Dev. Co. LLC	-		-	2,464,000	8	0.73
Total Real Estate	<u>\$ 31,109,401</u>		<u>10.21 %</u>	<u>\$ 38,503,794</u>		<u>11.45 %</u>
PERSONAL PROPERTY						
RTI Tradco Inc. - Wash Inc.	\$ 1,878,974	1	0.62 %	\$ 971,409	4	0.29 %
CG Power Systems USA Inc.	1,684,462	2	0.56	-		-
CG Power Systems USA Inc.	1,361,483	3	0.45	869,181	6	0.26
Valent Aerostructures - Wash. L.	1,247,086	4	0.41	-		-
Magnet LLC	876,984	5	0.29	875,579	5	0.26
GHTM LC	817,363	6	0.27	791,351	9	0.24
Fricks Meat Products	763,511	7	0.25	833,710	7	0.25
Enterprise Rent-A-Car	706,637	8	0.23	-		-
Canam Steel Corp-Midwestern	515,858	9	0.17	810,091	8	0.24
G H Tool & Mold (WM Industrial)	454,284	10	0.16	-		-
Harman Becker - Washington	-		-	3,532,072	1	1.05
PFHC Medical Management LLC	-		-	2,549,210	2	0.76
Bank of AM Leasing - CG Power System	-		-	1,319,083	3	0.39
Charter Communications - Washington	-		-	591,866	10	0.12
Total Personal Property	<u>\$ 10,306,642</u>		<u>3.41 %</u>	<u>\$ 13,143,552</u>		<u>3.86 %</u>

Source: Franklin County Collector's office

Note: Amounts prior to 2011 are not available.

CITY OF WASHINGTON, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Tax Levy Year</u>	<u>Net Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax (And Penalties) Collections</u>	<u>Percent Collected As Current</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent Of Levy</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent Of Levy</u>
2014	2013	\$ 1,880,416	\$ 1,830,743	\$ 49,673	97.4 %	\$ 128,170	6.8 %	\$ 1,752,246	93.2 %
2013	2012	2,038,813	1,976,742	62,071	97.0	138,956	6.8	1,899,857	93.2
2012	2011	2,003,629	1,939,682	63,947	96.8	170,377	8.5	1,833,252	91.5
2011	2010	1,998,377	1,931,261	67,116	96.6	127,396	6.4	1,870,981	93.6
2010	2009	1,923,292	1,879,478	43,814	97.7	50,980	2.7	1,872,312	97.3
2009	2008	1,886,889	1,825,204	61,685	96.7	48,048	2.5	1,838,841	97.5
2008	2007	1,817,863	1,774,524	43,339	97.6	N/A	N/A	1,774,524	97.6
2007	2006	1,682,372	1,653,059	29,313	98.3	N/A	N/A	1,653,059	98.3
2006	2005	1,645,599	1,596,785	48,814	97.0	N/A	N/A	1,596,785	97.0
2005	2004	1,410,469	1,374,216	36,253	97.4	N/A	N/A	1,374,216	97.4

Source: Franklin County Collector's Office. Delinquent tax is as of 9/30. Outstanding Delinquent Taxes is as of 12/31.

Note: N/A = Information not available from Franklin County.

CITY OF WASHINGTON, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Business-type Activities	Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	Capital Lease Obligations	Leasehold Revenue Bonds	Certificates Of Participation	Tax Increment Revenue Notes	Loan Payable	Revenue Bonds			
2014	\$ -	\$ -	\$ 33,320,578	\$ 4,222,599	\$ -	\$ 20,448,551	\$ 57,991,728	1,145.52 %	\$ 4,129
2013	-	-	34,787,100	4,247,879	-	21,438,371	60,473,350	1,229.73	4,306
2012	-	-	36,170,000	4,263,646	-	22,401,814	62,835,460	1,285.40	4,474
2011	-	-	38,195,000	4,216,137	-	18,787,150	61,198,287	1,330.40	4,381
2010	20,647	-	26,835,000	3,793,925	-	19,767,485	50,417,057	1,092.20	3,606
2009	41,622	-	26,840,000	-	-	20,722,820	47,604,442	1,020.13	3,316
2008	61,937	-	30,965,000	-	-	20,833,045	51,859,982	1,194.46	3,603
2007	82,582	-	4,575,000	-	7,364,451	490,000	12,512,033	288.18	878
2006	82,582	-	5,000,000	-	-	570,000	5,652,582	130.19	402
2005	-	565,000	-	-	-	645,000	1,210,000	27.87	86

