

CITY OF GRANDVIEW MISSOURI

Comprehensive Annual Financial Report



**For the fiscal Year Ended
September 30, 2017**

CITY OF GRANDVIEW, MISSOURI

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

Prepared by the Finance Department

Cemal Umut Gungor, City Administrator

**Member of the Government Finance Officers Association
Of the United States and Canada**

Independent Auditors

**Cochran Head Vick & Co., P.C.
Certified Public Accountants**



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Introductory Section

February 28, 2018

**CITIZENS, HONORABLE MAYOR, BOARD OF ALDERMEN, CITY OF GRANDVIEW,
MISSOURI**

The Comprehensive Annual Financial Report (CAFR) of the City of Grandview, Missouri, for the fiscal year ended September 30, 2017 is hereby submitted for your review. This report is submitted to you in compliance with Missouri Revised Statute 105.145 (2) which requires an annual report to the Board of Aldermen on the financial condition of the City.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The independent auditing firm of Cochran Head Vick & Co., P.C. has audited the City of Grandview's financial statements. The purpose of the audit was to provide assurance that the City's financial statements for year ended September 30, 2017 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP now requires that management provide a narrative introduction, overview, an 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 of Grandview's MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE CITY

The City of Grandview, originally incorporated in 1912, is organized as a fourth-class city under State statutes. The City operates under a Board of Alderman / City Administrator form of government. The Board is comprised of a Mayor and six Aldermen. The Mayor is elected at-large for a two-year term. The City is divided into three wards with two Aldermen elected from each ward for two-year terms. The Municipal Judge is elected at-large for a two-year term.

The Board of Aldermen is responsible for enacting ordinances, resolutions, and policies governing the City as well as appointing the City Administrator, City Clerk, and members of various advisory boards. The Board adopts an annual budget and sets the levy to be assessed against real and personal property.

The City Administrator is authorized to transfer budgeted amounts between departments within any fund and / or authorize departmental expenditures in excess of budgeted amounts. Any revision that alters the total expenditures of any fund must be approved by the Board of Aldermen. The City Administrator is responsible for administering the City's activities in accordance with the policies and budget adopted by the Board of Aldermen.

The City of Grandview, Missouri encompasses 14.73 square miles and has a population of approximately 26,270. The City is located in southern Jackson County (JACO) and resides about 15 miles south of downtown Kansas City, Missouri. Kansas City borders Grandview on the north, east, and west; and Belton borders on the south. The former Richards-Gebaur Airport (now an intermodal facility) is immediately south of the City and Longview Lake adjoins the City's eastern border.

The City provides the following services: police and fire protection, emergency medical services, code enforcement, building inspections, construction and maintenance of streets and infrastructure, sanitary sewerage utility, recreational activities and cultural events, and general government services such as general administration, finance and accounting, planning and zoning, county tax collections, and municipal court. The City also operates a State of Missouri Motor Vehicle and License Office which provides services for licensing individuals and registering motor vehicles in the state of Missouri.

SUMMARY OF LOCAL ECONOMIC CONDITIONS

The following is a glimpse of some of the key accomplishments within the City in Fiscal Year 2017 as well as anticipated development for FY 2018:

Finance



- Finance Director Cemal Umut Gungor was named CFO of the Year by Kansas City Business Journal
- Named Top Ten Revenue Forecaster by GFOA
- Issued General Obligation Bonds for remaining projects from 2014 voter-approved projects
- Conducted City-wide energy audit and presented alternative solutions for savings

- Received the Certificate of Achievement for Excellence in Financial Reporting from GFOA 30 years in a row
- Continued training City staff on unused or underutilized financial system modules
- Completed City-wide cyber security policy
- Continued to increase City's investment portfolio's Return on Investment (ROI) during FY 2017



Economic Development

- Focused on key economic development opportunities, including Gateway Village, Grandview Main Street, South Pointe Industrial Park, Grandview Crossing, Gateway Commons and Blue Ridge Boulevard
- Initiated a housing study to establish target areas and policies for potential development of new growth areas and redevelopment of existing subdivisions
- Issued construction permits for new development totaling \$37.32 million



Public Infrastructure and Facilities

- Millions of dollars in Federal funds were secured for street, bridge and transportation improvements
- Completion of two and one half mile Truman Presidential Trail





- Completion of 155th Street improvements
- In conjunction with the National League of Cities the City initiated a Service Line Warranty Program to protect residents from excessive water and sewer repair costs
- Added one and one half miles of new sidewalk
- Old Hwy 40 Bridge reconstruction at Tails and Trails Dog Park in 2018

Public Safety

- Utilized technology to allow online filing of police reports, as well as online applications for Police Department careers
- Added *Pizza with Police* and *Fire Safety Poster Contest* to community outreach programs



- Awards of Valor given to two Grandview Police Officers
- Added a full-time Domestic Violence detective funded by a Department of Justice grant
- Completion of Fire Department cancer prevention program including post-fire cleanup kits and second set of bunker gear
- Completion of a new storage and garage structure for the Police Department funded with proceeds from the 2014 general obligation bond issue

Parks and Recreation

- Increased participation in Parks & Recreation programs and camps
- Created a Grandview Amphitheater summer concert series



- Over 80,000 visitors to Valley Park
- New bathroom installation at River Oaks Park
- Groundbreaking and construction of Shalimar Park improvements – with expected completion date in 2018
- New Splash Park construction in 2018

Miscellaneous

- Voters approved Capital Improvements Sales Tax renewal for ten additional years
- Voter approval for implementation of a Local Use Tax
- Updated City Emergency Operations Plan
- Tree City USA designation for 22nd year
- Successful Citizens Academy with 19 graduates

RELEVANT FINANCIAL POLICIES

The City's reserve policy indicates that the City will maintain an unreserved fund balance equal to or greater than 20% of General Fund operating expenditures and obligated debt service transfers. The unreserved General Fund balance at the end fiscal year 2017 represented 19.8% of total General Fund expenditures – which falls below that policy level.

AWARDS AND ACKNOWLEDGEMENT

Grandview will remain a steady financial force in the coming years and is on the road to keeping its stellar credit rating. 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 Grandview for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. This was the 30th consecutive year that the City has achieved this award and will continue striving to receive this prestigious award every year.

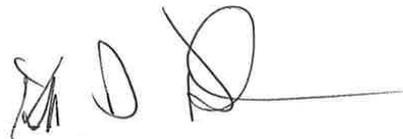
In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently-organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements. The Certificate of Achievement is valid for a period of one year. We believe that our current CAFR continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I would like to thank the Board of Aldermen for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. Preparation of this report would not have been possible without the dedicated efforts of the entire City staff. I would like to especially thank Phil Smith, Rita Lohkamp, Frank Merkle, and Holly Beyer for all of their hard work and coordination in compiling the City's financial data. Sincere thanks also goes to all City staff that provided assistance. I would also like to thank our independent auditors, Cochran Head Vick & Co., P.C., for the professional manner in which they have accomplished our audit and their assistance in the publication of the City's Comprehensive Annual Financial Report.

Respectfully submitted,



Cemal Umut Gungor
City Administrator



Kirk Decker
Assistant City Administrator / Finance Director



Government Finance Officers Association

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

Presented to

**City of Grandview
Missouri**

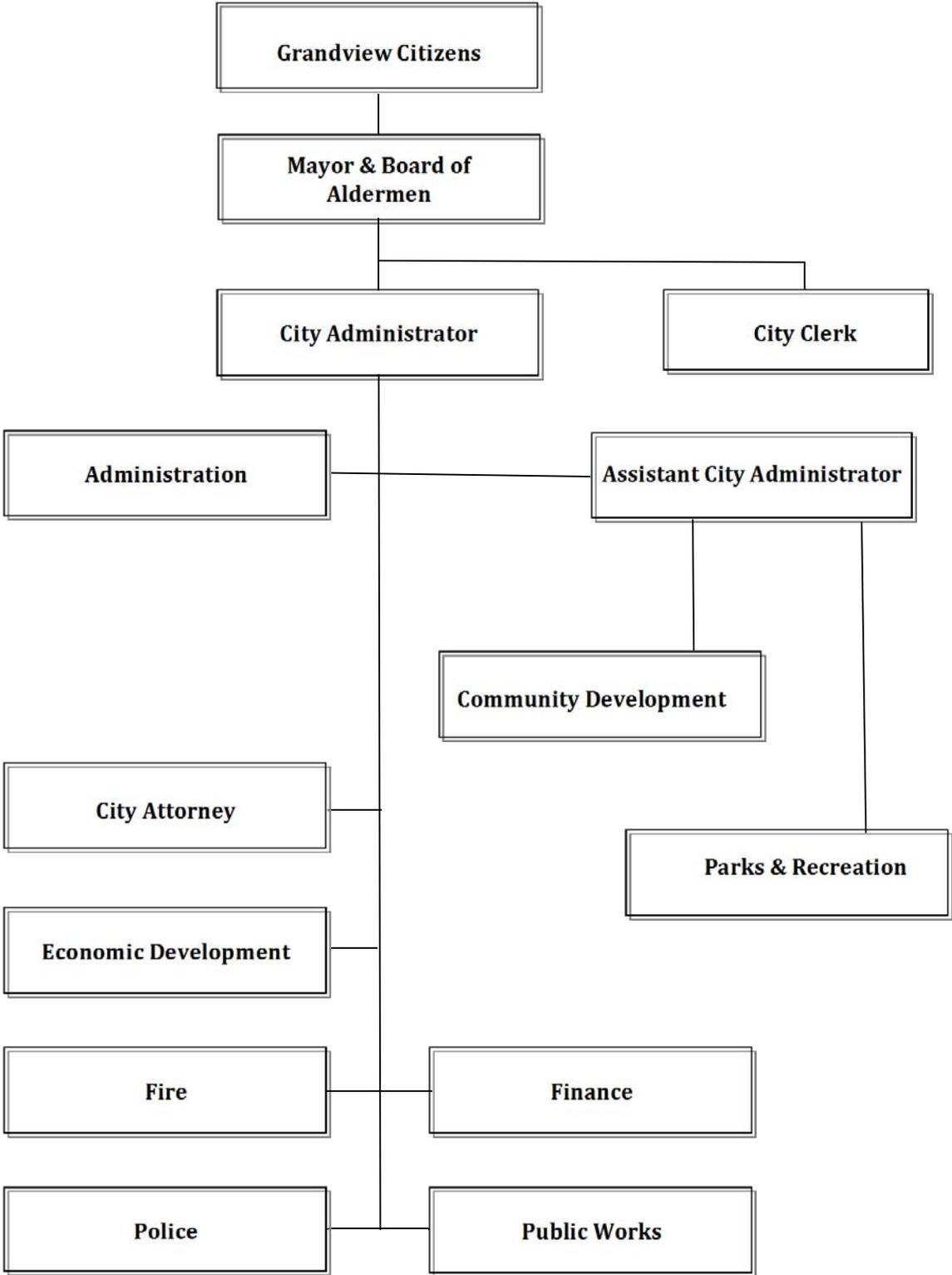
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morill

Executive Director/CEO

**CITY OF GRANDVIEW, MISSOURI
ORGANIZATIONAL CHART
SEPTEMBER 30, 2017**



CITY OF GRANDVIEW

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2017

ELECTED OFFICIALS:

Mayor	Leonard D. Jones, Jr.
Alderman, Ward I	Sandra Kessinger
Alderman, Ward I	Damon Randolph
Alderman, Ward II	Annette Turnbaugh
Alderman, Ward II	Brian Hochstein
Alderman, Ward III	James N. Crain
Alderman, Ward III	John Maloney
Municipal Court Judge	Ronald Johnson

CITY OFFICIALS:

City Administrator	Cory L. Smith
Assistant City Administrator	Kirk Decker
City Clerk	Becky Schimmel
City Collector & Treasurer	Cemal Umut Gungor
City Engineer	Jaelyn White
Community Development Director	Chris Chiodini
Director of Finance	Cemal Umut Gungor
Fire Chief	Ron Graham
Parks & Recreation Director	Sue Yerkes
Police Chief	Charles Iseman
Public Works Director	Dennis Randolph

FINANCE DEPARTMENT OFFICIALS:

Director of Finance	Cemal Umut Gungor
Senior Accountant	Phillip S. Smith
Senior Accountant	Rita M. Lohkamp
Accounting Supervisor	Frank Merkle
Financial Analyst	Holly Beyer
Finance Assistant	Kimberly Mosley



Financial Section



COCHRAN HEAD VICK & CO., P.C.

& Co

Certified Public Accountants

1251 NW Briarcliff Pkwy
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Board of Aldermen
City of Grandview, Missouri

Other offices in
Missouri and Kansas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grandview, Missouri (the City) as of and for the year ended September 30, 2017, 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.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2017, 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 Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements and schedules are 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 Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2018, 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.

Kansas City, Missouri
February 28, 2018



MANAGEMENT DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2017

As management of the City of Grandview, Missouri, we offer readers this narrative overview and analysis of the financial activities of the City of Grandview, Missouri, for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented 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 and deferred outflows of the City of Grandview exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$66,129,990 (net position). Of this amount, \$6,093,390 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- During FY 2017, the City's net position decreased by \$1,884,951 from the City's "governmental activities" and increased by \$364,502 from the City's "business-type activities."
- The City's debt obligations increased by \$2,289,637 during the current fiscal year as new general obligation debt of \$3,500,000 was issued and \$355,000 of general obligation debt was retired. There were also \$445,000 in certificates of participation and \$280,000 of the TIF loan that were retired. In addition, new developer agreements were approved for \$80,695 and retirements and other adjustments were processed on developer agreements for \$211,058.

Overview of the Financial Statements

This discussion and analysis is provided as an introduction to the basic financial statements. The basic financial statements consist of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are a broad overview of the City's finances in a manner similar to a private business.

The *statement of net position* presents all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as *net position*. Net position is an important measure of the City's overall financial health. The increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

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

Both of the government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) or from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities for the City included general government, public safety, community development, public works, and culture and recreation. The business-type activities for the City included the sanitary sewer system.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. These funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, 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*.

Proprietary funds. The City uses two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its sanitary sewer activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its self-insurance activities. Because these services predominately benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City's agency 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.

