

CITY OF WASHINGTON, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2015





CITY OF WASHINGTON, MISSOURI

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PREPARED BY: MARY J. SPRUNG, CPA
FINANCE MANAGER

CITY OF WASHINGTON, MISSOURI
FINANCIAL REPORT

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SECTION I - INTRODUCTORY SECTION



March 7, 2016

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, 2015. 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, 2015. 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 UE 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 and 2015, the shopping area in Phoenix Center was expanded by adding additional retail stores including Marshalls, Jo-Ann Fabrics and Crafts, Ulta Beauty, dressbarn and Ross Dress for Less, Dicks Sporting Goods, Aspen Dental, and Cato Fashions.

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 in 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 2015, 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:

- A new snow plow truck, refuse truck, recycle truck and new 954D track loader was purchased for approximately \$667,000.
- Camp Street Bridge was built in 2014 with a cost of \$1 million.
- Purchased a trailer court in the City for future storm water project at Busch Creek.

Long-Term Financial Planning

The City adopted a five-year capital improvement plan again for the 2015-2019 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, 2015, 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.

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. This trend continued in 2015 with revenues 6% higher than in 2014. 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 the last two years. The City issued 1,325 in 2014 and 1,335 in 2015. The total valuation also increased from \$18.8 million to \$25.7 million from 2014 to 2015. 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. In 2015, the City's assessed value decreased approximately \$3.7 million. 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

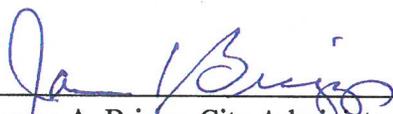
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Washington, Missouri for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014. This was the sixth 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.

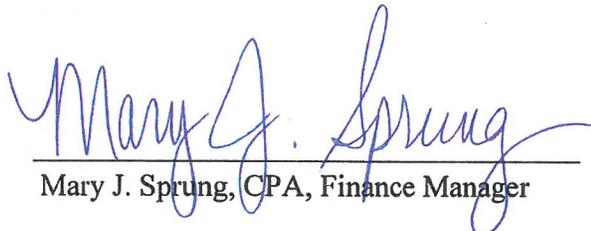
Acknowledgement

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
Edward Menefee - Police Chief
Lisa Moffitt - Communications Director
W. H. "Bill" Halmich - Fire Chief/Emergency Preparedness Director
Robert Douglas - Information Technology
Jackie Hawes - Library Director
Darren Dunkle - Parks Director
John "Jack" Brinker - Street Superintendent
Darren Lamb - Economic Development Director
John Nilges - City Engineer
Kevin Quaethem - Public Works Superintendent
John McCreery - 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, 2014



Executive Director/CEO

SECTION II - FINANCIAL SECTION



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

INDEPENDENT AUDITOR'S REPORT

March 7, 2016

Honorable 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 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, 2015, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2015, 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.

Other Matters

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 March 7, 2016 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, 2015

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, 2015. 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 \$66.6 million (net position). Of this amount, \$13.8 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 \$4.9 million. Governmental activities net position increased by \$5 million, while the business-type activities net position decreased by approximately \$150,000.
- General revenues for governmental activities were \$13.8 million, an increase of \$600,000 from the prior year. Revenues included \$11 million (80%) in sales, franchise and tourism taxes. Property taxes accounted for \$2.5 million (18%).
- Net expenses from the various functions of governmental activities were \$8.7 million. More specifically, general government was \$2.1 million (24%), public safety was \$3.9 million (45%), and culture and recreation amounted to \$2 million (23%).

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 between the two 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, 2015

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 non-major 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 non-major 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, 2015**

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 position may serve over time as a useful indicator of the City's financial position. As of September 30, 2015, assets exceeded liabilities by \$67 million. The largest portion of the City's net position, \$43 million (64%) 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 for the years ended September 30:

	Condensed Statement Of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Assets						
Current and other assets	\$ 21,006,414	25,629,486	7,204,302	8,282,848	28,210,716	33,912,334
Capital assets, net	56,913,587	58,425,536	36,052,335	34,571,619	92,965,922	92,997,155
Total Assets	<u>77,920,001</u>	<u>84,055,022</u>	<u>43,256,637</u>	<u>42,854,467</u>	<u>121,176,638</u>	<u>126,909,489</u>
Deferred Outflows of Resources						
	<u>1,532,865</u>	<u>2,472,714</u>	<u>-</u>	<u>313,367</u>	<u>1,532,865</u>	<u>2,786,081</u>
Liabilities						
Current liabilities	1,226,531	1,642,728	699,044	746,826	1,925,575	2,389,554
Noncurrent liabilities	37,967,756	36,176,946	24,863,448	23,851,278	62,831,204	60,028,224
Total Liabilities	<u>39,194,287</u>	<u>37,819,674</u>	<u>25,562,492</u>	<u>24,598,104</u>	<u>64,756,779</u>	<u>62,417,778</u>
Deferred Inflows of Resources						
	<u>-</u>	<u>532,968</u>	<u>-</u>	<u>152,686</u>	<u>-</u>	<u>685,654</u>
Net Position						
Net investment in capital assets	23,593,009	26,710,271	16,582,931	15,836,616	40,175,940	42,546,887
Restricted	8,184,159	10,283,680	-	-	8,184,159	10,283,680
Unrestricted	<u>8,481,411</u>	<u>11,181,143</u>	<u>1,111,214</u>	<u>2,580,428</u>	<u>9,592,625</u>	<u>13,761,571</u>
Total Net Position	<u>\$ 40,258,579</u>	<u>48,175,094</u>	<u>17,694,145</u>	<u>18,417,044</u>	<u>57,952,724</u>	<u>66,592,138</u>

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

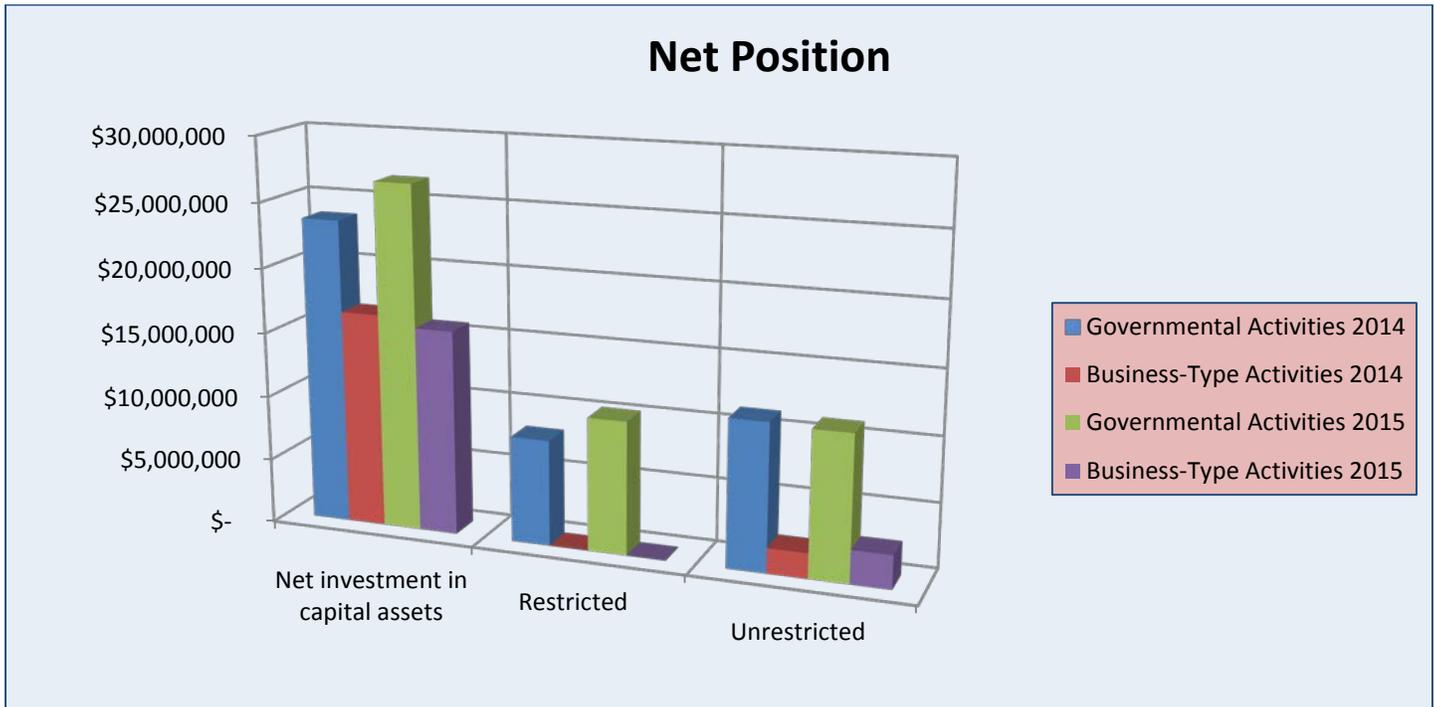
- \$42.5 million Net investment in capital assets
- 10.3 million Restricted
- 13.8 million Unrestricted

CITY OF WASHINGTON, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2015

The City's combined net position increased to \$67 million from \$58 million as a result of the year's expenses exceeding revenues as reflected in the changes in net position table and the implementation of Governmental Accounting Standards Board (GASB) 68 related to pensions. Governmental activities reflect net position of \$48.2 million while business-type activities reflect \$18.4 million.

Restricted net position for governmental and business-type activities is \$10 million and \$0, respectively. Restricted net position equals 15% of total net position. The restricted amounts are for capital projects, debt service, and TIF Districts. Governmental activities restricted net position increased by \$2.1 million in 2015 due to debt service activity. Specifically, the City received approximately 2.1 million from Missouri Department of Transportation as a refund from prior capital projects. The City deposited this refund in its COPS Fund for future long-term debt service payments.

The remaining portion of the City's net position represents *unrestricted net position*. Total unrestricted net position of \$13.8 million is available to be used to meet the City's ongoing obligations to citizens and creditors. Governmental activities unrestricted net position increased by \$2.7 million, leaving a balance of \$11.2 million. Business-type activities unrestricted net position reflects a balance of \$2.6 million. This represents an increase of \$1.5 million. These fluctuations are mainly due to implementation of GASB 68 related to pensions.



**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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:

	Changes In Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Revenues						
Program revenues:						
Charges for services	\$ 2,539,140	1,878,891	6,195,426	6,377,147	8,734,566	8,256,038
Operating grants and contributions	1,049,886	1,026,634	-	-	1,049,886	1,026,634
Capital grants and contributions	1,909,100	3,928,663	60,000	-	1,969,100	3,928,663
General revenues:						
Property taxes	2,376,260	2,458,589	-	-	2,376,260	2,458,589
Sales taxes	8,054,201	8,380,907	-	-	8,054,201	8,380,907
Franchise taxes	2,528,430	2,496,102	-	-	2,528,430	2,496,102
Tourism	133,093	144,135	-	-	133,093	144,135
Investment income	76,370	101,223	495,952	475,927	572,322	577,150
Gain on sale of capital assets	-	66,517	4,027	-	4,027	66,517
Miscellaneous	134,022	126,599	58,223	62,659	192,245	189,258
Total Revenues	<u>18,800,502</u>	<u>20,608,260</u>	<u>6,813,628</u>	<u>6,915,733</u>	<u>25,614,130</u>	<u>27,523,993</u>
Expenses						
General government	3,123,098	2,915,338	-	-	3,123,098	2,915,338
Public safety	4,870,159	4,534,754	-	-	4,870,159	4,534,754
Airport	553,205	646,327	-	-	553,205	646,327
Highways and streets	3,884,211	3,627,935	-	-	3,884,211	3,627,935
Culture and recreation	2,416,245	2,473,628	-	-	2,416,245	2,473,628
Economic development	15,831	11,767	-	-	15,831	11,767
Interest on long-term debt	1,400,876	1,359,229	-	-	1,400,876	1,359,229
Water	-	-	1,808,225	1,710,933	1,808,225	1,710,933
Sewage treatment	-	-	3,193,057	3,024,720	3,193,057	3,024,720
Solid waste	-	-	2,675,190	2,335,735	2,675,190	2,335,735
Total Expenses	<u>16,263,625</u>	<u>15,568,978</u>	<u>7,676,472</u>	<u>7,071,388</u>	<u>23,940,097</u>	<u>22,640,366</u>
Excess (deficiency) before transfers	2,536,877	5,039,282	(862,844)	(155,655)	1,674,033	4,883,627
Transfers	<u>(206,300)</u>	<u>-</u>	<u>206,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>2,330,577</u>	<u>5,039,282</u>	<u>(656,544)</u>	<u>(155,655)</u>	<u>1,674,033</u>	<u>4,883,627</u>
Net Position, Beginning	37,928,002	40,258,579	18,350,689	17,694,145	56,278,691	57,952,724
Restatement - Pension	-	2,877,233	-	878,554	-	3,755,787
Net Position, Beginning as restated	<u>37,928,002</u>	<u>43,135,812</u>	<u>18,350,689</u>	<u>18,572,699</u>	<u>56,278,691</u>	<u>61,708,511</u>
Net Position, Ending	<u>\$ 40,258,579</u>	<u>48,175,094</u>	<u>17,694,145</u>	<u>18,417,044</u>	<u>57,952,724</u>	<u>66,592,138</u>

GOVERNMENTAL ACTIVITIES

For the fiscal year ended September 30, 2015, total combined revenues are \$27.5 million (governmental and business-type). Governmental activity revenue totaled \$20.6 million or 75% of the total City revenues while revenues from business-type activities totaled \$7 million or 25% of total revenue.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Sales tax, the largest governmental category, generated \$8.4 million or 41% of governmental revenue resulting in an increase of \$326,000 or 4.5% over prior year which remains on target and reasonable overall. Property taxes increased \$83,000 over the prior year indicating some economic recovery. Franchise fees decreased \$32,000 over the prior year primarily due to slight differences in phone revenue. Charges for services decreased \$660,000 mainly due to internal allocations of payroll being done through the payroll process instead of manual journal entries resulting in a charge for service in various departments.