(1) See Demographics and Economic Statistics Table

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

CITY OF WASHINGTON, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2014

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share Of Overlapping Debt</u>
Direct:			
City of Washington	<u>\$ 37,543,177</u>	100.00 %	<u>\$ 37,543,177</u>
Overlapping:			
East Central College	15,623,640	21.52	3,362,207
Washington School District	47,940,000	48.36	23,183,784
Franklin County	<u>40,436,353</u>	17.11	<u>6,918,660</u>
Total Overlapping Debt	<u>103,999,993</u>		<u>33,464,651</u>
Total Direct And Overlapping Debt	<u><u>\$ 141,543,170</u></u>		<u><u>\$ 71,007,828</u></u>
Per capita direct and overlapping debt			\$ 5,055.74
Ratio of direct and overlapping debt to assessed value			22.89 %
Ratio of direct and overlapping debt to estimated actual value			5.63 %

Source: Information was obtained by contacting the Taxing Jurisdiction and the Franklin County Collector's Office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

CITY OF WASHINGTON, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Assessed Value	<u>\$ 302,021,097</u>
Debt Limit - 10% of Total Assessed Valuation	<u>\$ 30,202,110</u>
Amount of Debt Subject to Limit	
Total Bonded Debt	-
Less - Amounts available in Debt Service Fund	-
Total Amount Of Debt Applicable To Debt Limit	<u>-</u>
Legal Debt Margin	<u>\$ 30,202,110</u>

	For The Years Ended September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt Limit	\$30,202,110	33,632,678	33,052,272	33,041,943	31,948,372	31,648,586	30,506,174	28,317,992	28,096,286	23,745,276
Net Debt Applicable To Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$30,202,110</u>	<u>33,632,678</u>	<u>33,052,272</u>	<u>33,041,943</u>	<u>31,948,372</u>	<u>31,648,586</u>	<u>30,506,174</u>	<u>28,317,992</u>	<u>28,096,286</u>	<u>23,745,276</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	-	-	-	-	-	-	-	-	-	-

Note: Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statues (1986) to 10% of the assessed value of taxable tangible property.

CITY OF WASHINGTON, MISSOURI
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Median Age (1)	Median Household Income (1)	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)
2014	14,045	N/A	\$ 50,625	28,028	4,516	6.1 %
2013	14,045	N/A	49,176	28,025	4,880	6.1
2012	14,045	N/A	48,884	N/A	4,465	6.9
2011	13,968	N/A	46,000	N/A	4,925	8.7
2010	13,982	N/A	46,161	N/A	4,960	6.8
2009	14,356	N/A	46,665	24,927	5,009	6.4
2008	14,392	35.9	43,417	23,915	5,111	5.2
2007	14,253	N/A	43,417	N/A	5,152	4.4
2006	14,073	N/A	43,417	N/A	5,047	4.3
2005	14,007	N/A	43,417	N/A	4,975	3.1

(1) Source - U.S. Census Bureau (Population is estimated)