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

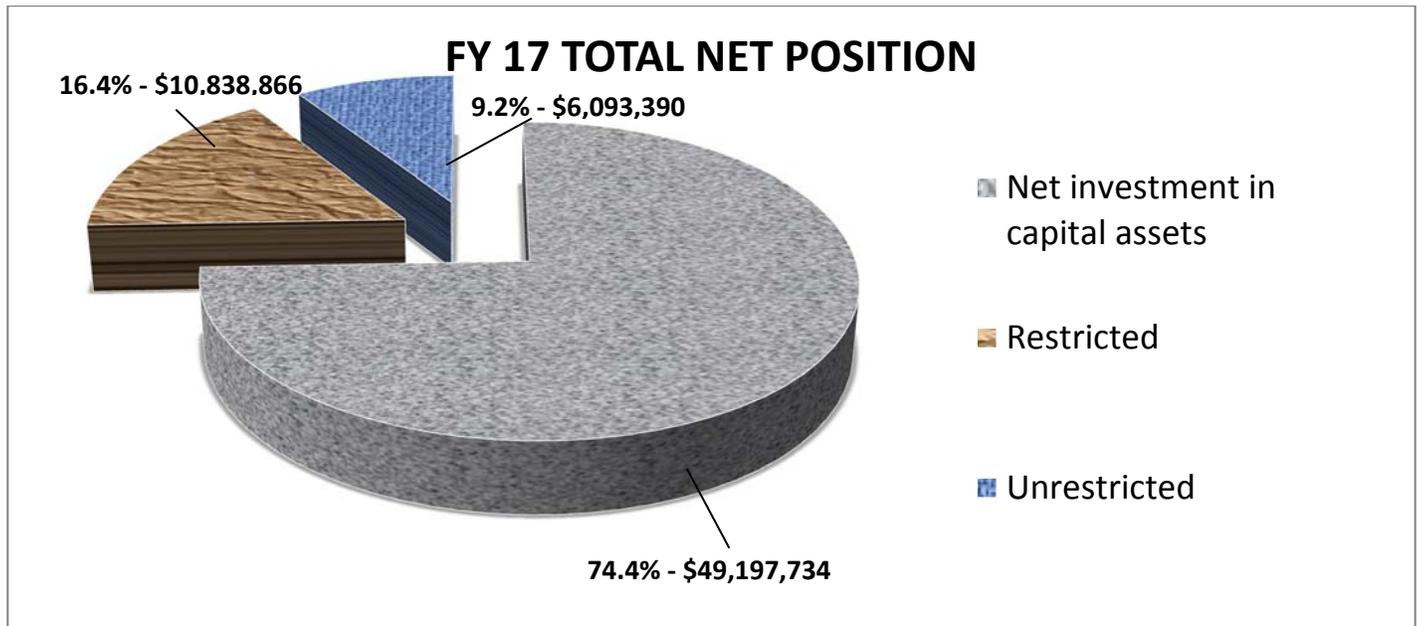
Other information. In addition to the basic financial statements and accompanying notes, this report also contains certain *required supplementary information* regarding budgetary, pension, and other post-employment obligation information. The combining statements for the non-major funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

Net Position

The following table reflects the condensed Statement of Net Position as of September 30, 2017 and 2016:

	Activities		Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 20,748,773	\$ 18,313,628	\$ 6,021,220	\$ 5,706,393	\$ 26,769,993	\$ 24,020,021
Capital assets	56,022,327	55,359,520	9,404,313	9,631,497	65,426,640	64,991,017
Total assets	76,771,100	73,673,148	15,425,533	15,337,890	92,196,633	89,011,038
Deferred outflows	2,804,026	5,502,324	87,496	201,480	2,891,522	5,703,804
Long-term liabilities outstanding	24,641,816	22,559,618	29,666	31,810	24,671,482	22,591,428
Other liabilities	3,791,491	3,539,343	134,321	519,513	3,925,812	4,058,856
Total liabilities	28,433,307	26,098,961	163,987	551,323	28,597,294	26,650,284
Deferred inflows	323,840	373,581	37,031	40,538	360,871	414,119
Net position:						
Net investment in capital assets	39,793,421	42,839,119	9,404,313	9,631,497	49,197,734	52,470,616
Restricted	10,579,133	11,151,372	259,733	271,274	10,838,866	11,422,646
Unrestricted	445,425	(1,287,561)	5,647,965	5,044,738	6,093,390	3,757,177
Total net position	\$ 50,817,979	\$ 52,702,930	\$ 15,312,011	\$ 14,947,509	\$ 66,129,990	\$ 67,650,439



At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's combined net position decreased from \$67.6 million to \$66.1 million due to slightly less revenues generated than expenses incurred during the fiscal year. The City's unrestricted net position for governmental activities was \$445,425. However, total unrestricted net position was \$6,093,390 including the business-type activities.

The largest portion of the City's net position (74.4%) reflects its investment in capital assets (e.g. land, buildings, machinery & equipment and infrastructure), less any related debt used to acquire those assets that are still outstanding. 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 themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (16.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (9.2%) may be used to meet the government's ongoing obligations to citizens and creditors.

The City's total net position decreased by \$1,520,449 during FY 2017. The governmental activities net position decreased by \$1,884,951 while the business-type activities increased by \$364,502.

Changes in Net Position

The following table reflects the revenues and expenses from the City's activities for the year ended September 30, 2017 and 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues						
Charges for services	\$ 3,984,966	\$ 4,421,136	\$ 3,984,351	\$ 3,654,286	\$ 7,969,317	\$ 8,075,422
Operating grants and contributions	1,401,416	1,516,749	-	-	1,401,416	1,516,749
Capital grants and contributions	804,648	2,311,042	-	-	804,648	2,311,042
General revenues						
Property taxes	4,342,764	4,199,609	-	-	4,342,764	4,199,609
Tax increment financing	1,555,689	1,169,399	-	-	1,555,689	1,169,399
Sales and use taxes	7,265,473	6,523,577	-	-	7,265,473	6,523,577
Franchise and other taxes	3,552,179	3,601,027	-	-	3,552,179	3,601,027
Other revenue	403,449	444,038	50,771	57,787	454,220	501,825
Total revenues	<u>23,310,584</u>	<u>24,186,577</u>	<u>4,035,122</u>	<u>3,712,073</u>	<u>27,345,706</u>	<u>27,898,650</u>
Expenses:						
General government	3,305,777	3,459,706	-	-	3,305,777	3,459,706
Public safety	10,693,088	10,538,753	-	-	10,693,088	10,538,753
Community development	2,772,359	2,040,111	-	-	2,772,359	2,040,111
Public works	4,784,344	3,819,149	-	-	4,784,344	3,819,149
Culture and recreation	3,184,404	3,083,624	-	-	3,184,404	3,083,624
Interest on long-term debt	764,363	833,338	-	-	764,363	833,338
Sanitary Sewer	-	-	3,361,820	3,278,949	3,361,820	3,278,949
Total expenses	<u>25,504,335</u>	<u>23,774,681</u>	<u>3,361,820</u>	<u>3,278,949</u>	<u>28,866,155</u>	<u>27,053,630</u>
Changes in net position before transfers	(2,193,751)	411,896	673,302	433,124	(1,520,449)	845,020
Transfers	308,800	293,400	(308,800)	(293,400)	-	-
Change in net position	(1,884,951)	705,296	364,502	139,724	(1,520,449)	845,020
Net position, beginning	52,702,930	51,997,634	14,947,509	14,807,785	67,650,439	66,805,419
Net position, ending	<u>\$ 50,817,979</u>	<u>\$ 52,702,930</u>	<u>\$ 15,312,011</u>	<u>\$ 14,947,509</u>	<u>\$ 66,129,990</u>	<u>\$ 67,650,439</u>

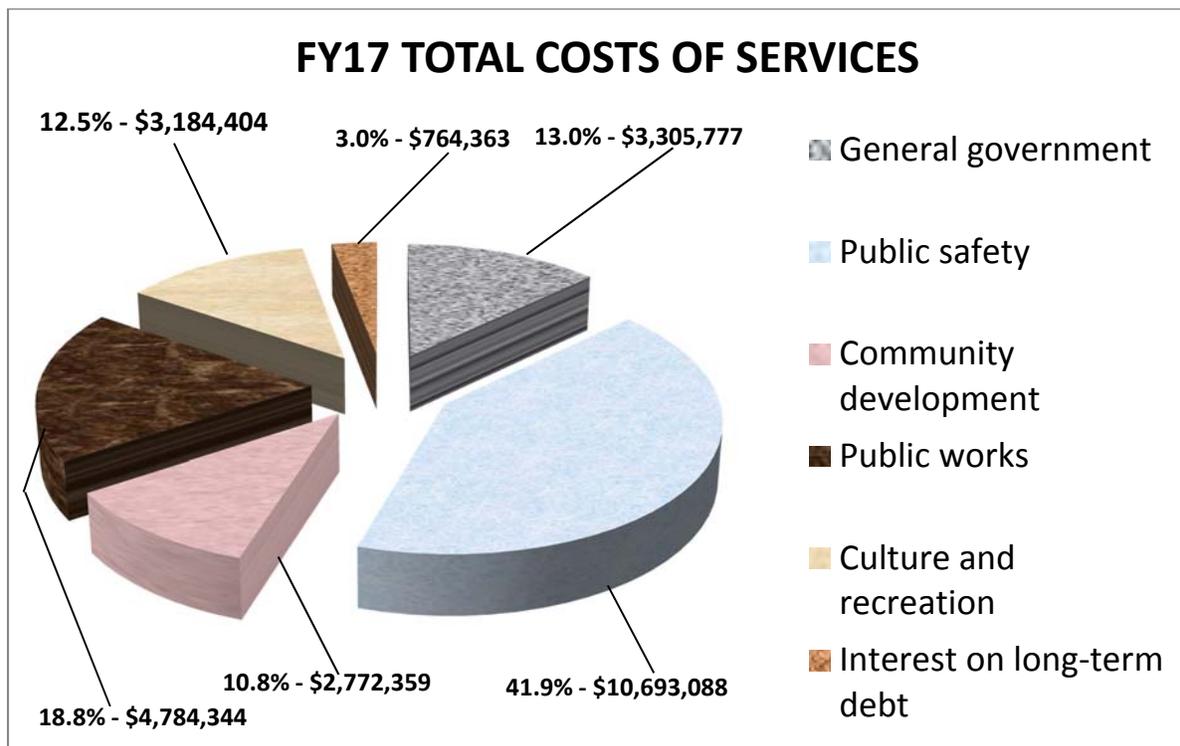
Governmental Activities

Governmental activities decreased the City's net position by \$1,884,951. Sales and use taxes, the largest governmental category, were \$7,265,473 or 31.1% of total revenues from governmental activities. For the fiscal year ended September 30, 2017 revenues totaled \$27,345,706 (governmental and business-type). Revenues from governmental activities totaled \$23,310,584 or 85.2% of the total City revenues. While charges for services, grant revenues, franchise taxes, and miscellaneous revenue all decreased, property taxes, tax increment financing, and sales and use taxes all increased from the previous fiscal year. Expenses from governmental activities totaled \$25,504,335 or 88.4% of the total City expenses. Total governmental expenses increased by \$1,729,654 or 7.3% during FY 2017.

Certain revenues are generated that are specific to governmental program activity. These totaled \$6,191,030. The following table shows expenses and net costs of services of the governmental activities for the fiscal year ended September 30, 2017 and 2016:

Net Cost of City of Grandview Governmental Activities

	<u>Total Costs of Service</u>		<u>Net Costs of Service</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
General government	\$ 3,305,777	\$ 3,459,706	\$ 1,236,358	\$ 1,276,743
Public safety	10,693,088	10,538,753	9,806,555	8,985,885
Community development	2,772,359	2,040,111	2,336,631	1,888,081
Public works	4,784,344	3,819,149	2,959,762	528,367
Culture and recreation	3,184,404	3,083,624	2,209,636	2,013,340
Interest on long-term debt	764,363	833,338	764,363	833,338
Total	\$ 25,504,335	\$ 23,774,681	\$ 19,313,305	\$ 15,525,754



As previously noted, expenses from governmental activities totaled \$25,504,335. However, net costs of these services were \$19,313,305. The difference represents direct revenues received from charges for services of \$3,984,966, operating grants and contributions of \$1,401,416, and capital grants and contributions of \$804,648. Taxes and other revenues of \$17,428,354 were used to cover these net costs.

Business-type Activities

Business-type activities increased the City's net position by \$364,502 which included net transfers out of \$308,800. Operating revenues increased by \$330,365 primarily due to a sewer rate increase of 8%, and expenses slightly increased by \$82,871 primarily due to higher sewer maintenance and treatment costs.

Financial Analysis of the City's Funds

The General Fund is the chief operating fund of the City. The fund balance of the General Fund at September 30, 2017 was \$2,920,330 or 19.8% of actual expenditures. The fund balance decreased \$570,325 from the previous year's balance which was due to the excess of expenditures over revenues of \$781,668, net operating transfers in of \$211,234, and gain on sale of capital assets of \$109. Total general fund revenues increased by \$160,289 or 1.1% and general fund expenditures decreased by \$ 176,851 or 1.2% over the previous fiscal year. The City recognizes the need for a fund balance that can adequately absorb any downturn in economic events to avoid changes and reductions in service levels. Thus the City is firmly committed to maintaining at a minimum, an amount equal to 20% of expenditures in the General Fund balance.

The Transportation Sales Tax Fund ended FY 2017 with a fund balance of \$447,493, a decrease of \$191,125 or 28.6% which was primarily caused by less sales tax revenues and grant reimbursements received than expenditures incurred for various street construction projects during the fiscal year.

The Capital Improvement Sales Tax Fund ended FY 2017 with a fund balance of \$1,469,386, an increase of \$350,587 or 31.3% which is primarily due to more sales tax revenues and grant reimbursements received than capital outlay costs incurred including various equipment acquisitions during the fiscal year.

The 2014 GO Project Fund was established in FY 2015 to account for various park improvements as well as various capital improvements in the Fire Department and Police Department. It was funded with the issuance of 2014 series general obligation bonds in the amount of \$9,500,000. The majority of the costs during this fiscal year have been for refurbishment of ladder firetruck and purchase of a pumper firetruck in the amount of \$1,033,140, construction of a police storage building in the amount of \$338,925, and Shalimar Park renovations of \$531,858. It ended the year with a fund balance of \$2,448,630 in order to fund current and future projects as approved by the citizens.

The 2017 GO Project Fund was established in FY 2017 to account for additional park improvements and a new firing range for the Police Department. It was funded with the issuance of 2017 series general obligation bonds in the amount of \$3,500,000, and completes the total bond issue of \$13,000,000 as approved by the citizens. The only costs incurred so far are bond issuance costs of \$70,691. Since these bonds were issued at a premium, it ended the year with a fund balance of \$3,601,466 in order to fund these future projects as approved by the citizens.

The General Debt Service Fund ended FY 2017 with a fund balance of \$1,088,620, an increase of \$434,486 or 66.4% due to more property tax revenues received than debt service expenditures incurred during the fiscal year.

The Tax Increment Financing (TIF) Fund is a combination of all the City's active TIF projects which is overseen by the TIF Commission. It ended FY 2017 with a fund balance of \$1,286,247, an increase of \$80,959 or 6.7% which is primarily due to slightly less expenditures made for debt service and various taxing districts than tax revenues received during the fiscal year.

General Fund Budgetary Highlights

The final general fund expenditure budget slightly decreased by \$205,689 or 1.4% compared to the previous fiscal year. There was an increase of budgeted transfers to other funds of \$53,000 for a net decrease in budgeted expenditures and transfers-out of 1.0% for FY 2017. Budgeted general fund revenues were 2.6% less than the prior fiscal year, including a decrease in budgeted transfers from other funds of \$82,600.

Actual general fund revenues including other financing sources were \$335,303 or 2.3% less than budgeted which was primarily due to decreased municipal court fines. Actual expenditures and transfers-out were \$28,972 or 0.2% less than budgeted.

General fund budget amendments of \$276,864 were processed for expenditures including transfers-out during FY 2017.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2017, is \$65,426,640 (net of accumulated depreciation). The investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities and infrastructure. Capital assets increased by \$435,624 during FY 2017.

City of Grandview's Capital Assets
(Amounts expressed in thousands, net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 3,614	\$ 3,598	\$ -	\$ -	\$ 3,614	\$ 3,598
Construction in progress	2,182	985	-	-	2,182	985
Buildings	10,266	10,216	-	-	10,266	10,216
Improvements	7,358	8,196	-	-	7,358	8,196
Machinery and equipment	4,559	3,577	134	179	4,693	3,756
Infrastructure	28,043	28,787	9,270	9,452	37,313	38,239
Total	<u>\$ 56,022</u>	<u>\$ 55,359</u>	<u>\$ 9,404</u>	<u>\$ 9,631</u>	<u>\$ 65,426</u>	<u>\$ 64,990</u>

Additional information regarding the City's capital assets can be found in Notes 1 and 5 in the basic financial statements.

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

- Ladder Firetruck Refurbishment and New Pumper Firetruck totaling \$1,033,140.
- Truman Farm Home Trail totaling \$747,436.
- Shalimar Park Renovation totaling \$531,858.
- Missouri 150 Outer Road Project totaling \$419,623.
- Police Storage Building totaling \$338,925.
- New Curb and Sidewalk totaling \$334,861.
- 155th Street Widening Project totaling \$315,684.
- Sidewalk Repairs totaling \$182,187.
- Police Vehicle Replacement totaling \$177,878.
- Storm Drainage Projects totaling \$154,572.
- 135th Street Trail totaling \$104,474.
- Tails and Trails Historic Bridge Rehabilitation totaling \$83,698.