Governmental activities expense decreased \$700,000 or 4% from 2014 to 2015 mainly due to implementation of GASB 68 regarding pension plans.

The City has experienced a slight recovery as witnessed by the 4.5 and 5.27% increase in sales tax in 2015 and 2014 respectively. The City remains optimistic about the recovery continuing, but still maintains a proactive approach by curtailing non-essential overtime and adjusting work schedules to coordinate manpower requirements between departments.

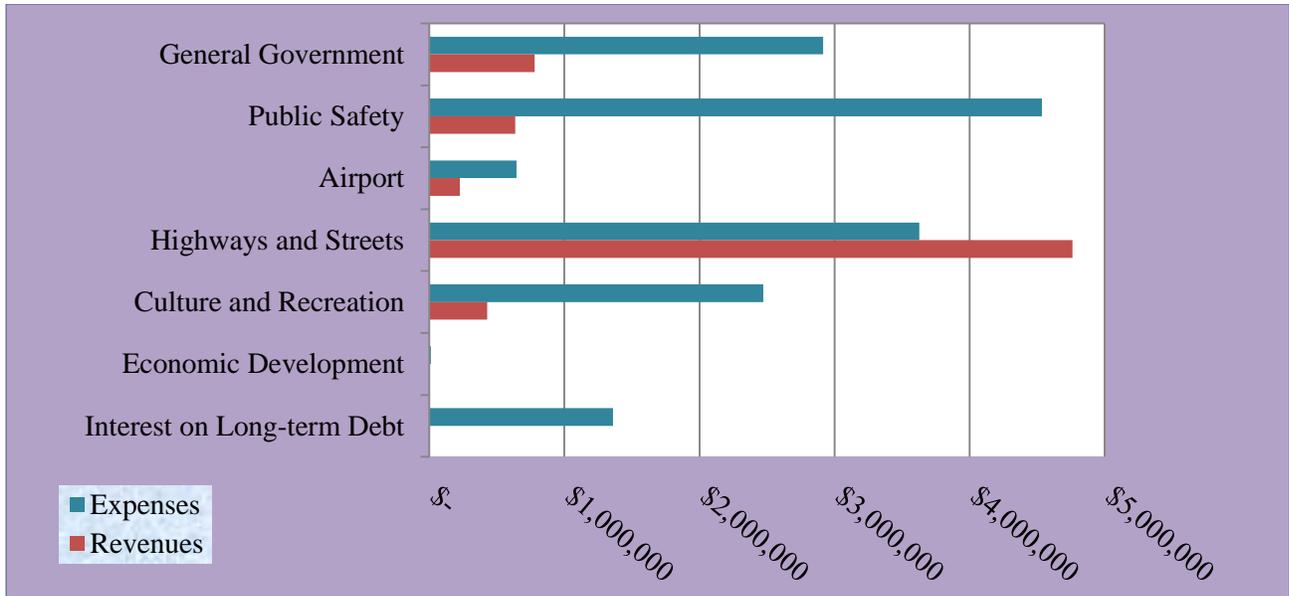
Certain revenues are generated specific to governmental program activities. These direct revenues totaled \$6.8 million. The following table shows expenses for program activities and the effect of these direct revenues to program costs.

	Net Cost Of Governmental Activities			
	Total Cost Of Service		Net Cost Of Service	
	2014	2015	2014	2015
General government	\$ 3,123,098	2,915,338	(2,183,365)	(2,135,901)
Public safety	4,870,159	4,534,754	(4,009,759)	(3,897,888)
Airport	553,205	646,327	(402,036)	(419,221)
Highway and streets	3,884,211	3,627,935	(709,247)	1,134,452
Culture and recreation	2,416,245	2,473,628	(2,044,385)	(2,045,236)
Economic development	15,831	11,767	(15,831)	(11,767)
Interest on long-term debt	1,400,876	1,359,229	(1,400,876)	(1,359,229)
Total	\$ 16,263,625	15,568,978	(10,765,499)	(8,734,790)

Expenses from governmental activities totaled \$15.6 million which is a decrease from prior year of \$700,000. In comparison, net costs of these services were \$8.7 million in 2015 compared to \$10.8 million in 2014. The main reason for this decrease in net cost is that the City received a refund of \$2.1 million for the bridge and Highway 100 widening project resulting in an increase in capital grant revenue. Taxes and other revenues of \$13.7 million were generated to cover these net costs from prior year.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**Governmental Activities
Expenses and Program Revenues**



BUSINESS-TYPE ACTIVITIES

Business-type program revenues increased slightly with \$6.3 million in 2015 compared to \$6.2 million in 2014. The \$100,000 increase is mainly due to internal allocations of payroll being done through the payroll process instead of manual journal entries resulting in a charge for service in various departments.

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	2015	2014	2015
Water	\$ 1,808,225	1,710,933	(236,952)	(285,440)
Sewage treatment	3,193,057	3,024,720	(665,099)	(391,763)
Solid waste	2,675,190	2,335,735	(518,995)	(17,038)
Total	\$ 7,676,472	7,071,388	(1,421,046)	(694,241)

Expenses decreased by \$600,000 due mainly to implementation of GASB 68 regarding pension plans and also the landfill closure/post-closure costs decreased by over \$300,000.

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 particu-

**CITY OF WASHINGTON, MISSOURI
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lar, unreserved 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 \$1,969,961, while the total fund balance was \$9.5 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 17% of total General Fund expenditures and transfers out of \$11.8 million; while total fund balance represents 80% of total General Fund expenditures and transfers out. The City's General Fund balance increased approximately \$144,000 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 various City projects including the lighting upgrade project.

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, 2015, 15% of operating expenditures (excludes debt service and capital outlay) is \$1,528,713 and unassigned fund balance is \$1,969,961 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 project fund was \$4.7 million, an increase of \$700,000 over prior year. Many of the big projects originally planned for this fund have been completed resulting in lower expenditures and very little change from prior year. In addition, both sales tax and federal grant monies increased \$150,000 over the prior year. The Capital Improvement Sales Tax Fund 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 was a 50/50 cost-sharing project with the Missouri Highways and Transportation Commission. All phases were completed by 2014. 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, 2015 was \$2.9 million, a decrease of \$700,000 from prior year. This increase is mainly due to the timing of various grant projects.

COPS -- The COPS fund balance of this capital project fund is \$2.3 million as of September 30, 2015 which was an increase of \$2.1 million from prior year. This increase is due to a deposit being received from Missouri Department of Transportation on the Highway 100 widening project. The City has decided to use this refund for future debt service.

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, 2015 and 2014, the net position for these funds decreased by \$150,000. Individual fund changes were as follows:

- Water decreased by \$213,000 or 3% due to a decrease in charges for services of \$115,000.
- Sewage Treatment increased by \$63,000 or 2% due to normal operating changes and an increase in charges for service revenue of \$135,000.
- Solid Waste slightly decreased by \$5,000 due to normal operating changes.

A review of the operations of the enterprise funds indicates water, sewage treatment, and solid waste operations reflect a net operating income totaling \$174,273 resulting from a decrease in contractual services specifically, landfill closure/post-closure costs decreased by \$350,000 due to the opening of the new phase of the landfill in prior year.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

The Water Fund showed an operating loss of \$155,527 with a change in net position of (\$213,270). Charges for services were \$115,000 lower than in 2014 making up the majority of the loss.

The Sewage Treatment Fund operations reported an operating income of \$346,838 with a change in net position of \$62,197. The increase is due to normal operating changes and an increase in leachate charges from the City picking up a big customer in late 2014.

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 \$17,038 which is a decrease of \$500,000 from the operating loss of the prior year. As stated above, this decrease in operating loss is mainly due to a \$350,000 decrease in landfill 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 \$11.5 million which was increased to \$11.7 million. The budget was amended for an increase in expected sales tax revenues of \$155,000 or 3%.
- The total original expenditure budget of \$10.9 million increased to \$11.1 million. This increase was due to increased telephone expense due to rate increases and the City's project for upgrading of its lighting at various City facilities.

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

Final budgeted revenues were estimated at \$11,692,775 while actual revenues were \$11,123,948. Franchise fees were \$142,548 under budget due to various fluctuations in both phone and electric services being lower. Charges for services was \$509,840 under budget due to the City reallocating payroll expenditures directly through its payroll process instead of manually recording through charges for services. The budget was not amended for this change.

Final budgeted expenditures were estimated at \$11,161,840. Actual expenditures were \$472,275 less than projected. This was primarily due to ongoing monitoring of expenditures and postponement of any unnecessary expenditure in the current year. In addition, variances between departments are due to reallocating payroll expenditures directly through its payroll process instead of manually recording through charges for services.

- Executive reported \$66,000 over budget due to hiring adding a full-time position which was contracted out in prior year. In addition, legal expenses increased \$25,000.
- Technology support was \$105,000 over budget due to timing of technical services under contract for more than one year.
- Volunteer Fire reported \$65,000 under budget which was mainly due to a decrease in dispatching fees from prior year.
- Engineering, inspections, and planning reported \$226,000 under budget as this department was impacted the most as a result of reallocation of payroll expenditures.
- Streets reported \$100,000 under budget due to the impact of reallocation of payroll expenditures.
- Parks reported \$64,000 under budget due to reallocation of payroll expenditures.

The General Fund ended the year with actual revenues exceeding actual expenditures by \$435,000 and an increase in net change in fund balance of \$145,000.

**CITY OF WASHINGTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. Total capital assets for the City as of September 30, 2015, is \$93 million, net of accumulated depreciation. Capital assets (net), increased by approximately \$30,000 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:

	Capital Assets (Net Of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Land	\$ 7,963,168	8,550,161	879,795	879,795	8,842,963	9,429,956
Infrastructure	18,714,931	20,585,648	-	-	18,714,931	20,585,648
Buildings	14,888,905	14,587,615	19,115,009	18,084,469	34,003,914	32,672,084
Improvements other than buildings	10,688,537	10,045,825	14,692,128	14,106,872	25,380,665	24,152,697
Machinery and equipment	3,937,948	3,988,783	664,237	803,296	4,602,185	4,792,079
Construction in progress	720,098	667,504	701,166	697,187	1,421,264	1,364,691
Total Capital Assets, Net	\$ 56,913,587	58,425,536	36,052,335	34,571,619	92,965,922	92,997,155

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

- Three police SUV vehicles, equipped totaling \$139,000
- Lighting upgrade project - \$288,000
- New 953D track loader - \$222,000
- New snow plow truck - \$137,000
- New recycle truck - \$143,000
- New refuse truck - \$165,000
- Trailer court land purchase - \$250,000
- Camp Street Bridge - \$985,000
- Ultra-thin bond wear surface and street surfacing asphalt overlay and sidewalks - \$1,020,000

These capital assets are funded by COPS 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, 2015, the City had a total of \$60 million of outstanding obligations. This is a decrease of \$2.8 million from the previous year.

CITY OF WASHINGTON, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2015

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 \$900,000 was made in 2015 resulting in a principal balance of \$14,770,000.

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 \$1,075,000 was made in 2015 resulting in a principal balance of \$7,180,000.

The City has \$30,435,000 in 2012B certificates of participation outstanding. In 2012, the City issued these certificates to re-fund the 2008 and 2012 COPS 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 \$530,313 was made in 2015 resulting in a principal balance of \$24,535,265 for governmental activities. A principal payment of \$94,687 was made in 2015 resulting in a principal balance of \$4,379,735 for business-type activities.

The Tax Increment Revenue outstanding balance is \$4,167,358. Principal payments of \$55,241 were made in 2015.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Combined General Fund revenues for fiscal year 2016 are projected to total \$10.8 million. This represents a decrease of \$200,000 over the prior year budget. The City experienced an increase of \$240,000 in sales tax revenues in 2015 and subsequently budgeted a 2% increase for 2016. 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 which remains unchanged from fiscal year 2014. The City remains on a hiring freeze and is currently not replacing employees upon termination unless deemed absolutely necessary. The City has added one new position of planner in the 2016 budget.

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 2016.

A majority of the capital projects funded from the Capital Improvement Sales Tax Fund are scheduled for 2016 and 2017.