(2) Source - Missouri Department of Elementary and Secondary Education

(3) Source - U.S. Department of Labor Statistics

CITY OF WASHINGTON, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Type</u>	<u>2014</u>			<u>2005</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percent Of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent Of Total City Employment</u>
Mercy Hospital	Health Care	1,185	1	5.90 %	760	1	3.78 %
Parker Hannifin	Manufacturer	1,105	2	5.50	659	2	3.28
Washington School District	School District	620	3	3.09	-	-	-
CG Powers (Pauwels Transformers)	Manufacturer	481	4	2.39	272	5	1.35
Wal-Mart Super Center	Retail Merchant	402	5	2.00	427	3	2.13
Magnet	Advertising Specialties	299	6	1.49	349	4	1.74
RTI Tradco	Manufacturer	249	7	1.24	-	-	-
Valent Aerostructures	Manufacturer	165	8	0.82	-	-	-
YMCA	Athletic Club	159	9	0.79	-	-	-
Frick's Quality Meats	Manufacturer	147	10	0.73	-	-	-
Jefferson Products	Manufacturer	-	-	-	186	6	0.93
Canam Steel	Manufacturer	-	-	-	165	7	0.82
Cedar Crest Manor	Health Care	-	-	-	150	8	0.75
Tradco	Manufacturer	-	-	-	142	9	0.71
Schnucks	Grocery Store	-	-	-	130	10	0.65

Source: Finance Department-Business Licenses

CITY OF WASHINGTON, MISSOURI
FULL-TIME EQUIVALENTS EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Full-Time Equivalent Employees As Of September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Administration:										
City Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant City Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Emergency Preparedness Director	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
City Clerk/Human Resources Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Executive Secretary/Deputy City Clerk	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Clerk - Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic development:										
Economic Developer Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Developer	-	-	-	0.5	0.5	-	-	-	-	-
Legal:										
Municipal Judge	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
City Attorney	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Court Clerk	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Deputy Court Clerk	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Building maintenance:										
Building Maintenance Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Custodian	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Communications:										
Director of Communications	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Lead Dispatcher	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dispatcher	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Volunteer fire:										
Fire Chief	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Custodian	0.5	0.5	0.5	0.5	2.5	2.5	2.5	2.5	2.5	2.5
Volunteer Fire Fighters	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0	71.0
Finance:										
Finance Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Finance Manager	-	-	-	-	1.0	1.0	-	-	-	-
General Ledger Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounts Payable Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Payroll/Accounts Receivable Clerk	1.0	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5
Special Accounts/Utility Billing Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Utility Billing Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Cashier	1.5	1.5	1.5	1.5	1.0	1.0	1.0	1.0	1.0	1.0
Information Technology:										
Information Technology Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Information Technology Specialist	1.0	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5
Library:										
Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Children's Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Full- and Part-time Clerk	7.0	7.0	7.0	7.0	5.0	5.0	5.0	5.0	5.0	5.0
Part-time Shelves	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

(Continued)

CITY OF WASHINGTON, MISSOURI
FULL-TIME EQUIVALENTS EMPLOYEES BY FUNCTIONS/PROGRAMS (Continued)
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS (Continued)	Full-Time Equivalent Employees As Of September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Parks and Recreation:										
Director of Parks and Recreation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Director of Parks and Recreation	-	-	-	-	-	-	1.0	1.0	1.0	-
Parks and Recreation Foreman	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Recreation Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation Lead Laborer	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	2.0	2.0
Parks and Recreation Equipment Operator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation Laborer Seasonal	7.0	7.0	7.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
	37.0	36.0	33.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
Planning and Engineering:										
City Engineer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Planning and Engineering Services	0.25	0.25	0.25	0.5	0.5	1.0	1.0	1.0	1.0	1.0
Assistant City Engineer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building Official	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-
Building Inspector	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	2.0	2.0
Engineering Technician	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0
Infrastructure Inspector	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	-
Zoning Officer	-	-	-	-	-	-	-	-	-	-
Engineering Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Planning and Engineering Services Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police:										
Police Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Lieutenant	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Police Sergeant	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
Detective	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0
Detective - Narcotics	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Patrol Officer - Canine	-	-	-	-	-	-	-	-	-	-
Patrol Officer - D.A.R.E./ School Resource	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Patrol Officer	13.0	13.0	13.0	13.0	12.0	12.0	12.0	12.0	12.0	12.0
Patrol Officer - Traffic Safety	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Office Supervisor/Municipal Court Clerk	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Police Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Animal Control/Nuisance Abatement Officer	-	-	-	-	-	-	-	-	-	-
Police Records Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