Major future capital events include the following:

- Meadowmere Splash Park totaling \$2,000,000.
- Police Department Shooting Range totaling \$1,000,000.
- Truman Farm Home Trail Improvements totaling \$496,434.
- Street Overlay and Slurry Seal Program totaling \$440,000.
- Ambulance Replacement totaling \$355,500.
- Municipal Building HVAC and Roof Improvements totaling \$300,000.
- Police Vehicle Replacement totaling \$185,000.
- Sidewalk and Curb Replacement totaling \$140,000.
- Sanitary Sewer Inflow and Infiltration Rehabilitation totaling \$125,000.
- Public Works Vehicle Replacement totaling \$120,000.
- New Sidewalk and Curb Construction totaling \$100,000.
- Storm Drainage Improvements totaling \$100,000.

Debt Administration

As of September 30, 2017, the City had \$25,015,560 of outstanding obligations from governmental activities. This was an increase of \$2,289,637 from the previous fiscal year. The City had no outstanding debt from business-type activities.

**City of Grandview's Outstanding Debt
(Amounts expressed in thousands)**

	Governmental Activities	
	2017	2016
Governmental G.O. Bonds	\$13,295	\$10,150
Certificates of Participation	6,020	6,465
TIF Loan	3,530	3,810
Developer Agreements	2,171	2,301
Total	<u>\$25,016</u>	<u>\$22,726</u>

During FY 2017, new general obligation debt of \$3,500,000 was issued and \$355,000 of general obligation debt was retired. There were also \$445,000 in certificates of participation and \$280,000 of the TIF loan that were retired. In addition, new developer agreements were approved for \$80,695 and retirements and other adjustments were processed on developer agreements for \$211,058.

As of September 30, 2017, the City's total issued General Obligation (G.O.) Bonded Debt was \$13,295,000. The City has statutory authority to issue debt equal to 20% of the City's total assessed valuation or \$58,487,045. This, less our outstanding debt, and available cash leaves a legal debt margin of \$45,892,175, which is 78.5% of the City's total bonding capacity.

The City's most recent General Obligation Bonds have been rated AA- from Standards & Poor and the Certificates of Participation have been rated Aa3 by Moody's Investors Service. Bonds so rated are judged to be of upper grade. Factors contributing to the rating include a strong development pattern, favorable financial performance that reflects an expanding local economy, debt position, General Fund balance, strong voter support, and sound financial management.

Additional information regarding the City's Long-term Debt can be found in Note 6 in the basic financial statements.

Economic Factors and Next Year's Budget and Rates

In light of recent economic conditions, next year's proposed General Fund budget was determined based on a slight increase in projected revenues and expenditures remained essentially unchanged. Budgeted revenues including transfers have been increased by \$373,894 or 2.5% and budgeted expenditures including transfers reflect an overall increase of \$45,300 or 0.3%.

For FY 2018, the City's property tax levy rate is \$0.9619 in accordance with state requirements. Due to new commercial development activity as well as the increased assessed valuation, the City's General Fund is anticipated to increase. However, Senate Bill No. 5 eliminated all failure to appear fees which will continue to reduce municipal court revenues. The business-type activities reflect an increase of 5.7% for the City's sanitary sewer system.

Requests for Information

This financial report is designed to provide the reader a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to Kirk Decker, Assistant City Administrator / Director of Finance, City of Grandview, 1200 Main Street, Grandview, MO 64030.

CITY OF GRANDVIEW, MISSOURI
Statement of Net Position
September 30, 2017

	Governmental Activities	Business-type Activities	Total Primary Government
ASSETS			
Cash and investments	\$ 13,251,317	\$ 5,265,261	\$ 18,516,578
Receivables:			
Accounts	767,917	532,779	1,300,696
Property taxes	195,046	-	195,046
Other taxes	1,776,886	-	1,776,886
Accrued interest	45,588	13,912	59,500
Due from other governments	254,434	-	254,434
Prepays, deposits and other assets	172,770	-	172,770
Restricted assets:			
Cash and investments	548,169	-	548,169
Accrued interest	7,236	-	7,236
Loan receivable	449,663	-	449,663
Net pension asset	3,279,747	209,268	3,489,015
Capital assets:			
Nondepreciable	6,454,335	-	6,454,335
Depreciable, net	49,567,992	9,404,313	58,972,305
Total assets	<u>76,771,100</u>	<u>15,425,533</u>	<u>92,196,633</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	502,022	-	502,022
Pension related deferred outflows	2,302,004	87,496	2,389,500
Total deferred outflows of resources	<u>2,804,026</u>	<u>87,496</u>	<u>2,891,522</u>
LIABILITIES			
Accounts payable	1,177,766	105,759	1,283,525
Accrued liabilities	272,213	9,366	281,579
Unearned revenue	84,746	-	84,746
Liabilities payable from restricted assets:			
Accrued interest payable	79,249	-	79,249
Deposits due others	137,427	-	137,427
Long-term liabilities:			
Due within one year	2,040,090	19,196	2,059,286
Due in more than one year	24,641,816	29,666	24,671,482
Total liabilities	<u>28,433,307</u>	<u>163,987</u>	<u>28,597,294</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows	323,840	37,031	360,871
Total deferred inflows of resources	<u>323,840</u>	<u>37,031</u>	<u>360,871</u>
NET POSITION			
Net investment in capital assets	39,793,421	9,404,313	49,197,734
Restricted :			
Pension benefits	5,257,911	259,733	5,517,644
Debt service	2,441,841	-	2,441,841
Capital projects	1,946,879	-	1,946,879
Cultural and recreation	902,955	-	902,955
Other purposes	29,547	-	29,547
Unrestricted	445,425	5,647,965	6,093,390
Total net position	<u>\$ 50,817,979</u>	<u>\$ 15,312,011</u>	<u>\$ 66,129,990</u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Activities
For the Year Ended September 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position 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	\$ 3,305,777	\$ 2,069,419	\$ -	\$ -	\$ (1,236,358)	\$ -	\$ (1,236,358)
Public safety	10,693,088	473,234	413,299	-	(9,806,555)	-	(9,806,555)
Community development	2,772,359	435,728	-	-	(2,336,631)	-	(2,336,631)
Public works	4,784,344	31,817	988,117	804,648	(2,959,762)	-	(2,959,762)
Culture and recreation	3,184,404	974,768	-	-	(2,209,636)	-	(2,209,636)
Interest on long-term debt	764,363	-	-	-	(764,363)	-	(764,363)
Total governmental activities	<u>25,504,335</u>	<u>3,984,966</u>	<u>1,401,416</u>	<u>804,648</u>	<u>(19,313,305)</u>	<u>-</u>	<u>(19,313,305)</u>
Business-type activities							
Sanitary sewer	<u>3,361,820</u>	<u>3,984,351</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>622,531</u>	<u>622,531</u>
Total primary government	<u>\$ 28,866,155</u>	<u>\$ 7,969,317</u>	<u>\$ 1,401,416</u>	<u>\$ 804,648</u>	<u>(19,313,305)</u>	<u>622,531</u>	<u>(18,690,774)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purpose					2,890,114	-	2,890,114
Property taxes, levied for debt service					1,106,017	-	1,106,017
Property taxes, levied for recreation					346,633	-	346,633
Tax increment financing					1,555,689	-	1,555,689
Sales and use taxes					7,265,473	-	7,265,473
Franchise and business taxes					3,552,179	-	3,552,179
Intergovernmental not restricted to a specific purpose					26,166	-	26,166
Investment earnings					133,166	50,246	183,412
Miscellaneous					228,869	525	229,394
Gain on sale of capital assets					15,248	-	15,248
Transfers					<u>308,800</u>	<u>(308,800)</u>	<u>-</u>
Total general revenues and transfers					<u>17,428,354</u>	<u>(258,029)</u>	<u>17,170,325</u>
Change in net position					<u>(1,884,951)</u>	<u>364,502</u>	<u>(1,520,449)</u>
Net position, beginning of year					<u>52,702,930</u>	<u>14,947,509</u>	<u>67,650,439</u>
Net position, end of year					<u>\$ 50,817,979</u>	<u>\$ 15,312,011</u>	<u>\$ 66,129,990</u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Balance Sheet - Governmental Funds
September 30, 2017

	General Fund	Transportation Sales Tax	Capital Improvement Sales Tax	2014 GO Project Fund	2017 GO Project Fund	General Debt Service	Tax Increment Financing Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS									
Cash and investments	\$ 1,941,130	\$ 407,439	\$ 1,349,259	\$ 2,861,417	\$ 3,601,892	\$ 1,077,403	\$ 214,126	\$ 1,702,623	\$ 13,155,289
Receivables:									
Accounts	616,690	113,479	15,822	-	-	-	18,952	2,974	767,917
Property taxes	131,653	-	-	-	-	48,298	-	15,095	195,046
Sales and franchise taxes	966,708	144,861	183,172	-	-	-	200,156	281,989	1,776,886
Accrued interest	12,495	2,126	2,930	17,337	24	3,543	-	6,775	45,230
Due from other funds	145,422	-	-	-	-	-	-	-	145,422
Due from other governments	177,894	-	-	-	-	-	76,540	-	254,434
Prepays, deposits and other assets	163,760	-	-	-	-	-	-	9,010	172,770
Restricted assets:									
Cash and investments	137,427	-	-	-	-	-	410,742	-	548,169
Accrued interest	-	-	-	-	-	-	7,236	-	7,236
TIF loan receivable	-	-	-	-	-	-	449,663	-	449,663
Total assets	<u>\$ 4,293,179</u>	<u>\$ 667,905</u>	<u>\$ 1,551,183</u>	<u>\$ 2,878,754</u>	<u>\$ 3,601,916</u>	<u>\$ 1,129,244</u>	<u>\$ 1,377,415</u>	<u>\$ 2,018,466</u>	<u>\$ 17,518,062</u>
LIABILITIES									
Accounts payable	\$ 329,240	\$ 190,412	\$ 81,797	\$ 430,124	\$ 450	\$ 144	\$ 14,365	\$ 126,220	\$ 1,172,752
Accrued liabilities	223,914	-	-	-	-	-	-	18,299	242,213
Court and performance bonds	137,427	-	-	-	-	-	-	-	137,427
Due to other funds	-	-	-	-	-	-	263	145,159	145,422
Other liabilities	8,630	-	-	-	-	-	-	76,116	84,746
Total liabilities	<u>699,211</u>	<u>190,412</u>	<u>81,797</u>	<u>430,124</u>	<u>450</u>	<u>144</u>	<u>14,628</u>	<u>365,794</u>	<u>1,782,560</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - taxes	108,224	-	-	-	-	40,480	76,540	12,657	237,901
Unavailable revenue - ambulance billings	421,623	-	-	-	-	-	-	-	421,623
Unavailable revenue - other	143,791	-	-	-	-	-	-	-	143,791
Total deferred inflows of resources	<u>673,638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,480</u>	<u>76,540</u>	<u>12,657</u>	<u>803,315</u>
FUND BALANCES									
Nonspendable	163,760	-	-	-	-	-	-	9,010	172,770
Restricted	-	477,493	1,469,386	2,448,630	3,601,466	1,088,620	1,286,247	1,234,908	11,606,750
Assigned	32,437	-	-	-	-	-	-	573,376	605,813
Unassigned (deficit)	2,724,133	-	-	-	-	-	-	(177,279)	2,546,854
Total fund balances	<u>2,920,330</u>	<u>477,493</u>	<u>1,469,386</u>	<u>2,448,630</u>	<u>3,601,466</u>	<u>1,088,620</u>	<u>1,286,247</u>	<u>1,640,015</u>	<u>14,932,187</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,293,179</u>	<u>\$ 667,905</u>	<u>\$ 1,551,183</u>	<u>\$ 2,878,754</u>	<u>\$ 3,601,916</u>	<u>\$ 1,129,244</u>	<u>\$ 1,377,415</u>	<u>\$ 2,018,466</u>	<u>\$ 17,518,062</u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
September 30, 2017

Fund balances of governmental funds	\$ 14,932,187
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 fund statements.	56,022,327
Long-term liabilities for items such as bonds and certificates of participation are not current obligations and, therefore, not recorded in the governmental fund statements. This amount is net of \$502,022 of deferred amount on refunding reported as a deferred outflow of resources.	(26,179,884)
Certain revenues are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds.	803,315
Liabilities for interest on long-term debt are recognized only when due in the governmental fund statements but are accrued in the government-wide statements.	(79,249)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service fund are reported with governmental activities in the statement of net position.	61,372
Net pension assets are not due and available to be used as current period resources and therefore are not reported in the governmental fund statements. This amount includes \$2,302,004 of pension related deferred outflows and is net of \$323,840 of pension related deferred inflows.	5,257,911
Net position of governmental activities	\$ 50,817,979

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
Year Ended September 30, 2017

	General Fund	Transportation Sales Tax	Capital Improvement Sales Tax	2014 GO Project Fund	2017 GO Project Fund	General Debt Service	Tax Increment Financing Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:									
Taxes	\$ 9,170,007	\$ 1,227,068	\$ 1,405,979	\$ -	\$ -	\$ 1,114,224	\$ 523,588	\$ 1,750,633	\$ 15,191,499
Tax increment financing	-	-	-	-	-	-	1,592,927	-	1,592,927
Licenses and permits	691,126	-	-	-	-	-	-	-	691,126
Intergovernmental	1,427,582	443,787	188,462	-	-	-	-	172,399	2,232,230
Charges for services	1,784,388	-	3,402	-	-	-	-	960,043	2,747,833
Fines and forfeitures	811,208	-	-	-	-	-	-	-	811,208
Investment earnings	33,941	6,835	11,445	26,220	24,651	11,794	2,582	14,629	132,097
Other	79,139	371	-	-	-	-	10,692	103,067	193,269
Total revenues	13,997,391	1,678,061	1,609,288	26,220	24,651	1,126,018	2,129,789	3,000,771	23,592,189
EXPENDITURES:									
Current:									
General government	2,953,094	-	-	1,759	-	18,664	-	-	2,973,517
Public safety	9,134,007	-	-	-	-	-	-	-	9,134,007
Public works	1,425,164	-	-	-	-	-	-	-	1,425,164
Community development	715,425	-	-	-	-	-	1,504,778	407,561	2,627,764
Culture and recreation	551,369	-	-	-	-	-	-	1,583,164	2,134,533
Capital outlay	-	1,869,186	1,300,067	2,146,965	-	-	-	435,077	5,751,295
Debt service:									
Principal retirement	-	-	-	-	-	355,000	491,058	445,000	1,291,058
Interest and fiscal charges	-	-	-	-	70,691	317,868	113,310	243,840	745,709
Total expenditures	14,779,059	1,869,186	1,300,067	2,148,724	70,691	691,532	2,109,146	3,114,642	26,083,047
Excess of revenues over (under) expenditures	(781,668)	(191,125)	309,221	(2,122,504)	(46,040)	434,486	20,643	(113,871)	(2,490,858)
OTHER FINANCING SOURCES (USES):									
Transfers in	443,800	-	-	-	-	-	60,316	859,250	1,363,366
Transfers out	(232,566)	-	-	-	-	-	-	(822,000)	(1,054,566)
Proceeds from bond issuance	-	-	-	-	3,500,000	-	-	-	3,500,000
Premium on issuance	-	-	-	-	147,506	-	-	-	147,506
Insurance recoveries	-	-	41,366	-	-	-	-	-	41,366
Sale of capital assets	109	-	-	-	-	-	-	8,090	8,199
Total other financing sources (uses)	211,343	-	41,366	-	3,647,506	-	60,316	45,340	4,005,871
Net change in fund balances	(570,325)	(191,125)	350,587	(2,122,504)	3,601,466	434,486	80,959	(68,531)	1,515,013
Fund balances, beginning of year	3,490,655	668,618	1,118,799	4,571,134	-	654,134	1,205,288	1,708,546	13,417,174
Fund balances, end of year	\$ 2,920,330	\$ 477,493	\$ 1,469,386	\$ 2,448,630	\$ 3,601,466	\$ 1,088,620	\$ 1,286,247	\$ 1,640,015	\$ 14,932,187

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balance to the Statement of Activities
For the Year Ended September 30, 2017

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

Net change in fund balances - total governmental funds	\$ 1,515,013
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay costs in excess of capitalization threshold	4,140,731
Net book value on disposal of capital assets	(34,317)
Depreciation	(3,443,607)

Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.