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, 2015

	Primary Government			Component
	Governmental	Business-type	Total	Unit - Community
	Activities	Activities		Improvement
				District
ASSETS				
Cash and investments	\$ 12,896,058	5,442,656	18,338,714	3,663
Receivables (net of allowance for uncollectibles)	3,144,082	840,784	3,984,866	174,453
Loans receivable	2,477,627	-	2,477,627	-
Inventory	375,552	126,316	501,868	-
Prepaid items	495,811	113,480	609,291	18,279
Internal balances	(119,831)	119,831	-	-
Cash and investments with agent - restricted	3,617,682	807,872	4,425,554	1,660,463
Net pension asset	2,742,505	831,909	3,574,414	-
Nondepreciable capital assets:				
Land	8,550,161	879,795	9,429,956	-
Construction in progress	667,504	697,187	1,364,691	-
Depreciable capital assets:				
Infrastructure	20,585,648	-	20,585,648	-
Buildings	14,587,615	18,084,469	32,672,084	-
Improvements other than buildings	10,045,825	14,106,872	24,152,697	-
Machinery and equipment	3,988,783	803,296	4,792,079	-
Total Assets	<u>84,055,022</u>	<u>42,854,467</u>	<u>126,909,489</u>	<u>1,856,858</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,434,119	-	1,434,119	-
Deferred outflows - pension related	1,038,595	313,367	1,351,962	-
Total Deferred Outflows Of Resources	<u>2,472,714</u>	<u>313,367</u>	<u>2,786,081</u>	<u>-</u>
LIABILITIES				
Accounts payable	944,167	308,586	1,252,753	5,022
Accrued wages	169,254	39,908	209,162	-
Deposits	59,672	221,291	280,963	-
Accrued interest payable	464,936	177,041	641,977	966,530
Unearned revenue	4,699	-	4,699	-
Noncurrent liabilities:				
Due within one year	1,887,801	1,070,762	2,958,563	290,000
Due in more than one year	34,202,823	22,751,776	56,954,599	21,534,304
Due in more than one year - net OPEB obligation	86,322	28,740	115,062	-
Total Liabilities	<u>37,819,674</u>	<u>24,598,104</u>	<u>62,417,778</u>	<u>22,795,856</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	532,968	152,686	685,654	-
NET POSITION				
Net investment in capital assets	26,710,271	15,836,616	42,546,887	-
Restricted for:				
Capital projects	6,446,449	-	6,446,449	-
Debt service	3,480,562	-	3,480,562	1,816,399
TIF districts	356,669	-	356,669	-
Unrestricted net position	11,181,143	2,580,428	13,761,571	(22,755,397)
Total Net Position	<u>\$ 48,175,094</u>	<u>18,417,044</u>	<u>66,592,138</u>	<u>(20,938,998)</u>

CITY OF WASHINGTON, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FUNCTIONS/PROGRAMS	Net Revenues (Expenses) And Changes In Net Position							Component Unit - Community Improvement District
	Expenses	Program Revenues			Primary Government			
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 2,915,338	724,031	55,406	-	(2,135,901)	-	(2,135,901)	-
Public safety	4,534,754	567,318	52,022	17,526	(3,897,888)	-	(3,897,888)	-
Airport	646,327	116,875	110,231	-	(419,221)	-	(419,221)	-
Highways and streets	3,627,935	150,724	711,877	3,899,786	1,134,452	-	1,134,452	-
Culture and recreation	2,473,628	319,943	97,098	11,351	(2,045,236)	-	(2,045,236)	-
Economic development	11,767	-	-	-	(11,767)	-	(11,767)	-
Interest on long-term debt	1,359,229	-	-	-	(1,359,229)	-	(1,359,229)	-
Total Governmental Activities	<u>15,568,978</u>	<u>1,878,891</u>	<u>1,026,634</u>	<u>3,928,663</u>	<u>(8,734,790)</u>	<u>-</u>	<u>(8,734,790)</u>	<u>-</u>
Business-type Activities								
Water	1,710,933	1,425,493	-	-	-	(285,440)	(285,440)	-
Sewage treatment	3,024,720	2,632,957	-	-	-	(391,763)	(391,763)	-
Solid waste	2,335,735	2,318,697	-	-	-	(17,038)	(17,038)	-
Total Business-type Activities	<u>7,071,388</u>	<u>6,377,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(694,241)</u>	<u>(694,241)</u>	<u>-</u>
Total Primary Government	<u>\$ 22,640,366</u>	<u>8,256,038</u>	<u>1,026,634</u>	<u>3,928,663</u>	<u>(8,734,790)</u>	<u>(694,241)</u>	<u>(9,429,031)</u>	<u>-</u>
Component Unit								
Community Improvement District	\$ 1,417,314	-	-	-	-	-	-	(1,417,314)
General Revenues								
Taxes:								
Property					2,458,589	-	2,458,589	-
Sales					8,380,907	-	8,380,907	1,136,683
Franchise					2,496,102	-	2,496,102	-
Tourism					144,135	-	144,135	-
Gain on sale of capital assets					66,517	-	66,517	-
Grants and contributions not restricted to specific programs					126,599	-	126,599	-
Miscellaneous					-	62,659	62,659	-
Investment income					101,223	475,927	577,150	805
Total General Revenues					<u>13,774,072</u>	<u>538,586</u>	<u>14,312,658</u>	<u>1,137,488</u>
CHANGE IN NET POSITION					5,039,282	(155,655)	4,883,627	(279,826)
NET POSITION, OCTOBER 1					<u>43,135,812</u>	<u>18,572,699</u>	<u>61,708,511</u>	<u>(20,659,172)</u>
NET POSITION, SEPTEMBER 30					<u>\$ 48,175,094</u>	<u>18,417,044</u>	<u>66,592,138</u>	<u>(20,938,998)</u>

CITY OF WASHINGTON, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2015

	General	Capital Improvements Sales Tax	Transportation Sales Tax	COPS	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 5,786,435	1,412,806	2,766,330	1,189,654	1,740,833	12,896,058
Cash and investments with agent - restricted	3,485	2,459,878	-	1,154,065	254	3,617,682
Accounts receivable, net of allowance	1,597,850	873,354	632,224	-	40,654	3,144,082
Loans receivable	2,477,627	-	-	-	-	2,477,627
Inventory	375,552	-	-	-	-	375,552
Prepaid items	480,494	-	-	-	15,317	495,811
Advance to other funds	-	-	-	-	200,000	200,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 10,721,443</u>	<u>4,746,038</u>	<u>3,398,554</u>	<u>2,343,719</u>	<u>1,997,058</u>	<u>23,206,812</u>
LIABILITIES						
Accounts payable	\$ 372,408	41,722	519,578	-	10,459	944,167
Accrued wages	160,313	-	-	-	8,941	169,254
Deposits	59,672	-	-	-	-	59,672
Unearned revenue	4,699	-	-	-	-	4,699
Advance from other funds	319,831	-	-	-	-	319,831
Total Liabilities	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	916,923	41,722	519,578	-	19,400	1,497,623
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - Court	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	329,875	-	-	-	-	329,875
FUND BALANCES						
Nonspendable:						
Prepaid items	480,494	-	-	-	15,317	495,811
Inventory	375,552	-	-	-	-	375,552
Loans receivable	2,477,627	-	-	-	-	2,477,627
Advances	-	-	-	-	200,000	200,000
Restricted for:						
Debt service	-	1,136,843	-	2,343,719	-	3,480,562
Capital improvements	-	3,567,473	2,878,976	-	-	6,446,449
TIF Districts	-	-	-	-	356,669	356,669
Committed for:						
Purchase of supplies and services	5,458	-	-	-	-	5,458
Library	-	-	-	-	65,011	65,011
Stormwater	3,060,664	-	-	-	-	3,060,664
Volunteer fire	1,104,889	-	-	-	-	1,104,889
Vehicle and equipment replacement	-	-	-	-	1,340,661	1,340,661
Unassigned	1,969,961	-	-	-	-	1,969,961
Total Fund Balances	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,474,645	4,704,316	2,878,976	2,343,719	1,977,658	21,379,314
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 10,721,443</u>	<u>4,746,038</u>	<u>3,398,554</u>	<u>2,343,719</u>	<u>1,997,058</u>	<u>23,206,812</u>

CITY OF WASHINGTON, MISSOURI
RECONCILIATION OF THE BALANCE SHEET - GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

Total Fund Balances - Governmental Funds \$ 21,379,314

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 \$90,335,680 and the accumulated depreciation is \$31,930,144. 58,425,536

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 329,875

Certain obligations are not financial uses and, therefore, are not reported in the governmental funds. These items consist of:

Net pension asset	2,742,505
Deferred outflows - pension related	1,038,595
Deferred inflows - pension related	(532,968)
OPEB obligation	(86,322)

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	(31,715,265)
Notes payable	(4,167,358)
Accrued compensated absences payable	(208,001)
Accrued interest payable	(464,936)
Unamortized bond deferred charges	1,434,119

Total Net Position Of Governmental Activities \$ 48,175,094

CITY OF WASHINGTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>General</u>	<u>Capital Improvements Sales Tax</u>	<u>Transportation Sales Tax</u>	<u>COPS</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes:						
Property	\$ 2,056,173	-	-	-	402,416	2,458,589
Sales	4,429,071	1,956,817	1,956,816	-	38,203	8,380,907
Franchise	2,496,102	-	-	-	-	2,496,102
Tourism	144,135	-	-	-	-	144,135
Licenses and permits	176,388	-	-	-	-	176,388
Fees and fines	175,859	-	-	-	96,313	272,172
Intergovernmental	74,379	110,231	1,304,131	2,063,338	16,634	3,568,713
Charges for services	1,272,975	-	-	-	-	1,272,975
Rents	146,096	-	-	-	-	146,096
Contributions and donations	85,526	45,625	-	-	13,639	144,790
Investment income	67,244	11,710	7,560	126,599	14,709	227,822
Total Revenues	<u>11,123,948</u>	<u>2,124,383</u>	<u>3,268,507</u>	<u>2,189,937</u>	<u>581,914</u>	<u>19,288,689</u>
EXPENDITURES						
Current:						
General government	2,441,863	-	-	-	11,767	2,453,630
Public safety	4,232,071	-	-	-	-	4,232,071
Highways and streets	1,931,352	-	265,861	-	-	2,197,213
Airport	153,761	111,555	-	-	-	265,316
Culture and recreation	1,432,371	-	-	-	561,183	1,993,554
Economic development	-	-	-	-	633	633
Debt service:						
Principal	-	-	-	1,605,312	55,241	1,660,553
Interest and fiscal charges	4,411	-	-	1,122,012	120,611	1,247,034
Capital outlay:						
General government	-	323,840	-	-	3,960	327,800
Public safety	53,942	-	-	-	187,314	241,256
Highways and streets	352,224	-	2,156,897	-	366,505	2,875,626
Culture and recreation	87,570	50,275	-	-	252,378	390,223
Total Expenditures	<u>10,689,565</u>	<u>485,670</u>	<u>2,422,758</u>	<u>2,727,324</u>	<u>1,559,592</u>	<u>17,884,909</u>
REVENUES OVER (UNDER)						
EXPENDITURES	<u>434,383</u>	<u>1,638,713</u>	<u>845,749</u>	<u>(537,387)</u>	<u>(977,678)</u>	<u>1,403,780</u>
OTHER FINANCING SOURCES						
(USES)						
Sale of capital assets	-	60,000	-	-	9,590	69,590
Transfers in	864,500	-	-	2,606,700	290,000	3,761,200
Transfers out	<u>(1,154,500)</u>	<u>(989,630)</u>	<u>(1,617,070)</u>	<u>-</u>	<u>-</u>	<u>(3,761,200)</u>
Total Other Financing Sources (Uses)	<u>(290,000)</u>	<u>(929,630)</u>	<u>(1,617,070)</u>	<u>2,606,700</u>	<u>299,590</u>	<u>69,590</u>
NET CHANGE IN FUND BALANCES	144,383	709,083	(771,321)	2,069,313	(678,088)	1,473,370
FUND BALANCES, OCTOBER 1	<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>
FUND BALANCES, SEPTEMBER 30	<u>\$ 9,474,645</u>	<u>4,704,316</u>	<u>2,878,976</u>	<u>2,343,719</u>	<u>1,977,658</u>	<u>21,379,314</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, 2015

Net Change In Fund Balances - Governmental Funds \$ 1,473,370

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 capital outlays over the capitulation threshold (\$3,835,745), exceeded depreciation (\$3,545,355) in the current period. 290,390

The net effect of various miscellaneous transactions involving capital assets:

Contributed assets	1,244,194	
Sale of assets	(3,073)	
Write-off old construction in progress projects	<u>(19,562)</u>	1,221,559

Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:

Net pension asset	143,986	
Deferred outflows - pension related	890,866	
Deferred inflows - pension related	<u>(532,968)</u>	501,884

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 8,860

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 consume 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	1,605,313	
Tax increment revenue notes	55,241	
Amortization	(98,746)	
Compensated absences	<u>(2,465)</u>	
Net Adjustment		1,559,343

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	(17,860)	
Net OPEB obligation	<u>1,736</u>	<u>(16,124)</u>