CITY OF WASHINGTON, MISSOURI
FULL-TIME EQUIVALENTS EMPLOYEES BY FUNCTIONS/PROGRAMS (Continued)
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS (Continued)	Full-Time Equivalent Employees As Of September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Sanitation/Landfill/Compost/ Recycling:										
Sanitation Foreman/Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sanitation and Compost/Recycling Truck Driver	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	2.0	2.0
Landfill Laborer	2.0	2.0	2.0	2.0	1.0	2.0	2.0	2.0	1.0	1.0
Landfill Equipment Operator	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Compost Laborer	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Refuse Collector	2.0	2.0	2.0	2.0	2.0	3.0	4.0	4.0	4.0	4.0
Street:										
Streets and Sanitation Super- intendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Foreman	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Equipment Operator	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Streets Lead Laborer	3.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Truck Driver	-	-	-	-	-	1.0	-	-	2.0	2.0
Streets and Sanitation Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Laborer	6.0	6.0	6.0	4.5	4.0	5.0	4.0	4.0	3.0	3.0
Wastewater:										
Wastewater Treatment Plant Operator III	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Wastewater Plant Operator III Lab Technician	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-
Wastewater Plant Operator II/ Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-
Wastewater Plant Operator I Secretary	3.0	3.0	3.0	3.0	3.0	2.0	1.0	-	-	-
Clerk	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Water:										
Water and Wastewater Super- intendent	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Water and Wastewater Assistant Superintendent	-	-	-	-	-	-	1.0	-	-	-
Water and Wastewater Foreman	1.0	1.0	1.0	1.0	1.0	2.0	1.0	2.0	2.0	2.0
Water and Wastewater Lead Laborer	1.0	1.0	1.0	1.0	1.0	3.0	1.0	2.0	2.0	2.0
Water and Wastewater Equipment Operator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water and Wastewater Truck Driver	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water and Wastewater Secretary	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Meter Reader	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Water and Wastewater Laborer	1.0	1.0	1.0	1.0	1.0	2.0	1.0	2.0	2.0	2.0
Water and Wastewater Clerk	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	<u>253.0</u>	<u>252.0</u>	<u>249.0</u>	<u>249.8</u>	<u>245.8</u>	<u>251.8</u>	<u>244.8</u>	<u>241.8</u>	<u>240.8</u>	<u>239.8</u>