Charges for services	(265,201)
Tax revenues	(68,321)
Miscellaneous	35,600

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

Proceeds from issuance of long-term debt	(3,500,000)
Premium on issuance of long-term debt	(147,506)
Development agreement obligations incurred	(80,695)
Payments on developer agreements	211,058
Principal payments on long-term debt	1,080,000
Premiums, discounts and deferred amount on refunding, net	(14,432)
Changes in accrued interest expense	(4,222)

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 governmental funds.

Change in compensated absences payable	(4,926)
Change in OPEB obligation	(31,453)
Change in pension liability/asset	1,351,065
Change in net pension deferred outflows	(2,645,005)
Change in net pension deferred inflows	49,741

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the Internal Service fund is reported with governmental activities

(28,474)

Change in net position of governmental activities	\$ (1,884,951)
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The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Net Position
Proprietary Funds
September 30, 2017

	<u>Enterprise Fund Sanitary Sewer</u>	<u>Governmental Internal Service Fund</u>
ASSETS		
Current assets:		
Cash and investments	\$ 5,265,261	\$ 96,028
Receivables, net:		
Accounts	272,445	-
Unbilled services	260,334	-
Accrued interest	13,912	358
Total current assets	<u>5,811,952</u>	<u>96,386</u>
Noncurrent assets:		
Net pension asset	209,268	-
Depreciable capital assets, net	9,404,313	-
Total noncurrent assets	<u>9,613,581</u>	<u>-</u>
Total assets	<u>15,425,533</u>	<u>96,386</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related deferred outflows	<u>87,496</u>	<u>-</u>
Total deferred outflows of resources	<u>87,496</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable	105,759	5,014
Accrued liabilities	9,366	30,000
Compensated absences	19,196	-
Total current liabilities:	<u>134,321</u>	<u>35,014</u>
Noncurrent liabilities		
Compensated absences	19,195	-
OPEB obligation	10,471	-
Total noncurrent liabilities	<u>29,666</u>	<u>-</u>
Total liabilities	<u>163,987</u>	<u>35,014</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related deferred inflows	<u>37,031</u>	<u>-</u>
Total deferred inflows of resources	<u>37,031</u>	<u>-</u>
NET POSITION		
Investment in capital assets	9,404,313	-
Restricted: Pension benefits	259,733	-
Unrestricted	5,647,965	61,372
Total net position	<u>\$ 15,312,011</u>	<u>\$ 61,372</u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2017

	<u>Enterprise Fund Sanitary Sewer</u>	<u>Governmental Internal Service Fund</u>
Operating revenues:		
Charges for services	\$ 3,984,351	\$ -
Total operating revenues	<u>3,984,351</u>	<u>-</u>
Operating expenses:		
Services operation and maintenance	1,347,694	-
Sewer treatment charges	1,775,139	-
Depreciation and amortization	238,987	-
Other	-	29,543
Total operating expenses	<u>3,361,820</u>	<u>29,543</u>
Operating income (loss)	<u>622,531</u>	<u>(29,543)</u>
Nonoperating revenues:		
Investment earnings	50,246	1,069
Other income	525	-
Total nonoperating revenues	<u>50,771</u>	<u>1,069</u>
Income (loss) before transfers	<u>673,302</u>	<u>(28,474)</u>
Transfers out	<u>(308,800)</u>	<u>-</u>
Change in net position	<u>364,502</u>	<u>(28,474)</u>
Net position, beginning of year	<u>14,947,509</u>	<u>89,846</u>
Net position, end of year	<u>\$ 15,312,011</u>	<u>\$ 61,372</u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2017

	Enterprise Fund Sanitary Sewer	Governmental Internal Service Fund
Cash flows from operating activities:		
Receipts from customers	\$ 3,934,426	\$ -
Payments to suppliers for goods and services	(2,847,522)	(24,553)
Payments to employees for services and benefits	(651,106)	-
Net cash provided by (used in) operating activities	435,798	(24,553)
Cash flows from noncapital financing activities:		
Transfers out	(308,800)	-
Net cash used in noncapital financing activities	(308,800)	-
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(11,803)	-
Net cash used in capital and related financing activities	(11,803)	-
Cash flows from investing activities:		
Interest received	48,726	1,071
Net cash provided by investing activities	48,726	1,071
Net increase (decrease) in cash and cash equivalents	163,921	(23,482)
Cash and cash equivalents, beginning of year	5,101,340	119,510
Cash and cash equivalents, end of year	\$ 5,265,261	\$ 96,028
 Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ 622,531	\$ (29,543)
Adjustments to reconcile operating loss to net cash provided by (used in) operations:		
Depreciation and amortization	238,987	-
Nonoperating revenues	525	-
Changes in assets and liabilities:		
Receivables	(50,450)	-
Net pension asset	11,541	-
Accounts payable	(386,802)	4,990
Accrued expenses and deposits	(534)	-
Net cash provided by (used in) operating activities	\$ 435,798	\$ (24,553)

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Statement of Assets and Liabilities -
Fiduciary Funds
September 30, 2017

Assets	<u>Agency Funds</u>
Cash and investments	\$ 100,521
Taxes receivable	<u>98,041</u>
Total assets	<u><u>\$ 198,562</u></u>
Liabilities	
Due to other governments	<u>\$ 198,562</u>
Total liabilities	<u><u>\$ 198,562</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

1. Summary of Significant Accounting Policies

Introduction

The City of Grandview, Missouri (the City), was incorporated in 1912 and covers an area of approximately 15 square miles in Jackson County, Missouri. The City is a city of the fourth class and operates under a Mayor-Board of Aldermen/City Administrator form of government. The City Administrator is the chief administrative officer of the City. The City provides services to approximately 25,000 residents in many areas, including law enforcement, fire protection, paramedic services, sewer services, community enrichment and development, and various social services. Education services are provided by the Consolidated School District No. 4, a separate governmental entity.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America applicable to local governments. The following represents the more significant accounting and reporting policies and practices of the City.

Reporting Entity

Generally accepted accounting principles require that the financial statements present the City (the primary government) and its component units. Component units are required to be included in the City's reporting entity due to the significance of their operational or financial relationships with the City. Based on the evaluation criteria, the Tax Increment Financing Commission of Grandview, Missouri (TIF) is reported as a blended component unit. The TIF is governed by an eleven-member board of which six members are appointed by the City. The remaining five members are appointed by the respective taxing districts' boards. Although it is legally separate from the City, the TIF is reported as if it were part of the primary government because its sole function is to use TIF as a method to finance infrastructure improvements through incremental property and sales taxes. The TIF does not issue separate financial statements.

Fund Types and Major Funds

Government-wide Statements

The statement of net position and the statement of activities display information about the primary government as a whole. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties. The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses, with the exception of costs related to workers compensation insurance, investment management fees, and vehicle fuel costs. Program revenues include charges paid by the recipients of goods, services or privileges offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues-are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting fund type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (other than those in proprietary funds) are accounted through governmental funds.

The City reports the following major governmental funds:

General Fund – This 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.

Transportation Sales Tax – This capital project fund accounts for the proceeds from a one-half percent sales tax to be used for road and bridge improvement projects within the City.

Capital Improvement Sales Tax – This capital project fund accounts for the proceeds from a one-half percent sales tax to be used for acquiring capital equipment and improving City facilities and infrastructure.

2014 GO Project Fund – This capital project fund accounts for the proceeds of the General Obligation Bonds, Series 2014 issued for the purpose of acquiring, constructing, renovating, equipping, repairing and improving the City's parks and recreation system facilities and public safety facilities and equipment.

2017 GO Project Fund – This capital project fund accounts for the proceeds of the General Obligation Bonds, Series 2017 issued for the purpose of acquiring, constructing, renovating, equipping, repairing and improving the City's parks and recreation system facilities and public safety facilities and equipment.

General Debt Service – This fund accounts for the accumulation of resources for, and the payment of, principal, interest, and fiscal charges on the City's general obligation bonds.

Tax Increment Financing Fund - Accounts for resources of the City's tax increment financing activities.

Proprietary Funds

The City reports the following major proprietary fund:

Sanitary Sewer Fund – This fund accounts for the acquisition, operation, and maintenance of the City's sanitary sewer utility facilities and services.

The City also reports the following fund type:

Internal Service Fund – This fund accounts for costs and claim amounts which are below current insurance deductibles.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Fiduciary Funds

Agency Funds – These funds account for sales taxes collected by the City on behalf of the Jackson County Tax Fund which accounts for property taxes collected and remitted to Jackson County, Missouri, the 71/150 Highway Transportation Development District, the Grandview Crossing Community Improvement District, the Truman’s Marketplace Community Improvement District and the Truman’s Marketplace Transportation Development District. Agency funds are used to report assets held in a trustee or agency capacity for others. Since by definition these assets are being held for the benefit of a third party and cannot be used to support activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, sales taxes and donations. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. This is a similar approach to that used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental Fund Financial Statements

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, certain revenue sources are deemed both measurable and available. The City considers funds available if collectible within the current period or within 60 days of year-end and available to pay obligations of the current period. This includes investment earnings and state-levied locally shared taxes, including motor vehicle fees. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made when all other eligibility requirements have been met and the amount is received within the 60 day availability period.

The City’s property tax is levied by Jackson County, Missouri (the County) each September 1st on the assessed value of the prior January 1st date for all real and personal property located within the City. Property taxes are billed by the County on November 1st of each year, and are considered to be delinquent by the County after December 31st following the levy date.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which have not matured are recognized when due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Fund Financial Statements

All proprietary funds are accounted for using the economic resource measurement focus and the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Proprietary fund operating revenues, such as charges for services, are defined as those that result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's ongoing operations. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses. Non-operating revenues, such as investment earnings, are those that result from non-exchange transactions or ancillary activities.

Cash and Investments

The City maintains a cash and investment pool in which a majority of the City's funds share. Each fund type's portion of this pool is displayed in the financial statements as cash and investments, and investments made in accordance with bond ordinances are reflected as restricted cash and investments. The City's cash and investments are primarily considered to be cash on hand, certificates of deposits, and federal agency securities. Investments are reported at fair value based on quoted market prices. Interest earned from the pool is allocated to the funds on the basis of average monthly cash and investment balances. Funds with overdrawn balances are not charged interest.

Accounts Receivable

Governmental activities accounts receivable consists of ambulance charges, code violation charges and other miscellaneous services provided to citizens. Business-type activities represent billed and unbilled sewer charges.

Prepaid Items

Prepaid items reflect the payment of insurance premiums for coverage that benefits more than one fiscal period. The premium amounts are amortized using the consumption method over the policy periods in both the government-wide and fund financial statements.

Restricted Assets

Certain unspent proceeds of the City's bonds and TIF loan, certain resources set aside for their repayment, and the City's net pension asset are classified as restricted assets on the applicable balance sheets and statement of net position because they are maintained in separate bank or trust accounts and their use is restricted. Restricted assets in the General Fund consist of amounts held for court and performance bonds.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. In the governmental fund financial statements, capital assets are charged to expenditures as purchased, and capitalized in the proprietary fund statements. Capital assets are defined by the City as assets with a cost of \$5,000 or greater and an estimated useful life of at least one year. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly increase the capacity of an asset are capitalized.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. There was no interest capitalized during the year. All capital assets, except land and construction in progress, are depreciated. Depreciation on these assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>
Governmental activities:	
Buildings	25 to 50
Infrastructure	20 to 50
Improvements, other than buildings	15 to 50
Furniture and fixtures	5 to 20
Equipment	5 to 15
Vehicles	6
Business activities:	
Sanitary sewer lines	80
Equipment	7 to 8

Compensated Absences

Under terms of the City's personnel policy, employees are granted paid time off (PTO) and short-term disability leave in varying amounts, based upon length of service. Paid time off begins to accrue from the date of hire for both part-time and full-time positions and may not be taken until it is earned. A maximum of 232 unused hours may be rolled over to the following fiscal year. Unused paid time off of greater than 232 hours at the end of each fiscal year will be forfeited. Employees receive Family and Medical Leave protection concurrently with qualified PTO. After six months of employment, employees are paid for unused PTO upon separation from the City.

In addition, all regular full-time employees are eligible for 8 hours paid time off per fiscal year to be used for wellness visits and 8 hours for a floating holiday. Wellness and floating holiday time not used at the end of the fiscal year will be forfeited. Approved paid time off for wellness and prevention will not be deducted from the employee's paid time off accrual.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

All regular full time employees accrue 8 hours per month, with a maximum accrual of 1000 hours, to be used as Short-Term Disability. Short-Term Disability Leave is 100% paid leave for an employee who is unable to work due to his/her disability or the need to care for a spouse, dependent child, or parent with a serious health condition. Injuries or illnesses covered by worker's compensation are not eligible for Short Term Disability benefits. The employee is eligible for Short-Term Disability benefit only after 40 hours consecutive absence for a single event. Employees, who are actively employed at the time of elective, qualified retirement, receive a lump sum payment equal to 25% of their accumulated short term disability hours, subject to a maximum payment of 250 hours. Vested or accumulated paid time off and short term disability is accrued when earned in the government-wide and proprietary financial statements. A liability is reported in the governmental funds only if it has matured as a result of employee resignations or retirements.

Long-term Liabilities

The accounting treatment of long-term debt depends on whether debt proceeds were used to acquire or improve assets used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds, certificates of participation, a TIF loan, developer obligations, and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for long-term debt in the proprietary fund is the same in the fund statements as it is in the government-wide statements.

Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, 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. The first item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding or refunded debt. The second item results from actuarial assumption changes, the difference between actual and projected earnings in calculating the net pension asset, changes between actual and projected experience in calculating the net pension asset and pension contributions made by the City subsequent to the pension valuation date. The contribution amount will be applied during the next fiscal year while the changes in actual versus projected amounts will be amortized over five to seven years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an 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 types of items, which qualify for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet for amounts not received within the City's 60 day availability period. The governmental funds report unavailable revenues from three sources: taxes, ambulance billings and other. The second item relates to the change in actual and projected experience in calculating the net pension asset. Unavailable revenue is deferred and recognized as an inflow of resources in the period that the amount become available, while the pension related amount is amortized over five to seven years.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Interfund Transfers

Permanent re-allocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Fund Balances

Governmental funds report the following fund balance classifications:

Non-Spendable – This consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – This consists of amounts where constraints are placed on the use of those resources which are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – This consists of amounts which can only be used for specific purposes pursuant to constraints imposed by Ordinances passed by the Board of Aldermen.

Assigned – This consists of amounts which are constrained by City management's intent for these to be used for a specific purpose but are neither formally restricted by external sources nor committed by Board of Aldermen action. The City Administrator has the authority to assign amounts for a specific purpose in this category pursuant to the City's GASB 54 policy passed by the Board of Aldermen. Likewise, the City Administrator has the authority to take necessary actions to un-assign amounts in this category.

Unassigned – This consists of the residual fund balance that does not meet the requirements for the non-spendable, restricted, committed, or assigned classifications. A positive unassigned fund balance is only possible in the general fund.

The City has a fund balance policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The City has a minimum Unassigned Fund Balance policy for the General Fund equal to 20% of annual expenditures. Detailed information on the City's governmental fund balance classifications may be found in Note 13 in the notes to the financial statements.