Change In Net Position Of Governmental Activities \$ 5,039,282

CITY OF WASHINGTON, MISSOURI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and investments	\$ 1,488,014	889,697	3,064,945	5,442,656
Accounts receivable (net of allowance)	235,802	381,175	223,807	840,784
Inventory	111,334	14,982	-	126,316
Prepaid items	35,784	36,255	41,441	113,480
Total Current Assets	<u>1,870,934</u>	<u>1,322,109</u>	<u>3,330,193</u>	<u>6,523,236</u>
Noncurrent Assets				
Cash and investments with agent - restricted	-	807,872	-	807,872
Net pension asset	238,242	223,203	370,464	831,909
Advance to other funds	319,831	-	-	319,831
Capital assets:				
Land	67,762	767,033	45,000	879,795
Buildings	1,990,473	25,299,796	122,011	27,412,280
Improvements nonbuilding	10,942,061	10,235,630	3,228,741	24,406,432
Machinery and equipment	1,085,746	564,083	1,909,240	3,559,069
Construction in progress	7,434	-	689,753	697,187
Less - Accumulated depreciation	<u>(5,632,983)</u>	<u>(13,109,955)</u>	<u>(3,640,206)</u>	<u>(22,383,144)</u>
Total Capital Assets	<u>8,460,493</u>	<u>23,756,587</u>	<u>2,354,539</u>	<u>34,571,619</u>
Total Noncurrent Assets	<u>9,018,566</u>	<u>24,787,662</u>	<u>2,725,003</u>	<u>36,531,231</u>
Total Assets	<u>10,889,500</u>	<u>26,109,771</u>	<u>6,055,196</u>	<u>43,054,467</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pension related	<u>89,742</u>	<u>84,077</u>	<u>139,548</u>	<u>313,367</u>
LIABILITIES				
Current Liabilities				
Accounts payable	78,357	55,434	174,795	308,586
Accrued wages	13,803	9,085	17,020	39,908
Compensated absences payable - current	9,618	3,188	6,756	19,562
	<u>101,778</u>	<u>67,707</u>	<u>198,571</u>	<u>368,056</u>
Payable from restricted assets:				
Accrued interest payable	10,774	166,267	-	177,041
Bonds payable - current installments	121,200	930,000	-	1,051,200
	<u>131,974</u>	<u>1,096,267</u>	<u>-</u>	<u>1,228,241</u>
Total Current Liabilities	<u>233,752</u>	<u>1,163,974</u>	<u>198,571</u>	<u>1,596,297</u>
Noncurrent Liabilities				
Revenue bonds payable	4,258,535	13,840,000	-	18,098,535
Plus - Unamortized premiums	-	282,787	-	282,787
Customer deposits	112,326	108,965	-	221,291
Advance from other funds	-	200,000	-	200,000
Landfill care liability	-	-	4,350,891	4,350,891
Compensated absences payable	9,619	3,189	6,755	19,563
OPEB obligation	8,008	7,300	13,432	28,740
Total Noncurrent Liabilities	<u>4,388,488</u>	<u>14,442,241</u>	<u>4,371,078</u>	<u>23,201,807</u>
Total Liabilities	<u>4,622,240</u>	<u>15,606,215</u>	<u>4,569,649</u>	<u>24,798,104</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension related	<u>43,726</u>	<u>40,966</u>	<u>67,994</u>	<u>152,686</u>
NET POSITION				
Net investment in capital assets	4,080,758	9,401,319	2,354,539	15,836,616
Unrestricted	<u>2,232,518</u>	<u>1,145,348</u>	<u>(797,438)</u>	<u>2,580,428</u>
Total Net Position	<u>\$ 6,313,276</u>	<u>10,546,667</u>	<u>1,557,101</u>	<u>18,417,044</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, 2015

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 1,425,493	2,632,957	2,318,697	6,377,147
OPERATING EXPENSES				
Personal services	476,079	408,282	753,069	1,637,430
Contractual services	459,867	354,440	1,163,047	1,977,354
Depreciation	389,451	1,191,153	260,492	1,841,096
Supplies	255,623	332,244	159,127	746,994
Total Operating Expenses	<u>1,581,020</u>	<u>2,286,119</u>	<u>2,335,735</u>	<u>6,202,874</u>
OPERATING INCOME (LOSS)	<u>(155,527)</u>	<u>346,838</u>	<u>(17,038)</u>	<u>174,273</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	9,511	453,960	12,456	475,927
Miscellaneous	62,659	-	-	62,659
Interest and fiscal charges	(129,913)	(738,601)	-	(868,514)
Total Nonoperating Revenues (Expenses)	<u>(57,743)</u>	<u>(284,641)</u>	<u>12,456</u>	<u>(329,928)</u>
CHANGE IN NET POSITION	(213,270)	62,197	(4,582)	(155,655)
NET POSITION, OCTOBER 1	<u>6,526,546</u>	<u>10,484,470</u>	<u>1,561,683</u>	<u>18,572,699</u>
NET POSITION, SEPTEMBER 30	<u><u>\$ 6,313,276</u></u>	<u><u>10,546,667</u></u>	<u><u>1,557,101</u></u>	<u><u>18,417,044</u></u>

CITY OF WASHINGTON, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<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	\$ 1,415,262	2,618,087	2,358,467	6,391,816
Payments to suppliers	(679,553)	(676,187)	(1,305,375)	(2,661,115)
Payments for employees and benefits	(515,018)	(445,652)	(813,968)	(1,774,638)
Other receipts	62,659	-	-	62,659
Net Cash Provided By Operating Activities	<u>283,350</u>	<u>1,496,248</u>	<u>239,124</u>	<u>2,018,722</u>
Cash flows provided by (used in) noncapital financing activities:				
Advances	297,844	(300,000)	-	(2,156)
Cash flows from capital and related financing activities:				
Purchase of capital assets	(55,636)	-	(304,743)	(360,379)
Principal paid on capital debt	(94,687)	(900,000)	-	(994,687)
Interest and fiscal charges	(130,012)	(769,506)	-	(899,518)
Net Cash Used In Capital And Related Financing Activities	<u>(280,335)</u>	<u>(1,669,506)</u>	<u>(304,743)</u>	<u>(2,254,584)</u>
Cash flows provided by investing activities:				
Investment income	9,511	453,960	12,456	475,927
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	310,370	(19,298)	(53,163)	237,909
CASH AND CASH EQUIVALENTS, OCTOBER 1 (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>
CASH AND CASH EQUIVALENTS, SEPTEMBER 30 (including \$807,872 for the Sewage Treatment Fund reported in restricted accounts)	<u>\$ 1,488,014</u>	<u>1,697,569</u>	<u>3,064,945</u>	<u>6,250,528</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (155,527)	346,838	(17,038)	174,273
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	389,451	1,191,153	260,492	1,841,096
Other adjustment to operating activities	62,659	-	-	62,659
(Increase) decrease in:				
Receivables (net)	(22,794)	(27,175)	39,770	(10,199)
Inventory	(5,097)	2,963	-	(2,134)
Prepays	1,959	8,244	(4,442)	5,761
Net pension asset	(8,417)	(7,886)	(13,088)	(29,391)
Deferred outflows - pension related	(76,704)	(71,862)	(119,274)	(267,840)
Increase (decrease) in:				
Accounts payable	39,075	(710)	(12,856)	25,509
Landfill care liability	-	-	34,097	34,097
Customer deposits	12,563	12,305	-	24,868
Other liabilities	2,456	1,412	3,469	7,337
Deferred inflows - pension related	43,726	40,966	67,994	152,686
Total Adjustments	<u>438,877</u>	<u>1,149,410</u>	<u>256,162</u>	<u>1,844,449</u>
Net Cash Provided By Operating Activities	<u>\$ 283,350</u>	<u>1,496,248</u>	<u>239,124</u>	<u>2,018,722</u>

CITY OF WASHINGTON, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
AGENCY FUNDS
SEPTEMBER 30, 2015

ASSETS

Cash and investments	<u><u>\$ 1</u></u>
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LIABILITIES

Due to lessee	<u><u>\$ 1</u></u>
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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 Statements. 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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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, 2015.

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 financial 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 has two items that qualify for reporting in this category in the government-wide statement of net position. The first item is the deferred charge on refunding which 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. The second item is deferred outflows related to the pension.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Deferred Outflows/Inflows of Resources (Continued)

acquisition 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 City has two items that qualify for reporting in this category. The first item arises under a modified accrual basis of accounting noted as unavailable revenues which, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resource in the period that the amounts become available. The second item is deferred inflows related to the pension on the government-wide financial statements.

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 \$5,458, \$422,822 and \$360,556 for the General, Capital Improvements Sales Tax and Transportation Sales Tax 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 City Council, the highest level of decision-making authority. Intent can be expressed by City Council by passing an ordinance.

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by the City Council, City Administrator, or Finance Manager.

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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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.

17. Pensions

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

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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

1. Deposits (Continued)

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, 2015, 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, 2015, 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.

2. Investments

As of September 30, 2015, the City had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>	
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>		<u>5 - 10 Years</u>
Primary Government						
Money Market Fund	\$ 3,267,301	3,267,301	-	-	-	Not rated
U.S. Government and Municipal Bonds	1,131,505	-	377,984	753,521	-	AAA
Total Primary Government	<u>\$ 4,398,806</u>	<u>3,267,301</u>	<u>377,984</u>	<u>753,521</u>	<u>-</u>	
Component Unit						
Money Market Fund	<u>\$ 1,660,463</u>	<u>1,660,463</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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

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.

NOTE C - RECEIVABLES

Receivables as of September 30, 2015, 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 Improve- ments Sales Tax	Trans- portation Sales Tax	Nonmajor Govern- mental Funds	Water	Sewage Treat- ment	Solid Waste		
Receivables:									
Taxes	\$ 1,056,331	317,504	402,617	36,174	-	-	-	1,812,626	174,453
Accounts	530,310	555,850	-	-	236,398	381,175	225,688	1,929,421	-
Intergovern- mental	19,406	-	229,607	5,200	-	-	-	254,213	-
Gross receivables	<u>1,606,047</u>	<u>873,354</u>	<u>632,224</u>	<u>41,374</u>	<u>236,398</u>	<u>381,175</u>	<u>225,688</u>	<u>3,996,260</u>	<u>174,453</u>
Less - Allowance for uncollec- tibles	<u>8,197</u>	<u>-</u>	<u>-</u>	<u>720</u>	<u>596</u>	<u>-</u>	<u>1,881</u>	<u>11,394</u>	<u>-</u>
Total Re- ceivables, Net	<u>\$ 1,597,850</u>	<u>873,354</u>	<u>632,224</u>	<u>40,654</u>	<u>235,802</u>	<u>381,175</u>	<u>223,807</u>	<u>3,984,866</u>	<u>174,453</u>

NOTE D - CAPITAL ASSETS

Following is a summary of changes in capital assets for the year ended September 30, 2015:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - CAPITAL ASSETS (Continued)

For The Year Ended September 30, 2015

	<u>Balance September 30 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30 2015</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 7,963,168	586,993	-	8,550,161
Construction in progress	720,098	612,565	665,159	667,504
Total Capital Assets Not Being Depreciated	<u>8,683,266</u>	<u>1,199,558</u>	<u>665,159</u>	<u>9,217,665</u>
Capital assets being depreciated:				
Infrastructure	26,978,548	3,340,635	-	30,319,183
Buildings	23,111,319	157,896	-	23,269,215
Improvements other than buildings	15,666,096	179,457	37,180	15,808,373
Machinery and equipment	11,159,755	872,990	291,501	11,741,244
Total Capital Assets Being Depreciated	<u>76,915,718</u>	<u>4,550,978</u>	<u>328,681</u>	<u>81,138,015</u>
Less - Accumulated depreciation for:				
Infrastructure	8,263,617	1,469,918	-	9,733,535
Buildings	8,222,414	459,186	-	8,681,600
Improvements other than buildings	4,977,559	797,169	12,180	5,762,548
Machinery and equipment	7,221,807	819,082	288,428	7,752,461
Total Accumulated Depreciation	<u>28,685,397</u>	<u>3,545,355</u>	<u>300,608</u>	<u>31,930,144</u>
Total Capital Assets Being Depreciated, Net	<u>48,230,321</u>	<u>1,005,623</u>	<u>28,073</u>	<u>49,207,871</u>
Governmental Activities Capital Assets, Net	<u>\$ 56,913,587</u>	<u>2,205,181</u>	<u>693,232</u>	<u>58,425,536</u>
Business-type Activities				
Capital assets not being depreciated:				
Land	\$ 879,795	-	-	879,795
Construction in progress	701,166	7,434	11,413	697,187
Total Capital Assets Not Being Depreciated	<u>1,580,961</u>	<u>7,434</u>	<u>11,413</u>	<u>1,576,982</u>
Capital assets being depreciated				
Building	28,200,001	29,642	817,363	27,412,280
Improvements other than buildings	23,253,572	1,152,860	-	24,406,432
Machinery and equipment	3,604,848	334,718	380,497	3,559,069
Total Capital Assets Being Depreciated	<u>55,058,421</u>	<u>1,517,220</u>	<u>1,197,860</u>	<u>55,377,781</u>
Less - Accumulated depreciation for:				
Buildings	9,084,992	965,635	722,816	9,327,811
Improvements other than buildings	8,561,444	1,738,116	-	10,299,560
Machinery and equipment	2,940,611	195,659	380,497	2,755,773
Total Accumulated Depreciation	<u>20,587,047</u>	<u>2,899,410</u>	<u>1,103,313</u>	<u>22,383,144</u>
Total Capital Assets Being Depreciated, Net	<u>34,471,374</u>	<u>(1,382,190)</u>	<u>94,547</u>	<u>32,994,637</u>
Business-type Activities Capital Assets, Net	<u>\$ 36,052,335</u>	<u>(1,374,756)</u>	<u>105,960</u>	<u>34,571,619</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 2015
Governmental Activities	
General government	\$ 569,160
Public safety	550,310
Airport	361,449
Highway and streets	1,516,306
Culture and recreation	<u>548,130</u>
Total	<u>\$3,545,355</u>
Business-type Activities	
Water	\$ 389,451
Sewage treatment	1,191,153
Solid waste	<u>260,492</u>
Total	<u>\$1,841,096</u>

Transfers between asset classes were made in the Water, Sewer, and Solid Waste Funds in the amount of \$1,058,314.