Source: Finance Department

CITY OF WASHINGTON, MISSOURI
OPERATING INDICATORS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	As Of September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Communications:										
Total Calls Handled:										
Police	38,080	39,723	37,162	35,353	34,892	37,525	37,087	25,812	18,378	19,291
Ambulance District	2,872	2,908	2,741	2,703	2,497	2,668	2,650	2,607	2,492	2,498
Fire	592	549	665	740	731	719	745	840	753	768
911 Calls	7,398	5,419	4,854	4,600	6,866	4,900	3,945	4,016	4,017	3,875
Fire:										
Number of Calls	591	549	634	712	731	719	745	841	753	768
Average Response Time	4:34	4:53	5:01	4:55	5:33	5:52	5:22	5:15	4:56	4:17
Number of City Calls	383	342	421	479	477	484	482	527	508	498
Average Response Time	3:48	4:07	4:14	4:42	3:50	4:04	4:14	4:23	4:08	3:29
Number of Rural Calls	132	143	132	149	187	162	190	222	172	194
Average Response Time	6:43	6:49	7:20	6:58	7:07	7:43	7:42	7:36	7:51	6:13
Police:										
Total Calls	40,528	39,556	37,573	38,414	34,922	37,781	36,030	37,491	33,187	33,958
Total Reports Filed	2,916	3,105	2,846	2,780	2,711	2,773	2,614	2,722	2,594	2,791
Municipal court:										
Total Letters	753	668	747	771	1,105	1,093	1,070	996	907	493
Total Continuances	2,069	1,891	2,235	1,905	3,324	3,717	3,775	4,059	3,182	2,534
Trial Setting	42	91	205	78	98	209	175	158	107	127
Total Warrants	974	921	608	724	1,023	1,024	952	927	759	580
Total Probation	143	125	N/A	128	279	369	410	478	406	305
Total Balance Due Continued	2,932	N/A	N/A	1,916	3,046	2,787	2,658	2,844	2,361	2,327
Total Cases Closed	1,831	1,699	1,463	2,894	5,090	5,567	5,322	4,317	3,257	2,259
Finance:										
Number of Accounts Payable Processed	9,426	9,215	8,779	8,909	8,276	7,686	8,354	10,152	10,307	9,830
Number of Accounts Receivable Processed	2,268	1,997	2,041	1,909	1,949	1,792	2,039	2,219	2,297	2,365
Number of Business Licenses Issued	1,101	1,152	1,041	809	1,131	1,100	1,085	1,084	1,117	1,118
Number of Water Bills Issued	75,755	75,486	74,664	74,611	74,550	74,505	74,496	73,302	72,535	71,390
Number of Tax Bills Assessed	13,956	13,898	13,641	13,326	13,379	13,379	13,247	13,194	13,146	12,956
Information technology:										
Internet Service Calls	11	39	38	79	86	83	67	72	56	29
Communication Service Calls	47	53	73	65	89	123	93	78	117	57
AS/400 Service Calls	42	41	59	39	53	31	49	60	56	52
Application Service Calls	1,553	1,545	1,663	1,537	1,352	1,284	1,128	1,012	925	1,051
Hardware Service Calls	107	174	227	231	193	254	237	306	510	318
City Web Site Hits (average per week)	1,754	1,478	1,639	1,147	1,003	1,221	1,126	N/A	N/A	1,100

Source: City records - various departments listed

CITY OF WASHINGTON, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	As of September 30									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	13	13	13	13	13	14	14	14	13	13
Unmarked patrol units	7	7	7	7	7	7	7	7	7	7
Public works:										
Miles of streets	98.73	98.73	88.27	88.27	88.27	88.15	87.57	N/A	N/A	N/A
Traffic lights and signals	3	3	3	3	3	3	3	3	3	3
Street lights in city limits	1,192	1,192	1,182	1,247	1,241	1,241	1,241	1,204	1,199	1,095
Miles of water lines	114	114	110	109	109	109	109	108	107	102
Miles of sanitary sewers	108	108	103	103	103	103	103	102	101	97
Miles of sidewalks	31	31	31	31	30	27	27	27	27	27
Number of wells	9	9	9	9	9	9	9	9	9	9
Number of water towers	3	3	3	3	3	3	3	3	3	3
Parks and recreation:										
Number of parks	16	14	14	14	14	13	13	13	13	13
Acres of parks	531	419	419	419	419	399	399	399	399	399
Miles of walking trail	9.5	5.45	5.45	5.45	5.45	4.7	4.7	4.7	4.7	4.7
Playgrounds	8	8	8	8	8	8	8	8	7	7
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Pavilions	12	12	12	12	12	12	12	12	12	12
Skate Parks	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	8	8	8	8	8	8
Outdoor Basketball Courts	2	2	2	2	2	2	2	2	2	2
Golf Facilities	1	1	1	0	0	0	0	0	0	0
Baseball/Softball Fields	6	6	6	6	6	6	6	6	6	6
Football Fields	2	2	2	2	2	2	2	2	2	2
Soccer Fields	5	5	5	5	5	5	5	5	5	5
Multi-Purpose Fields	1	1	1	1	1	1	1	1	1	1