Pensions

For purposes of measuring the net pension asset, 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. Investments are reported at fair value.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Statement of Cash Flows

Proprietary Fund investments maintained in the City's pooled investments are readily convertible to known amounts of cash, and so near to their maturity that they present insignificant risk of changes in value because of changes in interest rates, and generally have a maturity of less than three months when purchased. Accordingly, for purposes of the statement of cash flows, these investments are considered cash equivalents.

Stewardship, Compliance and Accountability

The Missouri Revised Statutes (RSMo) require all political subdivisions of the State prepare an annual budget. Governmental funds required to have legally adopted budgets include the general fund. Annual budgets for all governmental funds are adopted using the modified accrual basis of accounting. Budgeted expenditures cannot exceed budgeted revenues and unencumbered positive fund balances as required by Section 67.010 RSMo. Actual expenditures exceeded budgeted amounts in the Economic Development Enhancement Fund and the 2017 GO Project Fund

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 disclosures 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.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no effect on total assets, liabilities, net position/fund balance or the change in net position/fund balance for any opinion unit.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

2. Deposits and Investments

A summary of the carrying values of deposits, investments and petty cash at September 30, 2017 is as follows:

Deposits	\$ 8,247,429
Investments	10,910,929
Petty Cash	<u>6,900</u>
Total	<u><u>\$ 19,165,258</u></u>

These carrying values are reflected on the financial statements as follows:

Government-wide:	
Cash and investments	\$ 18,516,568
Restricted cash and investments	<u>548,169</u>
	<u>19,064,737</u>
Agency fund:	
Deposits and investments	<u>100,521</u>
Total	<u><u>\$ 19,165,258</u></u>

Investment Policy

The City deposits and invests all monies as allowed by state statute and in accordance with its investment policy. State statutes allow the City to deposit in open accounts and certificates of deposit, and to invest in direct obligations of the U.S. Government, U.S. Government agency obligations and repurchase agreements. Statutes also require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the City or a disinterested third party and must be of the kind prescribed by states statutes and approved by the State of Missouri.

The City maintains a cash and investment pool, which is available for use by most funds. Substantially, all excess cash is invested in repurchase agreements, certificates of deposits, and federal agency securities. Each fund's portion of this pool is displayed as pooled cash and investments or in restricted assets. Interest earned is allocated to the funds on the basis of average monthly cash and investment balances. Cash and investments are held separately by some of the City's funds. Additionally, certain restricted assets are invested in accordance with bond ordinances by the trustee in money market mutual funds and U.S. Government agency obligations.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. For deposits, the City follows state statutes which require pledged collateral with a fair value equal to 100% of the funds on deposit, less insured amounts. The custodial credit risk for investments 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 its investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize all deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name but does not limit the holdings of any one counterparty.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

At September 30, 2017, the pooled U.S. Government agency investments were held by the City's financial institution in the City's name. The securities underlying the repurchase agreement were held by the financial institution's agent in the City's name. Restricted investments are held in the City's name by the bond trustee in accordance with the related bond indenture.

At September 30, 2017, the City's deposits were insured by Federal depository insurance and uninsured deposits were fully collateralized by securities held by the City's agent in the City's name.

The carrying amount and maturity segment for the City's investments at September 30, 2017 are as follows:

	<u>Investment Maturity</u>	
	<u>Under 1 year</u>	<u>One to five years</u>
<u>Pooled investments</u>		
U.S. Treasury Notes	\$ -	\$ 2,049,747
Federal Home Loan Bank	-	5,557,488
Federal Home Loan Mortgage Corporation	-	649,734
Federal National Mortgage Association	-	258,918
Federal Farm Credit Bank	-	1,984,300
 <u>Restricted investments</u>		
Gateway Commons TIF Fund:		
Financial Square Treasury Money Market Fund	410,742	-
	<u>\$ 410,742</u>	<u>\$ 10,500,187</u>

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will be unable to fulfill its obligations. It is the City's policy to minimize credit risk by limiting its investments to Certificates of Deposit, bonds, or other obligations of the United States, and other debt securities given the highest available rating by a nationally recognized statistical rating organization. The only security listed above that is not either a U.S. Government obligation, or explicitly guaranteed by the U.S. Government is the Financial Square Treasury Money Market Fund which is rated Aaa-mf by Standard & Poor's as of year end.

Interest Rate Risk

The City's investment policy limits investment maturities to five years as a means of managing its exposure to fair value losses arising from changes in interest rates. To minimize the risk of loss, the City matches investments to anticipated cash flows and diversifies the investment types to the extent practicable. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

The U.S. Government and agency obligations above have maturity dates ranging from March 15, 2018 to September 12, 2022.

Concentration of Credit Risk

The City's investment policy does not limit the amount that can be invested with any one issuer. Investments that represent more than 5% of the City's investments consist of U.S. Government agency securities and are included above.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted in active markets for identical assets; Level 2 inputs are significant other observable inputs such as third party pricing services for identical assets; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2017:

	Level 1
Pooled investments	
U.S. Treasury Notes	\$ 2,049,747
Federal Home Loan Bank	5,557,488
Federal Home Loan Mortgage Corporation	649,734
Federal National Mortgage Association	258,918
Federal Farm Credit Bank	1,984,300
Restricted investments	
Gateway Common TIF Fund:	
Financial Square Treasury Money Market Fund	410,742
	\$ 10,910,929

Both pooled and restricted investments are classified as Level 1 of the fair value hierarchy using prices quoted in active markets for those securities.

3. Tax Revenues

Tax revenues, including interest and penalties, by fund type for the year ended September 30, 2017 were as follows:

	General Fund	Transportation Sales Tax	Capital Improvement Sales Tax	General Debt Service	TIF Fund	Non-major Governmental Funds	Total
Property tax	\$ 2,910,540	\$ -	\$ -	\$ 1,114,224	\$ -	\$ 349,083	\$ 4,373,847
Sales tax	2,811,485	1,227,068	1,405,979	-	523,588	1,297,353	7,265,473
Tax increment financing	-	-	-	-	1,592,927	-	1,592,927
Franchise tax	3,365,524	-	-	-	-	-	3,365,524
Transient guest tax	-	-	-	-	-	104,197	104,197
Cigarette tax	82,458	-	-	-	-	-	82,458
Total	\$ 9,170,007	\$ 1,227,068	\$ 1,405,979	\$ 1,114,224	\$ 2,116,515	\$ 1,750,633	\$ 16,784,426

The City's property tax is levied each September 1 on the assessed value as of the prior January 1 for all real and personal property located in the City. Property taxes are billed by Jackson County on November 1, and are considered delinquent after December 31 following the levy date. The City and County collect property taxes on behalf of each other and each receives a fee equal to 1.0% to 1.6%, respectively, of the gross amount of taxes collected. Taxes held on behalf of the County are reported in the Jackson County Tax Agency Fund. Taxes remaining unpaid for two years after that date are submitted to Jackson County for collection through foreclosure proceedings.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
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Assessed values are established by the Jackson County Assessor subject to review by the County's Board of Equalization and State Tax Commission. The assessed value for real property, including railroad and utility properties, located in the City as of January 1, 2016, on which the fiscal 2017 levy was based, was \$269,863,124.

The City is permitted by Missouri state statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services, other than payment of principal and interest on long-term debt, up to \$.20 per \$100 of assessed valuation for recreation and in unlimited amounts for the payment of principal and interest.

Property tax levies per \$100 assessed valuation for the budget year ended September 30, 2017, were as follows:

General Fund	\$ 0.9903
Park Levy Fund	0.1188
Debt Service Fund	<u>0.3800</u>
Total Levy	<u>\$ 1.4891</u>

The City has passed ordinances to establish sixteen tax increment financing districts (TIF). The establishment of these districts allows the City to provide public improvements to encourage developers to construct and make new investments within blighted, conservation or economic areas. Through the use of TIF districts, the City can utilize the taxes generated by the incremental increase in property values and sales taxes from the date the TIF was established and the combined levies of all taxing jurisdictions for infrastructure improvements. During the current year, the City closed TIF project 8 leaving 6 active projects as of September 30, 2017.

Sales tax revenues result from a 1% levy on all receipts from the retail sale of tangible personal property or taxable services within the City subject to taxation by the State of Missouri. Transportation sales tax revenues result from a 1/2% levy on all receipts and is for the purpose of street maintenance. The capital improvement sales tax revenues result from a 1/2% levy on all receipts and is to be used to acquire equipment and make City facility and infrastructure improvements. The community center sales tax revenues result from a 1/2% levy on all receipts to be used to construct and operate a community center.

Property taxes receivable include related interest and penalties, and other taxes receivable consist of sales, local use, cigarette and franchise taxes, reduced by an appropriate allowance for uncollectible taxes.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

4. Intergovernmental Revenue

Intergovernmental revenues during fiscal year 2017 consisted of the following:

	<u>General Fund</u>	<u>Transportation Sales Tax</u>	<u>Capital Impr. Sales Tax</u>	<u>Non-major Govt Funds</u>	<u>Total</u>
Federal:					
Department of Transportation	\$ 31,868	\$ 443,787	\$ 188,462	\$ 172,399	\$ 836,516
State:					
Motor vehicle fuel tax	661,505	-	-	-	661,505
Motor vehicle sales tax	217,190	-	-	-	217,190
Vehicle registration fees	109,422	-	-	-	109,422
Financial institution tax	26,166	-	-	-	26,166
Miscellaneous	16,635	-	-	-	16,635
Local:					
DARE	74,764	-	-	-	74,764
Drug task force tax	170,634	-	-	-	170,634
Consolidated School District	116,798	-	-	-	116,798
Miscellaneous	2,600	-	-	-	2,600
Total	<u>\$ 1,427,582</u>	<u>\$ 443,787</u>	<u>\$ 188,462</u>	<u>\$ 172,399</u>	<u>\$ 2,232,230</u>

Due from other governments at September 30, 2017 consists of state vehicle fuel and sales taxes, state vehicle registration fees, intergovernmental activity taxes, and grants.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

5. Capital Assets

Changes in capital asset activity for 2017 are as follows:

	Beginning Balances	Additions	Deductions	Ending Balances
Governmental activities:				
Capital assets, not being depreciated				
Land and land rights	\$ 3,668,298	\$ -	\$ (53,876)	\$ 3,614,422
Construction in progress	984,894	1,862,794	(665,242)	2,182,446
Infrastructure in progress	<u>5,210,559</u>	<u>702,225</u>	<u>(5,255,317)</u>	<u>657,467</u>
Total capital assets, not being depreciated	<u>9,863,751</u>	<u>2,565,019</u>	<u>(5,974,435)</u>	<u>6,454,335</u>
Capital assets, being depreciated				
Buildings	19,110,732	714,782	(6,392)	19,819,122
Improvements, other than buildings	11,213,580	38,220	(136,323)	11,115,477
Furniture, fixtures, vehicles and equipment	11,788,378	1,541,828	(562,453)	12,767,753
Infrastructure	<u>52,629,591</u>	<u>5,255,317</u>	<u>-</u>	<u>57,884,908</u>
Total capital assets, being depreciated	<u>94,742,281</u>	<u>7,550,147</u>	<u>(705,168)</u>	<u>101,587,260</u>
Less accumulated depreciation for:				
Buildings	8,997,164	562,753	(6,392)	9,553,525
Improvements, other than buildings	3,251,486	617,160	(111,148)	3,757,498
Furniture, fixtures, vehicles and equipment	7,945,156	816,914	(553,311)	8,208,759
Infrastructure	<u>29,052,706</u>	<u>1,446,780</u>	<u>-</u>	<u>30,499,486</u>
Total accumulated depreciation	<u>49,246,512</u>	<u>3,443,607</u>	<u>(670,851)</u>	<u>52,019,268</u>
Total capital assets, being depreciated, net	<u>45,495,769</u>	<u>4,106,540</u>	<u>(34,317)</u>	<u>49,567,992</u>
Total governmental activities capital assets, net	<u>\$ 55,359,520</u>	<u>\$ 6,671,559</u>	<u>\$ (6,008,752)</u>	<u>\$ 56,022,327</u>

Depreciation expense charged to governmental activity functions are as follows:

General government	\$ 163,208
Public safety	600,506
Community development	6,612
Public works	1,701,725
Culture and recreation	<u>971,556</u>
Total depreciation expense - governmental activities	<u>\$ 3,443,607</u>

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
Business-type activities:				
Capital assets, being depreciated				
Sewer lines	\$ 14,585,044	\$ -	\$ -	\$ 14,585,044
Vehicles and equipment	998,807	11,804	-	1,010,611
Total capital assets, being depreciated	<u>15,583,851</u>	<u>11,804</u>	<u>-</u>	<u>15,595,655</u>
Less accumulated depreciation for:				
Sewer lines	5,132,863	182,322	-	5,315,185
Vehicles and equipment	819,492	56,665	-	876,157
Total accumulated depreciation	<u>5,952,355</u>	<u>238,987</u>	<u>-</u>	<u>6,191,342</u>
Total capital assets, being depreciated, net	<u>9,631,496</u>	<u>(227,183)</u>	<u>-</u>	<u>9,404,313</u>
Total business-type activities capital assets, net	<u>\$ 9,631,496</u>	<u>\$ (227,183)</u>	<u>\$ -</u>	<u>\$ 9,404,313</u>

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended September 30, 2017:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$ 10,150,000	\$ 3,500,000	\$ 355,000	\$ 13,295,000	\$ 660,000
Unamortized premium - GO bonds	275,115	147,506	34,132	388,489	-
Certificates of participation	6,465,000	-	445,000	6,020,000	475,000
Unamortized premium - COP	49,259	-	4,729	44,530	-
TIF loan payable	3,810,000	-	280,000	3,530,000	295,000
Developer agreements	2,300,923	80,695	211,058	2,170,560	200,000
*Compensated absences	815,253	756,468	751,542	820,179	410,090
*OPEB obligation	<u>381,695</u>	<u>44,128</u>	<u>12,675</u>	<u>413,148</u>	<u>-</u>
Total	<u>\$ 24,247,245</u>	<u>\$ 4,528,797</u>	<u>\$ 2,094,136</u>	<u>\$ 26,681,906</u>	<u>\$ 2,040,090</u>
Business-type activities:					
Compensated absences	\$ 44,196	\$ 17,225	\$ 23,030	\$ 38,391	\$ 19,196
OPEB obligation	<u>9,712</u>	<u>1,084</u>	<u>325</u>	<u>10,471</u>	<u>-</u>
	<u>\$ 53,908</u>	<u>\$ 18,309</u>	<u>\$ 23,355</u>	<u>\$ 48,862</u>	<u>\$ 19,196</u>

* - Primarily liquidated by the General Fund in prior years

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
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General Obligation Bonds

The Missouri State Constitution permits a city, by vote of either two-thirds or four-sevenths of the voting electorate, depending upon the date of the election, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues, and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric or other light plants, provided the total general obligation indebtedness does not exceed 20% of the assessed valuation of taxable property.

At September 30, 2017, the constitutional general obligation debt limit (based on the assessed value at January 1, 2017 of \$292,435,225 was \$58,487,045. General obligation debt subject to the debt limit is \$13,295,000 of bonds outstanding, with \$1,077,403 available in the General Debt Service Fund.

Series 2010 General Obligation Bonds were issued in the amount of \$4,250,000 to finance park improvements and the construction of a parks and public works facility. Series 2014 and Series 2017 General Obligation Bonds were issued in the amounts of \$9,500,000 and \$3,500,000, respectively, to fund improvements to the City's parks and recreation system and public safety facilities and equipment.