NOTE E - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The individual interfund balances are as follows:

Advances from/to other Funds

		September 30 2015
<u>Receivable Fund</u>	<u>Payable Fund</u>	
Nonmajor Fund - Vehicle and Equipment Fund	Sewage Treatment Fund	\$200,000
Water Fund	General Fund	<u>319,831</u>
Total		<u>\$519,831</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, 2016.

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 2015</u>
General Fund	Nonmajor Fund - Library Fund	\$ 290,000
General Fund	COPS Fund	864,500
Transportation Sales Tax Fund	General Fund	864,500
Transportation Sales Tax Fund	COPS Fund	752,570
Capital Improvements Sales Tax Fund	COPS Fund	<u>989,630</u>
Total		<u>\$3,761,200</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, and 3) make debt service payments.

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 \$175,852 and \$277,003, respectively.

NOTE G - LONG-TERM DEBT

Debt payable was comprised of the following:

	<u>September 30 2015</u>
Governmental Activities	
\$25,825,000 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%.	\$24,535,265
\$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>7,180,000</u>
Total Governmental Activities Long-term Debt	<u>\$31,715,265</u>

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

	<u>September 30</u> <u>2015</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%.	\$ 14,770,000
\$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>4,379,735</u>
Total Business-type Activities Long-term Debt	<u>\$ 19,149,735</u>

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

<u>For The</u> <u>Years Ending</u> <u>September 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,783,800	1,067,019	1,051,200	774,818
2017	1,873,222	1,007,262	1,076,778	735,255
2018	2,400,370	933,145	1,179,630	692,606
2019	2,516,738	845,176	1,208,262	648,002
2020	2,650,834	745,930	1,239,167	603,204
2021 - 2025	9,807,281	2,550,379	6,797,719	2,222,227
2026 - 2030	10,683,020	934,718	6,596,979	637,609
Total	<u>\$ 31,715,265</u>	<u>8,083,629</u>	<u>19,149,735</u>	<u>6,313,721</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, 2015 are as follows:

	<u>Date</u> <u>Issued</u>	<u>Date Of</u> <u>Maturity</u>	<u>Original</u> <u>Amount</u>	<u>Balance</u> <u>September 30</u> <u>2015</u>
Tax increment revenue notes:				
Bank of Washington - Series A	6/10/2010	2/19/2030	\$ 2,941,137	\$ 2,980,240
Rhine River - Series A	8/20/2010	7/5/2033	900,000	829,688
Rhine River - Series C	8/20/2010	7/5/2033	375,000	<u>357,430</u>
Total				<u>\$ 4,167,358</u>

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

Changes in Long-term Liabilities

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

	<u>For The Year Ended September 30, 2015</u>			<u>Amounts Due Within One Year</u>	
	<u>Balance September 30 2014</u>	<u>Additions</u>	<u>Deletions</u>		<u>Balance September 30 2015</u>
	Governmental Activities				
Certificates of participation	\$ 33,320,578	-	1,605,313	31,715,265	1,783,800
Tax increment revenue notes	4,222,599	-	55,241	4,167,358	-
Compensated absences payable	205,536	208,001	205,536	208,001	104,001
Total Governmental Activities Long- term Liabilities	<u>\$ 37,748,713</u>	<u>208,001</u>	<u>1,866,090</u>	<u>36,090,624</u>	<u>1,887,801</u>
Business-type Activities					
Revenue bonds payable	\$ 20,144,422	-	994,687	19,149,735	1,051,200
Plus - Net premiums (discounts)	304,129	-	21,342	282,787	-
Total Revenue Bonds Payable	20,448,551	-	1,016,029	19,432,522	1,051,200
Compensated absences payable	40,590	39,125	40,590	39,125	19,562
Landfill care liability	4,316,794	34,097	-	4,350,891	-
Total Business-type Activities Long- term Liabilities	<u>\$ 24,805,935</u>	<u>73,222</u>	<u>1,056,619</u>	<u>23,822,538</u>	<u>1,070,762</u>

Compensated absences are generally liquidated by the General Fund.

Component Unit	<u>September 30 2015</u>
Series 2013A refunding revenue bonds, authorized \$10,150,000, interest rate of 4% - 5%, interest payable semi-annually May 1 and November 1, due per the trust indenture with final maturity on November 1, 2037.	\$ 9,110,000
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. Includes unpaid interest compounded and added to principal semi-annually.	11,600,918
Series 2014 sales tax revenue bonds, authorized \$1,150,000 interest rate of 5.35%; interest payable semi-annually May 1 and November 1, due per the trust indenture with final maturity on May 1, 2026.	<u>1,150,000</u>
Total Long-term Debt	<u>\$ 21,860,918</u>

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

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.

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).

On November 1, 2014, the Series 2014 sales tax revenue bonds \$1,150,000 were issued for the purpose of providing funds to finance additional project costs.

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, 2015			Amounts Due Within One Year	
	Balance September 30 2014	Additions	Deletions		Balance September 30 2015
	<u>2014</u>	<u>Additions</u>	<u>Deletions</u>		<u>2015</u>
Sales Tax Refunding Revenue Bonds					
Series 2013A	\$ 9,710,000	-	600,000	9,110,000	270,000
Less - Discount	(38,266)	-	(1,652)	(36,614)	-
Taxable Subordinate Sales Tax Refunding Revenue Bonds Series 2013B	11,787,951	818,717 *	1,005,750	11,600,918	-
Sales Tax Revenue Bonds Series 2014	-	1,150,000	-	1,150,000	20,000
Total	<u>\$ 21,459,685</u>	<u>1,968,717</u>	<u>1,604,098</u>	<u>21,824,304</u>	<u>290,000</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.

*Unpaid interest is compounded and added to principal semi-annually.

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:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - GENERAL FUND'S FUND BALANCE (Continued)

	September 30 2015
General Fund	\$ 5,284,212
Volunteer Fire Fund	1,128,916
Stormwater Management Improvement Fund	<u>3,061,517</u>
Total	<u>\$ 9,474,645</u>

NOTE I - EMPLOYEE RETIREMENT SYSTEMS

1. 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.

2. LAGERS

Plan Description

The City defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The City participates in the LAGERS. LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS' Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS' website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service or whose combination of years of age and years of service equals 80 or more are entitled to an allowance for life based upon the benefit

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

2. LAGERS (Continued)

program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

2015 Valuation

Benefit multiplier	1.6% for life plus 0.4% to age 65
Final average salary	3 years
Member contributions	- %

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

Employees Covered by Benefit Terms

At June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	58
Inactive employees entitled to but not yet receiving benefits	36
Active employees	<u>123</u>
Total	<u>217</u>

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 13.6% (General), and 13.5% (Police) of annual covered payroll.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

2. LAGERS (Continued)

Actuarial Assumptions

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

Inflation	3.5% wage inflation; 3% price inflation
Salary increase	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses

Mortality rates were based on 105% of the 1994 Group Annuity Mortality Table set back zero years for both males and females.

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

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

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	48.50%	5.50%
Fixed income	25.00	2.25
Real assets	20.00	4.50
Strategic Assets	6.50	7.50

Discount Rate

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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

2. LAGERS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2014	\$ 23,396,656	26,797,663	(3,401,007)
Changes for the year			
Service cost	568,606	-	568,606
Interest	1,690,709	-	1,690,709
Difference between expected and actual experience	(833,108)	-	(833,108)
Contributions - employer	-	734,714	(734,714)
Net investment income	-	519,885	(519,885)
Benefit payments, including refunds	(724,398)	(724,398)	-
Administrative expense	-	(18,828)	18,828
Other changes	-	363,843	(363,843)
Net Changes	<u>701,809</u>	<u>875,216</u>	<u>(173,407)</u>
Balances at June 30, 2015	<u>\$ 24,098,465</u>	<u>27,672,879</u>	<u>(3,574,414)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's net pension liability would be using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	(\$195,242)	(3,574,414)	(6,386,405)

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

For the year ended September 30, 2015, the City recognized pension expense of \$98,481. Reported deferred outflows and inflows of resources are related to the following sources:

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)

2. LAGERS (Continued)

	Outflows	Inflows	Net Outflows
Differences in experience	\$ -	(685,654)	(685,654)
Excess (deficit) investment returns	1,148,480	-	1,148,480
Contributions subsequent to the measurement date*	203,482	-	203,482
Total	\$ 1,351,962	(685,654)	666,308

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending September 30, 2016.

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

**For The
Years Ending
September 30**

2016	\$ 343,148
2017	139,666
2018	139,666
2019	139,666
2020	(95,838)
Total	\$ 666,308

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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

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:

	For The Year Ended September 30 <u>2015</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

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Schedule Of Employer Contributions						
For The Year Ended September 30	Contribution Made	OPEB Cost		ARC		Net OPEB Obligation
		Amount	Percent Contributed	Amount	Percent Contributed	
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

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.

CITY OF WASHINGTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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 costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$4,350,891 reported as landfill care liability at September 30, 2015, 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 \$128,198.

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:

	September 30 <u>2015</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.	6,585,000
\$5,635,645 Recovery Zone Facility Revenue Bonds (Series 2010A), due September 1, 2020; interest payable at 2.8%.	4,989,880
\$2,391,751 Taxable Industrial Revenue Bonds (Series 2010B), due September 1, 2020; interest payable at 2.8%.	<u>1,505,360</u>
Total	<u>\$22,922,395</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 \$5,167 and \$695, respectively for the year ended September 30, 2015.

NOTE P - RESTRICTED NET POSITION

The government-wide statement of net position reports \$10,283,680 of restricted net position, of which \$6,803,118 is restricted by enabling legislation.

NOTE Q - RESTATEMENT OF NET POSITION

The previously stated net position has been restated as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Component Unit - Community Improvement District</u>
Net position September 30, 2014 as previously reported	\$ 40,258,579	17,694,145	6,273,661	10,249,813	1,170,671	(20,587,052)
Restated for:						
GASB 68 implementation	2,877,233	878,554	252,885	234,657	391,012	-
Accrued interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(72,120)</u>
 Net Position September 30, 2014, As Restated	 <u>\$ 40,258,579</u>	 <u>17,694,145</u>	 <u>6,273,661</u>	 <u>10,249,813</u>	 <u>1,170,671</u>	 <u>(20,659,172)</u>

NOTE R - SUBSEQUENT EVENT

On December 24, 2015 the Industrial Revenue Bonds (Series 2008A) were paid off in the amount of \$6,585,000. This was considered conduit debt for the City.

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, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	\$ 2,071,465	2,071,465	2,056,173	(15,292)
Sales	4,300,900	4,454,900	4,429,071	(25,829)
Franchise	2,638,650	2,638,650	2,496,102	(142,548)
Tourism	120,000	120,000	144,135	24,135
Licenses and permits	136,800	136,800	176,388	39,588
Fees and fines	175,000	175,000	175,859	859
Intergovernmental	88,000	88,000	74,379	(13,621)
Charges for services	1,771,210	1,782,815	1,272,975	(509,840)
Rents	146,645	146,645	146,096	(549)
Contributions and donations	34,000	34,000	85,526	51,526
Investment income	44,500	44,500	67,244	22,744
Total Revenues	<u>11,527,170</u>	<u>11,692,775</u>	<u>11,123,948</u>	<u>(568,827)</u>
EXPENDITURES				
Current:				
General government:				
Executive	1,004,840	1,004,840	1,070,759	65,919
Financial administration	556,585	556,585	533,540	(23,045)
Technology support	524,935	379,935	485,699	105,764
Economic development	138,590	138,590	131,886	(6,704)
Maintenance - building and grounds	265,180	265,180	219,979	(45,201)
Total General Government	<u>2,490,130</u>	<u>2,345,130</u>	<u>2,441,863</u>	<u>96,733</u>
Public safety:				
Judicial	42,690	42,690	36,724	(5,966)
Police	2,678,840	2,678,840	2,638,411	(40,429)
Communications center	893,360	991,360	981,671	(9,689)
Volunteer fire	639,325	639,325	575,265	(64,060)
Total Public Safety	<u>4,254,215</u>	<u>4,352,215</u>	<u>4,232,071</u>	<u>(120,144)</u>
Highways and streets:				
Engineering, inspections, and planning	663,485	663,485	436,858	(226,627)
Streets	1,586,695	1,594,195	1,494,494	(99,701)
Total Highways And Streets	<u>2,250,180</u>	<u>2,257,680</u>	<u>1,931,352</u>	<u>(326,328)</u>
Airport	<u>167,600</u>	<u>167,600</u>	<u>153,761</u>	<u>(13,839)</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, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
Current (continued):				
Culture and recreation:				
Parks	1,313,205	1,324,810	1,260,722	(64,088)
Aquatic center	214,740	214,740	171,649	(43,091)
Total Culture And Recreation	1,527,945	1,539,550	1,432,371	(107,179)
Debt service:				
Interest	6,665	6,665	4,411	(2,254)
Capital outlay:				
Public safety	35,000	35,000	53,942	18,942
Highways and streets	100,000	360,000	352,224	(7,776)
Culture and recreation	27,000	98,000	87,570	(10,430)
Total Capital Outlay	162,000	493,000	493,736	736
Total Expenditures	10,858,735	11,161,840	10,689,565	(472,275)
REVENUES OVER EXPENDITURES	668,435	530,935	434,383	(96,552)
OTHER FINANCING SOURCES (USES)				
Transfers in	864,500	864,500	864,500	-
Transfers out	(1,154,500)	(1,154,500)	(1,154,500)	-
Total Other Financing Sources (Uses)	(290,000)	(290,000)	(290,000)	-
NET CHANGE IN FUND BALANCE	\$ 378,435	240,935	144,383	(96,552)
FUND BALANCE, OCTOBER 1			9,330,262	
FUND BALANCE, SEPTEMBER 30			\$ 9,474,645	

**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, 2015**

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.