The outstanding balance of these bonds as of September 30, 2017 is as follows:

\$4,250,000 General Obligation Bonds, Series 2010, due in annual installments of \$325,000 to \$1,020,000 through March 1, 2018; interest at 1.00% to 2.25%	\$ 325,000
\$9,500,000 General Obligation Bonds, Series 2014, due in annual installments of \$30,000 to \$845,000 through September 1, 2034; interest at 2.00% to 3.50%	9,470,000
\$3,500,000 General Obligation Bonds, Series 2017, due in annual installments of \$110,000 to \$350,000 through September 1, 2034; interest at 1.60% to 3.25%	<u>3,500,000</u>
	<u>\$13,295,000</u>

TIF Loan Payable

On November 13, 2015, the City issued \$4,085,000 of Series 2015 Tax Increment Refunding Revenue Bonds with an interest rate of 3.05% to refund \$4,085,000 of outstanding Series 2003A Infrastructure Facilities Revenue Bonds, which were issued to finance certain public and private improvements in the Gateway Commons TIF District No. 9. In connection with the formation of the TIF District and obtaining the loan, the City has agreed to loan up to \$450,000 of the proceeds to the Transportation Development District (TDD) associated with the TIF project. The loan is subordinate to the bonds. At September 30, 2017, \$449,663 has been advanced by the City. The incremental property and sales taxes generated in the TIF District, as well as the amounts repaid on the TDD loan, are pledged by the City to the repayment of these bonds. Any additional amounts necessary to make bond payments are, subject to annual appropriation, payable from General Fund revenues. Principal and interest paid and city and intergovernmental incremental tax revenues were \$393,310 and \$342,729, respectively.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Certificates of Participation

On August 1, 2011, the City issued \$8,405,000 of Certificates of Participation, Series 2011 to refund the previously issued Certificates of Participation, Series 2003. The original Certificates were issued to provide financing for the construction of a new community center, purchase of a radio system and to make energy conservation improvements. The Certificates of Participation, Series 2011 carry interest rates of 3% to 4.2% and mature through February 2027.

The annual debt service requirements to amortize all debt outstanding as of September 30, 2017 exclusive of developer agreements, unamortized bond issuance premiums and discounts, compensated absences and other postemployment obligations are as follows:

	General Obligation Bonds		TIF Loan		Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 660,000	\$ 366,771	\$ 295,000	\$ 103,166	\$ 475,000	\$ 224,910
2019	710,000	351,140	310,000	93,640	500,000	207,910
2020	760,000	332,715	330,000	84,180	530,000	189,810
2021	795,000	311,165	350,000	73,810	565,000	169,323
2022	675,000	291,555	365,000	62,906	595,000	148,279
2023-2027	3,635,000	1,206,895	1,880,000	127,795	3,355,000	352,359
2028-2032	4,185,000	663,802	-	-	-	-
2033-2034	1,875,000	65,676	-	-	-	-
	<u>\$ 13,295,000</u>	<u>\$ 3,589,719</u>	<u>\$ 3,530,000</u>	<u>\$ 545,497</u>	<u>\$ 6,020,000</u>	<u>\$ 1,292,591</u>

Developer Agreements

The City has two developer agreements in which developer financed project costs have been certified by the City as eligible to be reimbursed from tax increment financing revenues attributable to each project. Under tax increment financing plans, the developer may be reimbursed up to the certified cost amount from incremental taxes during a period not to exceed 23 years. Accordingly, certified project costs in excess of amounts reimbursed to date are reflected as a long-term obligation of the City. TIF revenues have been projected to produce sufficient funds to reimburse the developer for certified costs. These obligations are limited solely to the amount of incremental taxes received attributable to each respective project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the City.

At September 30, 2017, the amount of outstanding developer agreements was \$2,170,560 and are payable through 2025 to the extent incremental taxes are available. For 2017, payments on the developer agreements were \$211,058. Incremental revenues were \$219,090 from City and intergovernmental sales and property taxes in the funds that are responsible for these obligations.

Truman Marketplace Special Assessment Debt

During 2015, the Industrial Development Authority of the City of Grandview issued \$4,145,000 of Taxable Special Assessment Revenue Bonds, Series 2015. These bonds are to be paid back with the proceeds from a \$1 per square foot special assessment pledged by the Truman Marketplace Community Improvement District. All required payments on the bonds are guaranteed by the City in the event that the special assessment proceeds are not sufficient to make the required payments. The City currently expects the special assessment proceeds to be sufficient to pay the debt service requirements for the bonds and therefore have not recorded an obligation in connection with this guarantee. At September 30, 2017, the outstanding balance was \$3,930,000.

CITY OF GRANDVIEW, MISSOURI
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Conduit Debt

The City is authorized to issue industrial revenue bonds to provide financial assistance to a private-sector entity for the acquisition and construction of industrial facilities deemed to be in the public interest. Bonds are either secured by the property financed and are payable solely from payments received on the underlying lease agreement or are secured by tax increment financing revenues generated in the project area. The City is not obligated in any manner for repayment of these bonds. At September 30, 2017, there are five outstanding industrial revenue bond issuances with a total principal amount of approximately \$43 million.

7. Interfund Activity

Interfund transfers for the year ended September 30, 2017, were as follows:

	Transfers	
	In	Out
General Fund	\$ 443,800	\$ 232,566
TIF Fund	60,316	-
Non-major governmental	859,250	822,000
Sanitary Sewer	-	308,800
Total	\$ 1,363,366	\$ 1,363,366

Transfers are used to (1) move revenues from the fund that a statute or the budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) to segregate money for anticipated capital projects.

Interfund receivable and payable balances as of September 30, 2017 were as follows:

	Due to:
	General fund
Due from:	
Tax Increment Financing Fund	\$ 263
Non-Major Governmental Funds	145,159
	\$ 145,422

The interfund balances represent advances from the General Fund to various other funds for short-term cash flow needs.

8. Cooperative Agreement for Sewer Service

In September 1978, the City entered into an agreement for sewerage treatment services with the Little Blue Valley Sewer District, whereby the City was given the right to connect to the Little Blue Valley Sewer District treatment system. Under this agreement, the City pays a quarterly fee based upon discharge into the system. In the fiscal year ended September 30, 2017, the City incurred costs of \$1,237,558 under the provisions of this agreement. Under a similar agreement with Kansas City, Missouri, the City incurred costs of \$537,581.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

9. Employees' Retirement System

General Information about the Pension Plan

Plan description. The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with 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 and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	<u>2017 Valuation</u>
Benefit Multiplier:	1.25% for life, plus 0.75% to age 65
Final Average Salary:	3 Years
Member Contributions:	0%

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, 2017, the following employees were covered by the benefit terms:

	General	Police	Fire	Total
Inactive employees or beneficiaries currently receiving benefits	70	46	33	149
Inactive employees entitled to but no yet receiving benefits	53	26	20	99
Active employees	73	49	38	160
	196	121	91	408

Contributions. The employer 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 5.7% (General), 11.6% (Police) and 4.2% (Fire) of annual covered payroll.

Net Pension Asset. The employer's net pension asset was measured as of June 30, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 28, 2017.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Actuarial assumptions. The total pension liability in the February 28, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 % wage inflation; 2.5% price inflation
Salary Increase	3.25 % to 6.55% (General and Police) including wage inflation 3.25 % to 7.15% (Fire) including wage inflation
Investment rate of return	7.25 %, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described scale.

The actuarial assumptions used in the February 28, 2017 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43.00%	5.29%
Fixed Income	26.00%	2.23%
Real Assets	21.00%	3.31%
Strategic Assets	10.00%	5.73%

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 GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Balances at 6/30/2016	\$ 40,786,086	\$ 42,825,100	\$ (2,039,014)
Changes for the year:			
Service Cost	759,992	-	759,992
Interest	2,899,264	-	2,899,264
Difference between expected and actual experience	66,815	-	66,815
Contributions - employer	-	583,701	(583,701)
Net investment income	-	4,906,341	(4,906,341)
Benefit payments, including refunds	(2,380,829)	(2,380,829)	-
Administrative expense	-	(29,919)	29,919
Other changes	-	(284,051)	284,051
Net changes	1,345,242	2,795,243	(1,450,001)
Balances at 6/30/2017	\$ 42,131,328	\$ 45,620,343	\$ (3,489,015)

Sensitivity of the net pension asset to changes in the discount rate. The following presents the Net Pension Asset of the City, calculated using the discount rate of 7.25%, as well as what the City's Net Pension Liability/(Asset) would be using a discount rate that is 1 percentage point lower (6.25%), or one percentage point higher, (8.25%) than the current rate.

	Current Single Discount Rate		
	1% Decrease 6.25%	Assumption 7.25%	1% Increase 8.25%
	Net Pension Liability/(Asset)	\$ 2,137,409	\$ (3,489,015)

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended September 30, 2017, the employer recognized pension expense of \$1,829,007 (\$372,713 (General), \$772,848 (Police) and \$683,446 (Fire)) which includes \$583,701 of contributions made by the City during the year, \$2,756,024 in changes to the deferred outflows of resources, \$(60,717) in changes to the deferred inflows of resources and \$(1,450,001) due to net changes in the net pension asset. The employer reported deferred outflows of resources related to pensions from the following sources:

	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Deferred Outflows of Resources:				
Difference in experience	\$ -	\$ -	\$ 152,466	\$ 152,466
Assumption changes	219,622	221,705	217,412	658,739
Excess investment returns	467,974	451,571	507,840	1,427,385
Contributions subsequent to the measurement date *	49,800	67,910	33,200	150,910
Total	<u>\$ 737,396</u>	<u>\$ 741,186</u>	<u>\$ 910,918</u>	<u>\$ 2,389,500</u>
Deferred Inflows of Resources:				
Difference in experience	<u>\$ 312,087</u>	<u>\$ 48,784</u>	<u>\$ -</u>	<u>\$ 360,871</u>

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Total Pension Liability for the year ending September 30, 2018.

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

Year Ending June 30	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
2018	\$ 221,115	\$ 310,505	\$ 353,469	\$ 885,089
2019	212,197	310,507	353,469	876,173
2020	69,574	122,798	191,626	383,998
2021	(127,377)	(114,164)	(38,269)	(279,810)
2022	-	(5,154)	17,423	12,269
Total	<u>\$ 375,509</u>	<u>\$ 624,492</u>	<u>\$ 877,718</u>	<u>\$ 1,877,719</u>

Payable to the Pension Plan

At September 30, 2017, the City reported a payable of \$64,084 for the outstanding amount of contributions due to the pension plan.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Summary of financial reporting of the City's pension plan:

	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Governmental activities:				
Net Pension Liability/(Asset)	\$ (1,554,396)	\$ 191,659	\$ (1,917,010)	\$ (3,279,747)
Business-type activities:				
Net Pension Asset	(209,268)	-	-	(209,268)
Total Net Pension Asset	<u>\$ (1,763,664)</u>	<u>\$ 191,659</u>	<u>\$ (1,917,010)</u>	<u>\$ (3,489,015)</u>
Governmental activities:				
Pension related deferred outflow	\$ 649,900	\$ 741,186	\$ 910,918	\$ 2,302,004
Pension related deferred inflow	(275,056)	(48,784)	-	(323,840)
Business-type activities:				
Pension related deferred outflow	87,496	-	-	87,496
Pension related deferred inflow	(37,031)	-	-	(37,031)
Total	<u>\$ 425,309</u>	<u>\$ 692,402</u>	<u>\$ 910,918</u>	<u>\$ 2,028,629</u>

10. Other Post-employment Benefits

Plan Description

The City provides employees that retire under LAGERS at the same time they end their service to the City the opportunity for continuation of medical and dental insurance coverage offered through Midwest Public Risk (MPR), a risk pool comprised of about 100 entity members. It has been determined that MPR functions as an agent multiple-employer plan.

Retirees who elect to continue coverage in the medical and dental plans offered through MPR are required to pay a contribution until the employee becomes eligible for Medicare. Since the retirees pay the premiums each year, the City's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. This implicit rate subsidy is considered an other postemployment benefit (OPEB) under GASB 45. The benefits and benefit levels are governed by City policy and the MPR pool arrangement.

The pool arrangement with MPR is maintained to collect premiums and pay claims and administrative costs and does not qualify as an OPEB plan and is not treated as holding assets in order to offset GASB 45 liabilities. The plan is not accounted for as a trust fund since an irrevocable trust has not been established. There is no stand alone financial report for the plan.

Funding Policy

GASB Statement No. 45 does not require funding of the OPEB liability, and the City has chosen not to fund the liability. City policy dictates the payment of retiree claims as they become due. The City does not pay retiree benefits directly, as they are paid implicitly over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, which represents an amount that is actuarially determined in accordance with the requirements of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year plus the amortization of the unfunded actuarial liability over thirty years.

For the year ended September 30, 2017, the annual OPEB costs are as follows:

	Total
Annual required contribution	\$ 50,593
Interest on net OPEB obligation	17,613
Adjustment to annual required contribution	(22,994)
Annual OPEB cost (expense)	45,212
Less: Expected net employer contributions	13,000
Increase in net OPEB obligation	32,212
Net OPEB obligation, September 30, 2016	391,407
Net OPEB obligation, September 30, 2017	\$ 423,619

The City's annual OPEB cost, the percentage of annual OPEB costs estimated to be contributed to the plan, and the net OPEB obligation for the fiscal years ended September 30, 2017, 2016 and 2015 are as follows:

	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Governmental Activities:	9/30/2015	\$ 62,191	20.1%	\$ 351,599
	9/30/2016	44,541	32.4%	381,695
	9/30/2017	44,128	28.7%	413,148
Business-Type Activities:	9/30/2015	1,835	137.9%	7,147
	9/30/2016	1,120	0.0%	9,712
	9/30/2017	1,084	30.0%	10,471
Total:	9/30/2015	64,026	23.4%	358,746
	9/30/2016	45,661	28.5%	391,407
	9/30/2017	45,212	28.8%	423,619

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Funded Status and Funding Progress

As of July 1, 2015, which represents the most recent actuarial valuation date, the actuarial accrued liability for benefits within the plan for the City is \$342,512. There are no assets set aside for funding the plan as of that date, thus the entire amount is unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$7,878,550, which results in a ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll of 4.3%.

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

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets increase or decrease over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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 of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return and an annual healthcare cost trend rate, which includes the inflation rate assumption, of 8.5% initially, reduced by decrements to an ultimate rate of 5% after eight years. The UAAL is being amortized on a level-dollar, open-period basis over a period of thirty years.

11. Commitments and Contingencies

Legal Matters

There are claims and/or lawsuits to which the City is, or may be, a party as a result of certain law enforcement activities, injuries and various other matters and complaints arising in the ordinary course of City activities. The City also participates in a number of federal and state-assisted grant programs which are subject to financial and compliance requirements with each applicable grant, and any disallowed costs resulting from such audits become the liability of the City. The City's management and legal counsel anticipate the potential claims against the City, if any, which are not covered by insurance, resulting from such matters would not materially affect the financial position of the City.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Encumbrances

Encumbrance accounting is used in the governmental funds by recording purchase orders, contracts and other commitments for the expenditure of funds in order to assure effective budgetary control and accountability. Encumbrances are reported in restricted, committed, or assigned fund balance categories. All appropriations lapse at year-end. The following encumbrances were outstanding at year end:

Fund	Outstanding Encumbrances
General Fund	\$ 32,437
Transportation Sales Tax	214,949
Park Levy Fund	49,312
Capital Improvement Sales Tax	381,073
Community Center Sales Tax	18,191
Economic Development Enhancement	87,367
2014 GO Project Fund	1,621,966
Sanitary Sewer	18,400
Total	\$ 2,423,695

Commitments

Capital projects often extend over several years. The City has made normal commitments for future expenditures related to capital projects programs. Project authorizations and expenditures since inception are as follows:

Project	Authorization	Obligations Since Inception
Shalimar Park Ball Field and Lighting Renovation	\$ 2,122,851	\$ 567,470
Police Storage Building Project	455,000	388,415
155th Street Widening Project	372,000	310,200
Truman Farm Home Trail	325,112	194,022
Ambulance	230,450	-
Economic Development and Consulting Services	127,340	39,973
Storm Sewer Condition Assessment	123,343	84,993
US 40 Bridge Project	110,000	83,697
Protective Clothing/Bunker Gear	85,068	-
135th Street Trail - Phase 1	73,392	60,223
Total	\$ 4,024,556	\$ 1,728,993

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

Risk Management

The City obtains health and dental, and workers' compensation insurance coverage through its membership in Midwest Public Risk (MPR), a not-for-profit corporation consisting of governmental entities and political subdivisions. MPR was formed as a public entity risk retention pool to cover health and dental, workers' compensation, and property and casualty claims for its members. MPR has been established as assessable pools and accounting records are maintained for each line of coverage on a policy year basis. The City pays monthly and annual premiums to MPR for all coverage. The agreement with MPR provides that MPR will be self-sustaining through member premiums, although MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Also, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. MPR has not had deficiencies in any of the past three fiscal years and management of the City is not aware of any deficit situation in MPR which would require an accrual of a liability as of September 30, 2017. Also, there have been no significant changes in coverage for 2017 and the City has not incurred any claims which have exceeded its coverage in any of the past three years.

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. At September 30, 2017, the City contracted with a commercial insurance provider for property and casualty insurance. The City maintains the Insurance Deductible Internal Service Fund to pay minor claims and the deductibles under the property and casualty insurance policies. The City's deductibles for the following types of insurance coverages for fiscal year ended September 30, 2017 are as follows: General liability \$5,000; Automobile liability \$500/\$1,000; Law Enforcement \$10,000; EMS \$5,000; Public Officials \$10,000; and Property \$5,000.

12. Operating Leases

The City has entered into two leases for printing, and phone equipment and services. Future minimum rental and service payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of September 30, 2017 are as follows:

Year ended September 30:	
2018	\$ 84,060
2019	84,060
2020	84,060
2021	48,408
2022	8,068
Total	<u><u>\$ 308,656</u></u>

Rental expense for the above leases was \$75,992 for the year ended September 30, 2017.

CITY OF GRANDVIEW, MISSOURI
Notes to the Basic Financial Statements
September 30, 2017

13. Fund Balances

Fund balances at year end are as follows:

	<u>General Fund</u>	<u>Trans Sales Tax</u>	<u>Capital Impr. Sales Tax</u>	<u>2014 GO Project Fund</u>	<u>2017 GO Project Fund</u>	<u>General Debt Service</u>	<u>Tax Increment Financing</u>	<u>Non-Major Govt Funds</u>
Fund balances:								
Nonspendable:								
Prepaid items	\$ 163,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,010
Restricted for:								
Debt service	-	-	-	-	-	1,088,620	1,286,247	146,223
Transportation projects	-	477,493	-	-	-	-	-	-
Parks & public works projects	-	-	-	1,652,390	3,344,218	-	-	777,149
Community redevelopment	-	-	1,469,386	-	-	-	-	301,912
Law enforcement	-	-	-	796,240	257,248	-	-	9,624
Assigned to:								
Parks & public works projects	-	-	-	-	-	-	-	4,924
Community redevelopment	-	-	-	-	-	-	-	568,452
Miscellaneous	32,437	-	-	-	-	-	-	-
Unassigned:	2,724,133	-	-	-	-	-	-	(177,279)
Total fund balances	<u>\$ 2,920,330</u>	<u>\$ 477,493</u>	<u>\$ 1,469,386</u>	<u>\$ 2,448,630</u>	<u>\$ 3,601,466</u>	<u>\$ 1,088,620</u>	<u>\$ 1,286,247</u>	<u>\$ 1,640,015</u>

14. Tax Abatements

Tax abatements are granted under the Urban Redevelopment program described under Chapter 353 of the RSMo, the Industrial Development program described under Chapter 100 of RSMo, and the Enhanced Enterprise Zone program described under Sections 135.950 to 135.973 of RSMo. For each of these programs, property taxes are abated by reducing the assessed valuation of the associated properties. For the fiscal year ended September 30, 2017, taxes abated for the City in connection with the Urban Redevelopment program, Industrial Development program and Enhanced Enterprise Zone program were estimated at \$11,122, \$3,916, and \$8,295, respectively.

15. Subsequent Events

The City evaluated subsequent events through February 28, 2018, the date the financial statements were available to be issued. No subsequent events were identified that required adjustment to, or disclosure in, the financial statements.

CITY OF GRANDVIEW, MISSOURI
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 9,072,902	\$ 9,072,902	\$ 9,170,007	\$ 97,105
Licenses and permits	629,465	629,465	691,126	61,661
Intergovernmental	1,525,893	1,525,893	1,427,582	(98,311)
Charges for services	1,750,189	1,750,189	1,784,388	34,199
Fines and forfeitures	1,158,206	1,158,206	811,208	(346,998)
Interest and other	131,148	131,148	113,080	(18,068)
Total Revenues	<u>14,267,803</u>	<u>14,267,803</u>	<u>13,997,391</u>	<u>(270,412)</u>
Expenditures:				
Current:				
General government	3,020,489	3,025,369	2,953,094	72,275
Public safety	8,958,070	9,164,070	9,134,007	30,063
Public works	1,300,204	1,317,188	1,425,164	(107,976)
Community development	683,875	683,875	715,425	(31,550)
Culture and recreation	596,095	596,095	551,369	44,726
Total Expenditures	<u>14,558,733</u>	<u>14,786,597</u>	<u>14,779,059</u>	<u>7,538</u>
Excess of Revenues Over (Under) Expenditures	<u>(290,930)</u>	<u>(518,794)</u>	<u>(781,668)</u>	<u>(262,874)</u>
Other Financing Sources (Uses):				
Transfers in	473,800	478,800	443,800	(35,000)
Transfers out	(205,000)	(254,000)	(232,566)	21,434
Sale of capital assets	30,000	30,000	109	(29,891)
Total Other Financing Sources (Uses)	<u>298,800</u>	<u>254,800</u>	<u>211,343</u>	<u>(43,457)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 7,870</u>	<u>\$ (263,994)</u>	<u>(570,325)</u>	<u>\$ (306,331)</u>
Fund Balance, Beginning of Year			<u>3,490,655</u>	
Fund Balance, End of Year			<u>\$ 2,920,330</u>	

Note to Required Supplementary Information:
GAAP is the budgetary basis used to prepare this schedule

CITY OF GRANDVIEW, MISSOURI
Required Supplementary Information
Schedule of Funding Progress

Other Post Employment Benefits

<u>Actuarial Valuation</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Actuarial Accrued Liability (AAL)</u>	<u>(b) - (a) Unfunded AAL (UAAL)</u>	<u>(a)/(b) Funded Ratio</u>	<u>(c) Annual Covered Payroll</u>	<u>(b)-(a)/(c) UAL as a Percentage of Covered Payroll</u>
7/1/2011	\$ -	\$ 418,386	\$ 418,386	0%	\$ 7,291,266	6%
7/1/2013	-	471,203	471,203	0%	7,754,557	6%
7/1/2015	-	342,512	342,512	0%	7,878,550	4%

CITY OF GRANDVIEW, MISSOURI
Required Supplementary Information
Schedule of Changes in Net Pension Asset
and Related Ratios

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 759,992	\$ 735,378	\$ 729,137
Interest on the Total Pension Liability	2,899,264	2,774,288	2,666,783
Difference between expected and actual experience	66,815	(725,317)	218,435
Changes of assumptions	-	1,189,657	-
Benefit Payments	(2,380,829)	(2,147,843)	(2,121,803)
Net Change in Total Pension Liability	<u>\$ 1,345,242</u>	<u>\$ 1,826,163</u>	<u>\$ 1,492,552</u>
Total Pension Liability beginning	40,786,086	38,959,923	37,467,371
Total Pension Liability ending	<u>\$ 42,131,328</u>	<u>\$ 40,786,086</u>	<u>\$ 38,959,923</u>
Plan Fiduciary Net Position			
Contributions-employer	\$ 583,701	\$ 625,409	\$ 669,050
Contributions-employee	-	-	4,093
Pension Plan Net Investment income	4,906,341	(131,968)	862,526
Benefit Payments	(2,380,829)	(2,147,843)	(2,121,803)
Pension Plan Administrative expense	(29,919)	(29,607)	(31,782)
Other	(284,051)	48,501	(439,765)
Net Change in Plan Fiduciary Net Position	<u>\$ 2,795,243</u>	<u>\$ (1,635,508)</u>	<u>\$ (1,057,681)</u>
Plan Fiduciary Net Position beginning	42,825,100	44,460,608	45,518,289
Plan Fiduciary Net Position ending	<u>\$ 45,620,343</u>	<u>\$ 42,825,100</u>	<u>\$ 44,460,608</u>
Employer Net Pension Asset	\$ (3,489,015)	\$ (2,039,014)	\$ (5,500,685)
Plan Fiduciary Net Position as a percentage of the total Pension Liability	108.28%	105.00%	114.12%
Covered Employee Payroll	\$ 8,746,440	\$ 8,467,929	\$ 8,175,598
Employer's Net Pension Asset as a percentage of covered employee payroll	-39.89%	-24.08%	-67.28%

Ultimately, 10 fiscal years will be displayed. As of September 30, 2017, only three years were available.

CITY OF GRANDVIEW, MISSOURI
Required Supplementary Information
Schedule of Employer Contributions

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation to Actuarially Determined Contributions	Contribution Deficiency	Covered Employee Payroll	Contribution as Percentage of Covered Employee Payroll
2008	\$ 197,190	\$ 197,190	\$ -	\$ 8,029,129	2.46%
2009	272,740	241,282	31,458	8,441,527	2.86%
2010	330,557	321,326	9,231	8,615,982	3.73%
2011	702,190	407,531	294,659	8,608,848	4.73%
2012	729,724	486,529	243,195	8,472,244	5.74%
2013	761,988	557,994	203,994	8,283,324	6.74%
2014	724,927	635,084	89,843	8,323,777	7.63%
2015	773,678	684,291	89,387	8,479,964	8.07%
2016	666,400	627,123	39,277	8,901,546	7.05%
2017	597,914	570,164	27,750	8,533,194	6.68%

Notes to Schedule of Employer Contributions

Valuation Date February 28, 2017

Notes: The roll-forward of total pension liability from February 28, 2017 to June 30, 2017 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions used to determine contribution rates:

Actuarial cost method Entry Age Normal and Modified Terminal Funding

Amortization method

A level percentage of payroll amortization method is used to amortize the UAAL over a closer period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining amortization period Multiple bases from 13 to 15 years

Asset valuation method 5-year smoothed market; 20% corridor

Inflation 3.25% wage inflation; 2.5% price inflation

Salary increases 3.25% to 6.55% including wage inflation (General & Police)
3.25% to 7.15% including wage inflation (Fire)

Investment rate of return 7.25%, net of investment expenses

Retirement age Experience-based table of rates that are specific to the type of eligibility condition.

Mortality

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disables retiree mortality tables, for post-retirement mortality, were the RP-2014 disables mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Other Information None

CITY OF GRANDVIEW, MISSOURI
Notes to Required Supplementary Information
September 30, 2017

Legal Compliance—Budgetary Control

Although the City is required to prepare an annual operating budget for all funds, there is no requirement to report on the budget for proprietary and similar trust funds. Therefore, the financial statements include a comparison of budget to actual only for the governmental funds. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the City Administrator submits to the Board of Alderman a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and transfers and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget for all funds is legally enacted through passage of an ordinance.
4. The City Administrator is authorized to transfer budgeted amounts between departments within any fund and/or authorized departmental expenditure in excess of budgeted amounts. Any revision that alters the total expenditures of any fund must be approved by the Board of Aldermen.



Supplementary Information

CITY OF GRANDVIEW, MISSOURI
Combining Balance Sheet - Non-Major Governmental Funds
September 30, 2017

	Special Revenue	2003 COP Debt Service	Public Works Facility Construction	Parks and Public Works Projects	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	\$ 1,393,120	\$ 148,943	\$ 4,886	\$ 155,674	\$ 1,702,623
Receivables:					
Accounts	2,974	-	-	-	2,974
Taxes	15,095	-	-	-	15,095
Sales and franchise taxes	281,989	-	-	-	281,989
Accrued interest	6,171	36	39	529	6,775
Prepaid items	9,010	-	-	-	9,010
Total assets	<u>\$ 1,708,359</u>	<u>\$ 148,979</u>	<u>\$ 4,925</u>	<u>\$ 156,203</u>	<u>\$ 2,018,466</u>
LIABILITIES					
Accounts payable	\$ 123,443	\$ 2,756	\$ 1	\$ 20	\$ 126,220
Accrued liabilities	18,299	-	-	-	18,299
Due to other funds	145,159	-	-	-	145,159
Other liabilities	76,116	-	-	-	76,116
Total liabilities	<u>363,017</u>	<u>2,756</u>	<u>1</u>	<u>20</u>	<u>365,794</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - taxes	12,657	-	-	-	12,657
Total deferred inflows of resources	<u>12,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,657</u>
FUND BALANCES					
Nonspendable	9,010	-	-	-	9,010
Restricted	932,502	146,223	-	156,183	1,234,908
Assigned	568,452	-	4,924	-	573,376
Unassigned (deficit)	(177,279)	-	-	-	(177,279)
Total fund balances	<u>1,332,685</u>	<u>146,223</u>	<u>4,924</u>	<u>156,183</u>	<u>1,640,015</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,708,359</u>	<u>\$ 148,979</u>	<u>\$ 4,925</u>	<u>\$ 156,203</u>	<u>\$ 2,018,466</u>

CITY OF GRANDVIEW, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended September 30, 2017

	<u>Special Revenue</u>	<u>2003 COP Debt Service</u>	<u>Public Works Facility Construction</u>	<u>Parks and Public Works Projects</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:					
Taxes	\$ 1,750,633	\$ -	\$ -	\$ -	\$ 1,750,633
Intergovernmental	172,399	-	-	-	172,399
Charges for services	960,043	-	-	-	960,043
Investment earnings	13,144	-	40	1,445	14,629
Other	103,067	-	-	-	103,067
Total revenues	<u>2,999,286</u>	<u>-</u>	<u>40</u>	<u>1,445</u>	<u>3,000,771</u>
EXPENDITURES:					
Current:					
Community development	407,561	-	-	-	407,561
Culture and recreation	1,583,164	-	-	-	1,583,164
Capital outlay					
Public safety	243,861	-	-	-	243,861
Culture and recreation	146,768	-	-	-	146,768
Public works	-	-	1,888	42,560	44,448
Debt service:					
Principal	-	445,000	-	-	445,000
Interest and fiscal charges	-	243,840	-	-	243,840
Total expenditures	<u>2,381,354</u>	<u>688,840</u>	<u>1,888</u>	<u>42,560</u>	<u>3,114,642</u>
Excess of revenues over (under) expenditures	<u>617,932</u>	<u>(688,840)</u>	<u>(1,848)</u>	<u>(41,115)</u>	<u>(113,871)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	172,250	687,000	-	-	859,250
Transfers out	(822,000)	-	-	-	(822,000)
Sale of capital assets	8,090	-	-	-	8,090
	<u>(641,660)</u>	<u>687,000</u>	<u>-</u>	<u>-</u>	<u>45,340</u>
Net changes in fund balances	(23,728)	(1,840)	(1,848)	(41,115)	(68,531)
Fund balances, beginning of year	<u>1,356,413</u>	<u>148,063</u>	<u>6,772</u>	<u>197,298</u>	<u>1,708,546</u>
Fund balances, end of year	<u>\$ 1,332,685</u>	<u>\$ 146,223</u>	<u>\$ 4,924</u>	<u>\$ 156,183</u>	<u>\$ 1,640,015</u>

CITY OF GRANDVIEW, MISSOURI
Combining Balance Sheet - Non-Major Special Revenue Funds
September 30, 2017