For the year ended September 30, 2015, expenditures for the Transportation Sales Tax Capital Project Fund exceeded the budget by \$282,758.

CITY OF WASHINGTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Total Pension Liability

Service cost	\$ 568,606
Interest on the total pension liability	1,690,709
Difference between expected and actual experience	(833,108)
Benefit payments	(724,398)
Net Change In Total Pension Liability	701,809

Total Pension Liability Beginning

23,396,656

Total Pension Liability, Ending (a)

\$ 24,098,465

Plan Fiduciary Net Position

Contributions - employer	\$ 734,714
Contributions - employee	-
Pension plan net investment income	519,885
Benefit payments	(724,398)
Pension plan administrative expense	(18,828)
Other	363,843
Net Change In Plan Fiduciary Net Position	875,216

Plan Fiduciary Net Position Beginning

26,797,663

Plan Fiduciary Net Position Ending (b)

\$ 27,672,879

Net Pension Liability (Asset) Ending (a-b)

\$ (3,574,414)

Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability

114.83 %

Covered Employee Payroll (for February 28/29 Actuarial Valuation)

\$ 5,418,063

Net Pension Liability (Asset) as a Percentage
of Covered Employee Payroll

(65.97) %

Note: Information is not available for fiscal years prior to 2015.

CITY OF WASHINGTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS

	For The Years Ending September 30									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Actuarially determined pension contribution	\$ 744,805	725,999	766,715	757,877	744,924	558,861	593,359	559,432	578,831	504,446
Contributions in relation to the actuarially determined contribution	<u>744,805</u>	<u>726,000</u>	<u>741,473</u>	<u>653,223</u>	<u>579,543</u>	<u>558,862</u>	<u>593,360</u>	<u>559,431</u>	<u>572,494</u>	<u>504,446</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>(1)</u>	<u>25,242</u>	<u>104,654</u>	<u>165,381</u>	<u>(1)</u>	<u>(1)</u>	<u>1</u>	<u>6,337</u>	<u>-</u>
Covered Employee Payroll	5,486,764	5,469,472	5,494,932	5,226,736	5,040,950	5,324,036	5,049,984	4,728,084	4,757,463	4,400,538
Covered Employee Payroll Contributions as a Percentage of Covered Employee Payroll	13.57 %	13.27	13.49	12.50	11.50	10.50	11.75	11.83	12.03	11.46

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	Multiple bases from 14 to 15 years
Asset valuation method	5 years smoothed market; 20% corridor
Inflation	1.5% wage inflation; 3% price inflation
Salary increases	3.5% to 6.8%; including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	105% of the 1994 Group Annuity Mortality Table set back zero years for men and zero years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

Other information:

Notes: There were no benefit changes during the year.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds			Capital Projects	Total
	Library	Rhine	Downtown	Fund	
		River		TIF	
		TIF	TIF	Equipment	
				Replacement	
ASSETS					
Cash and investments	\$ 75,774	6	324,392	1,340,661	1,740,833
Cash with agent	254	-	-	-	254
Accounts receivable, net of allowance	8,383	5,509	26,762	-	40,654
Prepaid items	15,317	-	-	-	15,317
Advance to other funds	-	-	-	200,000	200,000
Total Assets	\$ 99,728	5,515	351,154	1,540,661	1,997,058
 LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 10,459	-	-	-	10,459
Accrued wages	8,941	-	-	-	8,941
Total Liabilities	19,400	-	-	-	19,400
 Fund Balances					
Nonspendable:					
Prepaid items	15,317	-	-	-	15,317
Advances	-	-	-	200,000	200,000
Restricted for:					
TIF Districts	-	5,515	351,154	-	356,669
Committed for:					
Library	65,011	-	-	-	65,011
Vehicle and equipment re- placement	-	-	-	1,340,661	1,340,661
Total Fund Balances	80,328	5,515	351,154	1,540,661	1,977,658
Total Liabilities And Fund Balances	\$ 99,728	5,515	351,154	1,540,661	1,997,058

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, 2015

	<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>TIF</u>		<u>Vehicle And</u>	
		<u>TIF</u>	<u>Equipment</u>		
			<u>Replacement</u>		
REVENUES					
Property taxes	\$ 163,616	44,151	194,649	-	402,416
Sales tax	-	11,435	26,768	-	38,203
Fees and fines	96,313	-	-	-	96,313
Intergovernmental	16,634	-	-	-	16,634
Contributions and donations	13,639	-	-	-	13,639
Investment income	2,363	25	3,670	8,651	14,709
Total Revenues	<u>292,565</u>	<u>55,611</u>	<u>225,087</u>	<u>8,651</u>	<u>581,914</u>
EXPENDITURES					
Current:					
General government	-	-	11,767	-	11,767
Culture and recreation:					
Library	561,183	-	-	-	561,183
Economic development	-	633	-	-	633
Debt service:					
Principal	-	50,057	5,184	-	55,241
Interest and fiscal charges	-	-	120,611	-	120,611
Capital outlay:					
General government	-	-	-	3,960	3,960
Public safety:					
Police	-	-	-	187,314	187,314
Highways and Streets	-	-	-	366,505	366,505
Culture and recreation:					
Parks and recreation	-	-	-	252,378	252,378
Total Expenditures	<u>561,183</u>	<u>50,690</u>	<u>137,562</u>	<u>810,157</u>	<u>1,559,592</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(268,618)</u>	<u>4,921</u>	<u>87,525</u>	<u>(801,506)</u>	<u>(977,678)</u>
OTHER FINANCING SOURCES					
Sale of capital assets	-	-	-	9,590	9,590
Transfers in	290,000	-	-	-	290,000
Total Other Financing Sources	<u>290,000</u>	<u>-</u>	<u>-</u>	<u>9,590</u>	<u>299,590</u>
NET CHANGE IN FUND BALANCES	21,382	4,921	87,525	(791,916)	(678,088)
FUND BALANCES, OCTOBER 1	<u>58,946</u>	<u>594</u>	<u>263,629</u>	<u>2,332,577</u>	<u>2,655,746</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 80,328</u>	<u>5,515</u>	<u>351,154</u>	<u>1,540,661</u>	<u>1,977,658</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, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 161,445	161,445	163,616	2,171
Fees and fines	94,800	94,800	96,313	1,513
Intergovernmental	-	11,900	16,634	4,734
Contributions and donations	12,500	12,500	13,639	1,139
Investment income	1,500	1,500	2,363	863
Total Revenues	270,245	282,145	292,565	10,420
EXPENDITURES				
Current:				
Library	526,615	561,615	561,183	(432)
REVENUES UNDER EXPENDITURES	(256,370)	(279,470)	(268,618)	10,852
OTHER FINANCING SOURCES				
Transfers in	290,000	290,000	290,000	-
NET CHANGE IN FUND BALANCE	\$ 33,630	10,530	21,382	10,852
FUND BALANCE, OCTOBER 1			58,946	
FUND BALANCE, SEPTEMBER 30			\$ 80,328	

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, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 43,925	44,500	44,151	(349)
Sales	10,045	11,370	11,435	65
Investment income	10	10	25	15
Total Revenues	53,980	55,880	55,611	(269)
EXPENDITURES				
Economic development	-	675	633	(42)
Debt service:				
Principal	43,930	45,350	50,057	4,707
Interest	-	4,700	-	(4,700)
Total Expenditures	43,930	50,725	50,690	(35)
NET CHANGE IN FUND BALANCE	\$ 10,050	5,155	4,921	(234)
FUND BALANCE, OCTOBER 1			594	
FUND BALANCE, SEPTEMBER 30			\$ 5,515	

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, 2015

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Taxes:			
Property	\$ 190,000	194,649	4,649
Sales	28,000	26,768	(1,232)
Investment income	800	3,670	2,870
Total Revenues	<u>218,800</u>	<u>225,087</u>	<u>6,287</u>
EXPENDITURES			
Current:			
General government	19,080	11,767	(7,313)
Debt service:			
Principal	4,545	5,184	639
Interest	120,615	120,611	(4)
Total Expenditures	<u>144,240</u>	<u>137,562</u>	<u>(6,678)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 74,560</u></u>	87,525	<u><u>12,965</u></u>
FUND BALANCE, OCTOBER 1		<u>263,629</u>	
FUND BALANCE, SEPTEMBER 30		<u><u>\$ 351,154</u></u>	

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, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Sales	\$ 1,802,500	1,962,500	1,956,817	(5,683)
Intergovernmental	234,470	234,470	110,231	(124,239)
Contributions and donations	110,000	110,000	45,625	(64,375)
Investment income	6,000	6,000	11,710	5,710
Total Revenues	2,152,970	2,312,970	2,124,383	(188,587)
EXPENDITURES				
Current:				
Airport	159,130	159,130	111,555	(47,575)
Capital outlay:				
General government	200,000	200,000	323,840	123,840
Highways and streets	500,000	500,000	-	(500,000)
Culture and recreation	-	-	50,275	50,275
Total Expenditures	859,130	859,130	485,670	(373,460)
REVENUES OVER EXPENDITURES	1,293,840	1,453,840	1,638,713	184,873
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	60,000	60,000
Transfers out	(989,630)	(989,630)	(989,630)	-
Total Other Financing Sources (Uses)	(989,630)	(989,630)	(929,630)	(60,000)
NET CHANGE IN FUND BALANCE	\$ 304,210	464,210	709,083	244,873
FUND BALANCE, OCTOBER 1			3,995,233	
FUND BALANCE, SEPTEMBER 30			\$ 4,704,316	

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, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Sales	\$ 1,802,500	1,962,500	1,956,816	(5,684)
Intergovernmental	1,130,000	1,130,000	1,304,131	174,131
Investment income	8,000	8,000	7,560	(440)
Total Revenues	<u>2,940,500</u>	<u>3,100,500</u>	<u>3,268,507</u>	<u>168,007</u>
EXPENDITURES				
Current:				
Highways and streets	-	-	265,861	265,861
Capital outlay:				
Highways and streets	1,807,000	2,140,000	2,156,897	16,897
Total Expenditures	<u>1,807,000</u>	<u>2,140,000</u>	<u>2,422,758</u>	<u>282,758</u>
REVENUES OVER EXPENDITURES	1,133,500	960,500	845,749	(114,751)
OTHER FINANCING USES				
Transfers out	<u>(1,617,070)</u>	<u>(1,617,070)</u>	<u>(1,617,070)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (483,570)</u>	<u>(656,570)</u>	(771,321)	<u>(114,751)</u>
FUND BALANCE, OCTOBER 1			<u>3,650,297</u>	
FUND BALANCE, SEPTEMBER 30			<u>\$ 2,878,976</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, 2015

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Intergovernmental	\$ -	2,063,338	2,063,338
Investment income	122,400	126,599	4,199
Total Revenue	<u>122,400</u>	<u>2,189,937</u>	<u>2,067,537</u>
EXPENDITURES			
Debt service:			
Principal	1,700,000	1,605,312	(94,688)
Interest and fiscal charges	1,254,500	1,122,012	(132,488)
Total Expenditures	<u>2,954,500</u>	<u>2,727,324</u>	<u>(227,176)</u>
REVENUES UNDER EXPENDITURES	(2,832,100)	(537,387)	2,294,713
OTHER FINANCING SOURCES			
Transfers in	<u>2,832,000</u>	<u>2,606,700</u>	<u>(225,300)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (100)</u>	2,069,313	<u>2,069,413</u>
FUND BALANCE, OCTOBER 1		<u>274,406</u>	
FUND BALANCE, SEPTEMBER 30		<u>\$ 2,343,719</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, 2015

	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Investment income	\$ 6,000	8,651	2,651
EXPENDITURES			
Capital outlay:			
General government	-	3,960	3,960
Public safety	236,250	187,314	(48,936)
Highways and streets	518,000	366,505	(151,495)
Culture and recreation	213,775	252,378	38,603
Total Expenditures	<u>968,025</u>	<u>810,157</u>	<u>(157,868)</u>
REVENUES UNDER EXPENDITURES	<u>(962,025)</u>	<u>(801,506)</u>	<u>160,519</u>
OTHER FINANCING SOURCES			
Sale of capital assets	10,000	9,590	(410)
Transfers in	300,000	-	(300,000)
Total Other Financing Sources	<u>310,000</u>	<u>9,590</u>	<u>(300,410)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (652,025)</u>	<u>(791,916)</u>	<u>(139,891)</u>
FUND BALANCE, OCTOBER 1		<u>2,332,577</u>	
FUND BALANCE, SEPTEMBER 30		<u>\$ 1,540,661</u>	

CITY OF WASHINGTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Balance September 30 2014	Additions	Deductions	Balance September 30 2015
TAXABLE INDUSTRIAL REVENUE BONDS (PAUWELS PROJECT), SERIES 2008A AND B				
Assets - cash and cash investments	\$ -	272,229	272,229	-
Liabilities - due to lessee	\$ -	272,229	272,229	-
TAXABLE INDUSTRIAL REVENUE BONDS (VALENT AEROSTRUCTURES, SERIES 2010A AND B)				
Assets - cash and cash investments	\$ 1	661,564	661,564	1
Liabilities - due to lessee	\$ 1	661,564	661,564	1
ALL AGENCY FUNDS				
Assets - cash and cash investments	\$ 1	933,793	933,793	1
Liabilities - due to lessee	\$ 1	933,793	933,793	1

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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.	69 - 77
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	78 - 81
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.	82 - 84
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	85 - 86
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.	87 - 91

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
Net investment in capital assets	\$ 26,710,271	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
Restricted	10,283,680	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
Unrestricted	11,181,143	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
Total Governmental Activities Net Position	<u>\$48,175,094</u>	<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>
Business-type Activities										
Net investment in capital assets	\$ 15,836,616	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
Restricted	-	-	-	-	203,500	203,500	203,500	297,545	146,297	126,521
Unrestricted	2,580,428	1,111,214	1,024,676	182,770	747,705	(7,742)	(1,351,629)	(3,779,395)	(773,014)	1,413,186
Total Business-type Activities Net Position	<u>\$18,417,044</u>	<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>
Primary Government										
Net investment in capital assets	\$ 42,546,887	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
Restricted	10,283,680	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
Unrestricted	13,761,571	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
Total Primary Gov- ernment Net Position	<u>\$66,592,138</u>	<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>

Source: Basic financial statements

GASB 63 and 65 were implemented in 2013.

GASB 68 was implemented in 2015.

CITY OF WASHINGTON, MISSOURI
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	September 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
EXPENSES										
Governmental Activities										
General government	\$ 2,915,338	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
Public safety	4,534,754	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
Airport	646,327	553,205	456,308	362,569	389,357	358,257	315,409	318,800	327,757	308,987
Highways and streets	3,627,935	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
Culture and recreation	2,473,628	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
Economic development	11,767	15,831	32,327	25,408	422,541	3,793,925	-	-	-	-
Interest on long-term debt	1,359,229	1,400,876	1,457,296	2,153,977	1,893,340	1,312,223	1,482,847	906,982	317,491	185,745
Total Governmental Activities Expenses	<u>15,568,978</u>	<u>16,263,625</u>	<u>20,049,243</u>	<u>14,406,628</u>	<u>14,438,744</u>	<u>16,988,837</u>	<u>12,956,861</u>	<u>30,530,281</u>	<u>16,000,097</u>	<u>9,552,117</u>
Business-type Activities										
Water	1,710,933	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
Sewer	3,024,720	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
Solid waste	2,335,735	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
Total Business-type Activities Expenses	<u>7,071,388</u>	<u>7,676,472</u>	<u>6,966,511</u>	<u>6,979,783</u>	<u>6,876,193</u>	<u>6,498,520</u>	<u>4,301,281</u>	<u>4,406,218</u>	<u>4,550,923</u>	<u>4,391,580</u>
Total Primary Government	<u>22,640,366</u>	<u>23,940,097</u>	<u>27,015,754</u>	<u>21,386,411</u>	<u>21,314,937</u>	<u>23,487,357</u>	<u>17,258,142</u>	<u>34,936,499</u>	<u>20,551,020</u>	<u>13,943,697</u>
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	724,031	862,726	900,778	837,821	650,501	629,382	562,142	567,567	1,350,504	535,916
Public safety	567,318	825,997	516,419	586,728	711,465	790,962	789,842	757,633	660,336	458,891
Airport	116,875	151,169	114,359	128,629	88,271	84,093	65,799	72,146	74,398	72,370
Highways and streets	150,724	434,868	2,045,897	408,292	440,248	148,644	340,178	302,063	243,061	212,792
Culture and recreation	319,943	264,380	467,063	285,782	328,277	258,933	244,987	261,742	234,071	209,057
Operating grants and contributions	1,026,634	1,049,886	996,396	675,527	659,758	651,778	917,539	981,166	771,566	662,219
Capital grants and contributions	3,928,663	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
Total Governmental Activities Program Revenues	<u>6,834,188</u>	<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>
Business-type Activities										
Charges for services:										
Water	1,425,493	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
Sewage treatment	2,632,957	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
Solid waste	2,318,697	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
Operating grants and contributions	-	-	-	-	-	25,000	-	-	-	-
Capital grants and contributions	-	60,000	-	-	-	25,849	44,000	575,292	-	-
Total Business-type Activities Program Revenue	<u>6,377,147</u>	<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>
Total Primary Government Program Revenues	<u>13,211,335</u>	<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>

(Continued)

CITY OF WASHINGTON, MISSOURI
CHANGE IN NET POSITION (Continued)
LAST TEN FISCAL YEARS

	September 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
NET REVENUES (EXPENSES)										
Governmental activities	(8,734,790)	(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)
Business-type activities	(694,241)	(1,421,046)	(725,729)	(633,836)	(591,715)	(503,049)	1,049,931	971,315	(446,474)	(516,762)
Total Primary Government Net Revenues (Expenses)	<u>(9,429,031)</u>	<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>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes:										
Property	2,458,589	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
Sales	8,380,907	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
Franchise	2,496,102	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
Tourism	144,135	133,093	97,887	123,550	112,684	102,583	105,274	108,790	80,806	65,315
Investment income	101,223	76,370	61,130	258,158	325,407	287,603	357,399	471,255	592,261	457,575
Gain on sale of capital assets	66,517	-	5,583	43,210	-	22,967	-	-	53,100	5,335
Grants and contributions not restricted to specific programs	126,599	134,022	152,161	165,045	130,095	-	-	-	-	-
Miscellaneous	-	-	-	-	100	-	-	-	-	-
Transfers	-	(206,300)	206,600	(729,430)	-	(3,055)	6,000	-	-	(212,812)
Total Governmental Activities General Revenues And Other Change In Net Position	<u>13,774,072</u>	<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>
Business-type Activities										
Miscellaneous	62,659	58,223	56,752	57,382	53,000	50,909	50,429	40,139	11,982	41,150
Investment income	475,927	495,952	516,120	628,749	663,207	681,271	100,096	173,377	201,843	214,500
Gain on sale of capital assets	-	4,027	-	-	779	450	-	-	-	-
Transfers	-	206,300	(206,600)	729,430	-	3,055	(6,000)	-	-	212,812
Total Business-type Activities General Revenues And Other Change In Net Position	<u>538,586</u>	<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>
Total Primary Government General Revenues And Other Change In Net Position	<u>14,312,658</u>	<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>
CHANGE IN NET POSITION										
Governmental activities	5,039,282	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
Business-type activities	(155,655)	(656,544)	(359,457)	781,725	125,271	232,636	1,194,456	1,184,831	(232,649)	(48,300)
Total Primary Government	<u>\$ 4,883,627</u>	<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>

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
General government	\$ 779,437	939,733	1,051,597	3,703,631	744,366	668,716	602,367	604,567	1,402,881	571,078
Public safety	636,866	860,400	535,228	615,559	763,078	861,323	876,502	822,543	692,732	527,034
Airport	227,106	151,169	698,717	321,688	88,271	84,093	65,799	372,146	74,398	84,928
Highways and streets	4,762,387	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
Culture and recreation	428,392	371,860	568,447	383,994	367,839	371,429	327,458	430,479	290,698	234,175
Total Governmental Activities Program Revenues	<u>6,834,188</u>	<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>
Business-type Activities										
Water	1,425,493	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
Sewage treatment	2,632,957	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
Solid waste	2,318,697	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
Total Business-type Activities Program Revenues	<u>6,377,147</u>	<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>
Total Primary Government Program Revenues	<u>\$ 13,211,335</u>	<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>

Source: Basic financial statements

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

	September 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Reserved	\$ -	-	-	-	-	2,831,117	2,840,423	2,853,708	3,422,273	2,567,531
Unreserved	-	-	-	-	-	2,602,568	2,290,772	1,854,701	1,030,187	1,187,417
Nonspendable	3,333,673	3,668,481	2,780,963	2,788,601	2,710,881	-	-	-	-	-
Committed	4,171,011	4,029,031	4,386,479	3,750,988	3,348,275	-	-	-	-	-
Assigned	-	-	-	-	31,168	-	-	-	-	-
Unassigned	1,969,961	1,632,750	1,675,129	1,562,485	1,054,785	-	-	-	-	-
Total General Fund	\$ 9,474,645	9,330,262	8,842,571	8,102,074	7,145,109	5,433,685	5,131,195	4,708,409	4,452,460	3,754,948
All Other Governmental Funds										
Reserved	\$ -	-	-	-	-	1,180,447	901,763	1,744,378	4,851,927	1,847,880
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	726,528	1,156,007	1,011,113	894,740	840,286
Capital Projects Fund	-	-	-	-	-	9,989,878	8,412,597	10,483,168	3,544,028	3,640,445
Debt Service Fund	-	-	-	-	-	-	1,587	8,606	-	-
Nonspendable	215,317	516,237	617,172	612,229	606,501	-	-	-	-	-
Restricted	10,283,680	8,184,159	8,358,335	11,987,066	20,173,320	-	-	-	-	-
Committed	1,405,672	1,875,286	1,957,409	2,062,584	2,052,037	-	-	-	-	-
Unassigned	-	-	-	-	(236,426)	-	-	-	-	-
Total All Other Govern- mental Funds	\$ 11,904,669	10,575,682	10,932,916	14,661,879	22,595,432	11,896,853	10,471,954	13,247,265	9,290,695	6,328,611

Source: Basic financial statements

For fiscal year 2011 GASB 54 was implemented.

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

For The Years Ended September 30

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
REVENUES										
Taxes	\$ 13,479,733	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
Licenses and permits	176,388	154,016	190,637	148,144	161,408	157,699	257,292	275,501	274,026	243,598
Fees and fines	272,172	303,357	169,847	179,298	339,193	385,326	418,607	401,662	367,838	178,555
Intergovernmental	3,568,713	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
Charges for services	1,272,975	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
Rents	146,096	168,529	128,733	142,683	81,631	104,967	81,815	87,546	102,896	92,406
Contributions and donations	144,790	118,507	309,037	67,932	91,965	86,419	79,593	182,875	58,677	64,736
Investment income	227,822	210,392	213,291	258,158	325,407	287,603	357,399	471,255	592,261	457,575
Miscellaneous	-	-	-	-	100	-	-	-	-	-
Total Revenues	<u>19,288,689</u>	<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>
EXPENDITURES										
General government	2,453,630	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
Public safety	4,232,071	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
Highways and streets	2,197,213	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
Airport	265,316	195,282	159,320	148,467	150,895	147,453	125,228	127,694	163,678	132,816
Culture and recreation	1,993,554	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
Economic development	633	157,949	-	-	422,212	3,793,925	-	-	-	-
Debt service:										
Principal	1,660,553	1,491,802	1,399,812	1,152,454	5,000	5,000	4,125,000	7,814,451	425,000	585,645
Interest and fiscal charges	1,247,034	1,285,702	1,407,719	2,196,447	1,406,587	1,282,518	1,401,027	455,085	207,134	155,122
Bond issue costs	-	-	-	570,630	227,300	-	-	662,960	-	-
Advance refunding escrow	-	-	-	2,900,029	-	-	-	-	-	-
Capital outlay	3,834,905	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
Total Expenditures	<u>17,884,909</u>	<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>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,403,780</u>	<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>
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	69,590	23,137	-	45,671	44,670	22,967	-	222,068	53,100	5,335
Transfers in	3,761,200	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
Transfers out	(3,761,200)	(3,898,900)	(6,596,300)	(4,019,215)	(3,193,958)	(3,365,239)	(2,353,746)	(9,024,818)	(896,743)	(3,971,381)
Total Other Financing Sources (Uses)	<u>69,590</u>	<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>
NET CHANGE IN FUND BALANCES	<u>\$ 1,473,370</u>	<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>

Debt service as a percentage of noncapital expenditures	20.70 %	19.84	14.63	14.30	12.04	8.72	28.89	22.74	4.28	8.20
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Source: Basic financial statements

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

Fiscal Year	Taxes	Charges For Services	Rents	Intergovernmental	Investment Income	Court Fees And Fines	Licenses And Permits	Miscellaneous	Total
2015	69.99 %	6.56 %	0.76 %	18.42 %	1.18 %	1.41 %	0.92 %	0.76 %	100.00 %
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
2015	\$ 2,458,589	\$ 8,380,907	\$ 2,496,102	\$ 144,135	\$ 13,479,733
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

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
2015	\$ 4,231,776	5.94 %	\$ 2,115,887	5.96 %	\$ 2,115,886	6.01 %	\$ (636,283)	51.70 %	\$ 553,641	2.24 %	\$ 8,380,907
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	#####	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

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		
2015	2014	\$ 255,255,355	50,396,519	8,783,124	(4,237,702)	310,197,296	1,262,159,398	0.6062	24.5 %
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

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		
2015	2014	\$ 108,695,350	22,363,578	6,409,878	(4,237,702)	133,231,101	562,106,029	0.1000	23.7 %
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

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Valuation Year	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
City of Washington (excluding Library District)	<u>0.6062</u>	<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>
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	0.1467	0.1483	0.1308	0.1382	0.1382	0.1173	0.1173	0.1173	0.1161	0.1378
Franklin County - Road and Bridge	0.2124	0.2124	0.1986	0.1978	0.1938	0.1923	0.1941	0.1941	0.2024	0.2223
Developmental Services of Franklin County	0.1000	0.1000	0.0939	0.0935	0.0916	0.0916	0.0925	0.0918	0.0957	0.0957
Washington School District	4.0510	4.0205	3.8260	3.8060	3.7860	3.7923	3.6600	3.6600	3.6600	3.6600
East Central College	0.4541	0.4541	0.4400	0.4385	0.4329	0.4329	0.4348	0.4313	0.4471	0.4473
Washington Library	0.1000	0.1000	0.0945	0.0927	0.0914	0.0923	0.0934	0.0906	0.0905	0.0872
Washington Area Ambulance District	-	-	-	-	-	-	-	0.0500	0.1747	0.1732
Franklin County Library	0.2008	0.0826	0.0777	0.0777	0.0759	0.0758	0.0919	0.0913	0.0959	0.0959
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>5.7750</u>	<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>
Total City And Overlapping Governments	<u>6.3812</u>	<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>

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

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

Taxpayer	2015			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	1.11	-		-
Bank of Washington	3,197,186	4	1.03	3,294,955	4	0.98
USR-Desco Washington Crossing	3,027,077	5	0.98	3,033,125	5	0.90
Lowes Home Centers Inc.	2,839,578	6	0.92	2,624,406	7	0.78
CG Power Systems USA Inc.	2,661,900	7	0.85	2,664,285	6	0.79
Target Corporation Target Pro	2,406,973	8	0.78	2,407,815	10	0.72
PC IT Vertical LLC	2,342,212	9	0.76	2,341,374	9	0.70
Hollingsworth Capital Partner	2,271,923	10	0.73	-		-
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	\$ 31,109,401		10.03 %	\$ 38,503,794		11.45 %
PERSONAL PROPERTY						
RTI Tradco Inc. - Wash Inc.	\$ 1,878,974	1	0.61 %	\$ 971,409	4	0.29 %
CG Power Systems USA Inc.	1,684,462	2	0.54	-		-
CG Power Systems USA Inc.	1,361,483	3	0.44	869,181	6	0.26
Valent Aerostructures - Wash. L.	1,247,086	4	0.40	-		-
Magnet LLC	876,984	5	0.28	875,579	5	0.26
GHTM LC	817,363	6	0.26	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	\$ 10,306,642		3.34 %	\$ 13,143,552		3.86 %

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

Fiscal Year	Tax Levy Year	Net Tax Levy	Current Tax Collections	Delinquent Tax (And Penalties) Collections	Percent Collected As Current	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent Of Levy	Total Tax Collections	Total Collections As Percent Of Levy
2015	2014	\$ 1,858,270	\$ 1,824,102	\$ 34,168	98.2 %	\$ 115,490	6.2 %	\$ 1,742,780	93.8 %
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

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	Certificates Of Participation	Tax Increment Revenue Notes	Loan Payable	Revenue Bonds			
2015	\$ -	\$ 31,715,265	\$ 4,167,358	\$ -	\$ 19,432,522	\$ 55,315,145	1,092.64 %	\$ 3,945
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

(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, 2015

<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>\$ 35,882,623</u>	100.00 %	<u>\$ 35,882,623</u>
Overlapping:			
East Central College	14,643,640	21.26	3,113,895
Washington School District	45,655,000	47.79	21,818,577
Franklin County	<u>38,854,617</u>	16.91	<u>6,568,581</u>
Total Overlapping Debt	<u>99,153,257</u>		<u>31,501,053</u>
Total Direct And Overlapping Debt	<u><u>\$ 135,035,880</u></u>		<u><u>\$ 67,383,676</u></u>
Per capita direct and overlapping debt			\$ 4,509.01
Ratio of direct and overlapping debt to assessed value			20.26 %
Ratio of direct and overlapping debt to estimated actual value			5.06 %

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>\$ 310,197,296</u>
Debt Limit - 10% of Total Assessed Valuation	<u>\$ 31,019,730</u>
Amount of Debt Subject to Limit	
Total Bonded Debt	-
Less - Amounts available in Debt Service Fund	<u>-</u>
Total Amount Of Debt Applicable To Debt Limit	<u>-</u>
Legal Debt Margin	<u>\$ 31,019,730</u>

	For The Years Ended September 30									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt Limit	\$31,019,730	30,654,402	33,632,678	33,052,272	33,041,943	31,948,372	31,648,586	30,506,174	28,317,992	28,096,286
Net Debt Applicable To Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$31,019,730</u>	<u>30,654,402</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>
Total Net Debt Applicable To The Limit As A Per- centage 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)
2015	14,020	N/A	\$ 50,625	28,028	4,675	6.4 %
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

(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

Employer	Type	2015			2006		
		Employees	Rank	Percent Of Total City Employment	Employees	Rank	Percent Of Total City Employment
Mercy Hospital	Health Care	1382	1	6.88 %	775	2	3.86 %
Parker Hannifin	Manufacturer	1041	2	5.18	849	1	4.23
Washington School District	School District	620	3	3.09	-	-	-
CG Powers (Pauwels Transformers)	Manufacturer	451	4	2.24	260	6	1.29
Wal-Mart Super Center	Retail Merchant	413	5	2.06	461	3	2.29
Magnet	Advertising Specialties	292	6	1.45	366	4	1.82
RTI Tradco	Manufacturer	240	7	1.19	-	-	-
Frick's Quality Meats	Manufacturer	192	8	0.96	-	-	-
YMCA	Athletic Club	174	9	0.87	-	-	-
Valent Aerostructures	Manufacturer	156	10	0.78	-	-	-
Rawlings Sporting Goods Co.	Manufacturer	-	-	-	276	5	1.37
Patients First Healthcare	Health Care	-	-	-	250	7	1.24
Cedar Crest Manor	Health Care	-	-	-	130	9	0.65
Tradco	Manufacturer	-	-	-	166	8	0.83
Canam Steel	Manufacturer	-	-	-	150	10	0.75

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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	1.0	0.5	0.5	0.5	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	0.5	2.5	2.5	2.5	2.5	2.5
Volunteer Fire Fighters	68.0	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	1.0	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	1.5	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	1.0	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
Youth Services Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Cataloger/Technical Service Librarian	1.0	-	-	-	-	-	-	-	-	-
Full- and Part-time Clerk	7.0	7.0	7.0	7.0	7.0	5.0	5.0	5.0	5.0	5.0
Part-time Shelves	2.0	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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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	2.0	1.0	1.0	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	7.0	6.0	6.0	6.0	6.0	6.0	6.0
	24.0	21.0	20.0	33.0	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	0.25	0.5	0.5	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	1.0	-
Building Inspector	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	2.0
Engineering Technician	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0
Infrastructure Inspector	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-
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	3.0	2.0
Detective	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	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 - 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	13.0	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	2.0	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
Police Records Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

(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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
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	3.0	4.0	3.0	3.0	2.0
Landfill Laborer	2.0	2.0	2.0	2.0	2.0	1.0	2.0	2.0	2.0	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	3.0	2.0	2.0	2.0	2.0
Refuse Collector	2.0	2.0	2.0	2.0	2.0	2.0	3.0	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	3.0	2.0	2.0	2.0	2.0
Streets Lead Laborer	3.0	3.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0	1.0
Streets Truck Driver	-	-	-	-	-	-	1.0	-	-	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	6.0	4.5	4.0	5.0	4.0	4.0	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	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-
Lab Technician	1.0	1.0	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	1.0	-	-
Wastewater Plant Operator I	3.0	3.0	3.0	3.0	3.0	3.0	2.0	1.0	-	-
Secretary	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
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	1.0	2.0	1.0	2.0	2.0
Water and Wastewater Lead Laborer	1.0	1.0	1.0	1.0	1.0	1.0	3.0	1.0	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	-	-	-	-	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	1.0	2.0	1.0	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	234.5	236.0	235.0	248.0	249.8	245.8	251.8	244.8	241.8	240.8

Source: Finance Department

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

FUNCTIONS/PROGRAMS	As Of September 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Communications:										
Total Calls Handled:										
Police	39,532	38,080	39,723	37,162	35,353	34,892	37,525	37,087	25,812	18,378
Ambulance District	3,167	2,872	2,908	2,741	2,703	2,497	2,668	2,650	2,607	2,492
Fire	566	592	549	665	740	731	719	745	840	753
911 Calls	7,948	7,398	5,419	4,854	4,600	6,866	4,900	3,945	4,016	4,017
Fire:										
Number of Calls	547	591	549	634	712	731	719	745	841	753
Average Response Time	4:46	4:34	4:53	5:01	4:55	5:33	5:52	5:22	5:15	4:56
Number of City Calls	325	383	342	421	479	477	484	482	527	508
Average Response Time	3:56	3:48	4:07	4:14	4:42	3:50	4:04	4:14	4:23	4:08
Number of Rural Calls	112	132	143	132	149	187	162	190	222	172
Average Response Time	7:18	6:43	6:49	7:20	6:58	7:07	7:43	7:42	7:36	7:51
Police:										
Total Calls	41,220	40,528	39,556	37,573	38,414	34,922	37,781	36,030	37,491	33,187
Total Reports Filed	2,916	2,916	3,105	2,846	2,780	2,711	2,773	2,614	2,722	2,594
Municipal court:										
Total Letters	791	753	668	747	771	1,105	1,093	1,070	996	907
Total Continuances	2,172	2,069	1,891	2,235	1,905	3,324	3,717	3,775	4,059	3,182
Trial Setting	44	42	91	205	78	98	209	175	158	107
Total Warrants	1,022	974	921	608	724	1,023	1,024	952	927	759
Total Probation	150	143	125	N/A	128	279	369	410	478	406
Total Balance Due Continued	921	2,932	N/A	N/A	1,916	3,046	2,787	2,658	2,844	2,361
Total Cases Closed	1,922	1,831	1,699	1,463	2,894	5,090	5,567	5,322	4,317	3,257
Finance:										
Number of Accounts Payable Processed	9,200	9,426	9,215	8,779	8,909	8,276	7,686	8,354	10,152	10,307
Number of Accounts Receivable Processed	2,000	2,268	1,997	2,041	1,909	1,949	1,792	2,039	2,219	2,297
Number of Business Licenses Issued	1,180	1,101	1,152	1,041	809	1,131	1,100	1,085	1,084	1,117
Number of Water Bills Issued	74,800	75,755	75,486	74,664	74,611	74,550	74,505	74,496	73,302	72,535
Number of Tax Bills Assessed	13,800	13,956	13,898	13,641	13,326	13,379	13,379	13,247	13,194	13,146
Information technology:										
Internet Service Calls	30	11	39	38	79	86	83	67	72	56
Communication Service Calls	65	47	53	73	65	89	123	93	78	117
AS/400 Service Calls	-	42	41	59	39	53	31	49	60	56
Application Service Calls	1,690	1,553	1,545	1,663	1,537	1,352	1,284	1,128	1,012	925
Hardware Service Calls	140	107	174	227	231	193	254	237	306	510
City Website Hits (average per week)	1,700	1,754	1,478	1,639	1,147	1,003	1,221	1,126	N/A	N/A

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	13	13	13	13	13	13	14	14	14	13
Unmarked patrol units	7	7	7	7	7	7	7	7	7	7
Public works:										
Miles of streets	100.46	98.73	98.73	88.27	88.27	88.27	88.15	87.57	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	1,192	1,182	1,247	1,241	1,241	1,241	1,204	1,199
Miles of water lines	115	114	114	110	109	109	109	109	108	107
Miles of sanitary sewers	109	108	108	103	103	103	103	103	102	101
Miles of sidewalks	30	31	31	31	31	30	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	16	14	14	14	14	13	13	13	13
Acres of parks	536	531	419	419	419	419	399	399	399	399
Miles of walking trail	5.45	9.5	5.45	5.45	5.45	5.45	4.7	4.7	4.7	4.7
Playgrounds	8	8	8	8	8	8	8	8	8	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	1	-	-	-	-	-	-
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