	Neighborhood Parks	Police Forfeiture	Law Enforcement Block Grant	Housing Rehabilitation	Park Levy	Community Center Sales Tax	Economic Development Enhancement	Total
ASSETS								
Cash and investments	\$ 45,261	\$ 9,257	\$ 15,244	\$ 43,774	\$ 568,684	\$ 710,897	\$ 3	\$ 1,393,120
Receivables:								
Accounts	-	-	-	-	2,974	-	-	2,974
Taxes	-	-	-	-	15,095	-	-	15,095
Sales and franchise taxes	-	-	-	-	-	273,178	8,811	281,989
Accrued interest	278	47	32	189	2,544	3,059	22	6,171
Prepaid Items	-	-	-	-	-	9,010	-	9,010
Total assets	<u>\$ 45,539</u>	<u>\$ 9,304</u>	<u>\$ 15,276</u>	<u>\$ 43,963</u>	<u>\$ 589,297</u>	<u>\$ 996,144</u>	<u>\$ 8,836</u>	<u>\$ 1,708,359</u>
LIABILITIES								
Accounts payable	\$ 831	\$ 1	\$ 2	\$ 24,040	\$ 382	\$ 79,754	\$ 18,433	\$ 123,443
Accrued liabilities	-	-	-	-	-	17,134	1,165	18,299
Due to other funds	-	-	14,953	-	-	-	130,206	145,159
Other liabilities	-	-	-	-	-	48,616	27,500	76,116
Total liabilities	<u>831</u>	<u>1</u>	<u>14,955</u>	<u>24,040</u>	<u>382</u>	<u>145,504</u>	<u>177,304</u>	<u>363,017</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - taxes	-	-	-	-	12,657	-	-	12,657
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,657</u>	<u>-</u>	<u>-</u>	<u>12,657</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	9,010	-	9,010
Restricted	44,708	9,303	321	19,923	576,258	273,178	8,811	932,502
Assigned	-	-	-	-	-	568,452	-	568,452
Unassigned (deficit)	-	-	-	-	-	-	(177,279)	(177,279)
Total fund balances	<u>44,708</u>	<u>9,303</u>	<u>321</u>	<u>19,923</u>	<u>576,258</u>	<u>850,640</u>	<u>(168,468)</u>	<u>1,332,685</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 45,539</u>	<u>\$ 9,304</u>	<u>\$ 15,276</u>	<u>\$ 43,963</u>	<u>\$ 589,297</u>	<u>\$ 996,144</u>	<u>\$ 8,836</u>	<u>\$ 1,708,359</u>

CITY OF GRANDVIEW, MISSOURI
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
Year Ended September 30, 2017

	Neighborhood Parks	Police Forfeiture	Law Enforcement Block Grant	Housing Rehabilitation	Park Levy	Community Center Sales Tax	Economic Development Enhancement	Total
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 349,083	\$ 1,297,353	\$ 104,197	\$ 1,750,633
Intergovernmental	-	-	-	-	172,399	-	-	172,399
Charges for services	-	-	-	-	-	960,043	-	960,043
Investment earnings	436	95	145	340	6,127	5,986	15	13,144
Other	-	-	-	-	-	97,845	5,222	103,067
Total revenues	<u>436</u>	<u>95</u>	<u>145</u>	<u>340</u>	<u>527,609</u>	<u>2,361,227</u>	<u>109,434</u>	<u>2,999,286</u>
EXPENDITURES:								
Current:								
Community development	-	-	-	24,040	-	-	383,521	407,561
Culture and recreation	11,339	-	-	-	-	1,571,825	-	1,583,164
Capital outlay:								
Public safety	-	4	-	-	243,857	-	-	243,861
Culture and recreation	-	-	-	-	146,768	-	-	146,768
Total expenditures	<u>11,339</u>	<u>4</u>	<u>-</u>	<u>24,040</u>	<u>390,625</u>	<u>1,571,825</u>	<u>383,521</u>	<u>2,381,354</u>
Excess of revenues over (under) Expenditures:	<u>(10,903)</u>	<u>91</u>	<u>145</u>	<u>(23,700)</u>	<u>136,984</u>	<u>789,402</u>	<u>(274,087)</u>	<u>617,932</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	-	-	-	-	172,250	172,250
Transfers out	-	-	-	-	(135,000)	(687,000)	-	(822,000)
Sale of capital assets	-	-	-	-	8,090	-	-	8,090
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(126,910)</u>	<u>(687,000)</u>	<u>172,250</u>	<u>(641,660)</u>
Net changes in fund balances	(10,903)	91	145	(23,700)	10,074	102,402	(101,837)	(23,728)
Fund balances, beginning balance	55,611	9,212	176	43,623	566,184	748,238	(66,631)	1,356,413
Fund balances, end of year	<u>\$ 44,708</u>	<u>\$ 9,303</u>	<u>\$ 321</u>	<u>\$ 19,923</u>	<u>\$ 576,258</u>	<u>\$ 850,640</u>	<u>\$ (168,468)</u>	<u>\$ 1,332,685</u>

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Neighborhood Parks
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 500	\$ 436	\$ (64)
Other Revenue	1,500	-	(1,500)
Total Revenues	<u>2,000</u>	<u>436</u>	<u>(1,564)</u>
Expenditures:			
Culture and Recreation	<u>60,000</u>	<u>11,339</u>	<u>48,661</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (58,000)</u>	<u>(10,903)</u>	<u>\$ 47,097</u>
Fund Balance, Beginning of Year		<u>55,611</u>	
Fund Balance, End of Year		<u>\$ 44,708</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Police Forfeiture
Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Investment earnings	\$ 150	\$ 95	\$ (55)
Total Revenues	150	95	(55)
Expenditures:			
Capital Outlay - Public Safety	10,000	4	9,996
Excess of Revenues Over (Under) Expenditures	\$ (9,850)	91	\$ 9,941
Fund Balance, Beginning of Year		9,212	
Fund Balance, End of Year		\$ 9,303	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Law Enforcement Block Grant
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment earnings	\$ -	\$ 145	\$ 145
Total Revenues	<u>-</u>	<u>145</u>	<u>145</u>
Expenditures:			
Capital outlay - Public Safety	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>145</u>	<u>\$ 145</u>
Fund Balance, Beginning of Year		<u>176</u>	
Fund Balance, End of Year		<u>\$ 321</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Housing Rehabilitation
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 1,500	\$ 340	\$ (1,160)
Total Revenues	<u>1,500</u>	<u>340</u>	<u>(1,160)</u>
Expenditures:			
Community development	45,000	24,040	20,960
Total Expenditures	<u>45,000</u>	<u>24,040</u>	<u>20,960</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (43,500)</u>	<u>(23,700)</u>	<u>\$ 19,800</u>
Fund Balance, Beginning of Year		<u>43,623</u>	
Fund Balance, End of Year		<u>\$ 19,923</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Park Levy
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 341,500	\$ 341,500	\$ 349,083	\$ 7,583
Intergovernmental	-	-	172,399	172,399
Investment earnings	10,000	10,000	6,127	(3,873)
Other	1,000	1,000	-	(1,000)
Total Revenues	<u>352,500</u>	<u>352,500</u>	<u>527,609</u>	<u>175,109</u>
Expenditures:				
Capital outlay - Public Safety	150,000	292,526	243,857	48,669
Capital outlay - Culture & Recreation	207,500	207,500	146,768	60,732
Total Expenditures	<u>357,500</u>	<u>500,026</u>	<u>390,625</u>	<u>109,401</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,000)</u>	<u>(147,526)</u>	<u>136,984</u>	<u>284,510</u>
Other Financing Sources (Uses):				
Transfers out	(135,000)	(135,000)	(135,000)	-
Sale of capital assets	-	-	8,090	8,090
Total Other Financing Sources (Uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>(126,910)</u>	<u>8,090</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (140,000)</u>	<u>\$ (282,526)</u>	<u>10,074</u>	<u>\$ 292,600</u>
Fund Balance, Beginning of Year			<u>566,184</u>	
Fund Balance, End of Year			<u>\$ 576,258</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Community Center Sales Tax
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 1,170,000	\$ 1,297,353	\$ 127,353
Charges for services	1,085,000	960,043	(124,957)
Investment earnings	8,300	5,986	(2,314)
Other	14,700	97,845	83,145
Total Revenues	<u>2,278,000</u>	<u>2,361,227</u>	<u>83,227</u>
Expenditures:			
Culture and Recreation	1,690,999	1,571,825	119,174
Total Expenditures	<u>1,690,999</u>	<u>1,571,825</u>	<u>119,174</u>
Excess of Revenues Over (Under) Expenditures	<u>587,001</u>	<u>789,402</u>	<u>202,401</u>
Other Financing Sources (Uses):			
Transfers out	(687,000)	(687,000)	-
Total Other Financing Sources (Uses)	<u>(687,000)</u>	<u>(687,000)</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (99,999)</u>	102,402	<u>\$ 202,401</u>
Fund Balance, Beginning of Year		<u>748,238</u>	
Fund Balance, End of Year		<u>\$ 850,640</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Economic Development Enhancement
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 100,000	\$ 104,197	\$ 4,197
Investment earnings	1,000	15	(985)
Other	<u>120,000</u>	<u>5,222</u>	<u>(114,778)</u>
Total Revenues	<u>221,000</u>	<u>109,434</u>	<u>(111,566)</u>
Expenditures:			
Community Development	<u>373,823</u>	<u>383,521</u>	<u>(9,698)</u>
Total Expenditures	<u>373,823</u>	<u>383,521</u>	<u>(9,698)</u>
Excess of Revenue Over (Under) Expenditures	<u>(152,823)</u>	<u>(274,087)</u>	<u>(121,264)</u>
Other Financing Sources (Uses):			
Transfers in	<u>145,000</u>	<u>172,250</u>	<u>27,250</u>
Total Other Financing Sources (Uses)	<u>145,000</u>	<u>172,250</u>	<u>27,250</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (7,823)</u>	<u>(101,837)</u>	<u>\$ (94,014)</u>
Fund Balance (deficit), Beginning of Year		<u>(66,631)</u>	
Fund Balance (deficit), End of Year		<u>\$ (168,468)</u>	

CITY OF GRANDVIEW, MISSOURI
Combining Balance Sheet - Tax Increment Financing Fund Projects
September 30, 2017

	Tax Increment Financing District No. 8	Tax Increment Financing District No. 9	Tax Increment Financing District No. 10	Tax Increment Financing District No. 12	Tax Increment Financing District No. 13	Tax Increment Financing District No. 15	Tax Increment Financing District No. 16	Gateway Commons TIF Project	Total
ASSETS									
Cash and investments	\$ -	\$ -	\$ 11,804	\$ 573	\$ 1,059	\$ 200,674	\$ 16	\$ -	\$ 214,126
Receivables:									
Accounts	-	-	-	-	-	-	18,952	-	18,952
Taxes	-	20,100	15,189	-	18,133	146,734	-	-	200,156
Due from other governments	-	-	75,932	-	608	-	-	-	76,540
Internal balances	-	31,518	-	-	-	-	-	(31,518)	-
Restricted assets:									
Cash and investments	-	-	-	-	-	-	-	410,742	410,742
Accrued interest	-	211	241	82	44	740	1	5,917	7,236
TIF loan receivable	-	-	-	-	-	-	-	449,663	449,663
Total assets	\$ -	\$ 51,829	\$ 103,166	\$ 655	\$ 19,844	\$ 348,148	\$ 18,969	\$ 834,804	\$ 1,377,415
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,080	\$ 118	\$ 2,167	\$ 14,365
Due to other funds	-	-	17	246	-	-	-	-	263
Total liabilities	-	-	17	246	-	12,080	118	2,167	14,628
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - taxes	-	-	75,932	-	608	-	-	-	76,540
Total deferred inflows of resources	-	-	75,932	-	608	-	-	-	76,540
FUND BALANCES									
Restricted	-	51,829	27,217	409	19,236	336,068	18,851	832,637	1,286,247
Total liabilities and fund balances	\$ -	\$ 51,829	\$ 103,166	\$ 655	\$ 19,844	\$ 348,148	\$ 18,969	\$ 834,804	\$ 1,377,415

CITY OF GRANDVIEW, MISSOURI
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Tax Increment Financing Fund Projects
Year Ended September 30, 2017

	Tax Increment Financing District No. 8	Tax Increment Financing District No. 9	Tax Increment Financing District No. 10	Tax Increment Financing District No. 12	Tax Increment Financing District No. 13	Tax Increment Financing District No. 15	Tax Increment Financing District No. 16	Gateway Commons Debt Service	Total
REVENUES:									
Taxes	\$ -	\$ 52,987	\$ 43,546	\$ -	\$ 46,096	\$ 380,959	\$ -	\$ -	\$ 523,588
Tax increment financing	-	289,742	109,351	66,193	69,517	1,058,124	-	-	1,592,927
Investment earnings	7	249	285	76	60	1,905	-	-	2,582
Other	-	10	-	-	14	10,668	-	-	10,692
Total revenues	<u>7</u>	<u>342,988</u>	<u>153,182</u>	<u>66,269</u>	<u>115,687</u>	<u>1,451,656</u>	<u>-</u>	<u>-</u>	<u>2,129,789</u>
EXPENDITURES:									
Current:									
Community development	11,427	4,928	2,509	6,058	108,487	1,351,471	19,898	-	1,504,778
Debt service:									
Principal retirement	-	-	151,427	59,631	-	-	-	280,000	491,058
Interest and fiscal charges	-	-	-	-	-	-	-	113,310	113,310
Total expenditures	<u>11,427</u>	<u>4,928</u>	<u>153,936</u>	<u>65,689</u>	<u>108,487</u>	<u>1,351,471</u>	<u>19,898</u>	<u>393,310</u>	<u>2,109,146</u>
Excess of revenues over (under) Expenditures:	<u>(11,420)</u>	<u>338,060</u>	<u>(754)</u>	<u>580</u>	<u>7,200</u>	<u>100,185</u>	<u>(19,898)</u>	<u>(393,310)</u>	<u>20,643</u>
OTHER FINANCING SOURCES (USES):									
Transfers between TIF projects	-	(393,310)	-	-	-	-	-	393,310	-
Transfers in	-	41,516	-	-	-	-	18,800	-	60,316
	<u>-</u>	<u>(351,794)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,800</u>	<u>393,310</u>	<u>60,316</u>
Net changes in fund balances	(11,420)	(13,734)	(754)	580	7,200	100,185	(1,098)	-	80,959
Fund balances, beginning balance	11,420	65,563	27,971	(171)	12,036	235,883	19,949	832,637	1,205,288
Fund balances, end of year	<u>\$ -</u>	<u>\$ 51,829</u>	<u>\$ 27,217</u>	<u>\$ 409</u>	<u>\$ 19,236</u>	<u>\$ 336,068</u>	<u>\$ 18,851</u>	<u>\$ 832,637</u>	<u>\$ 1,286,247</u>

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #8
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Sales and intergovernmental activity taxes	\$ 29,600	\$ -	\$ (29,600)
Investment earnings	100	7	(93)
Total Revenues	<u>29,700</u>	<u>7</u>	<u>(29,693)</u>
Expenditures:			
Community Development	500	11,427	(10,927)
Total Expenditures	<u>500</u>	<u>11,427</u>	<u>(10,927)</u>
Excess of Revenues Over (Under) Expenditures	<u>29,200</u>	<u>(11,420)</u>	<u>(40,620)</u>
Other Financing Sources (Uses):			
Transfers out	(35,000)	-	35,000
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>-</u>	<u>35,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (5,800)</u>	(11,420)	<u>\$ (5,620)</u>
Fund Balance, Beginning of Year		<u>11,420</u>	
Fund Balance, End of Year		<u>\$ -</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #9
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales and intergovernmental activity taxes	\$ 270,200	\$ 270,200	\$ 342,729	\$ 72,529
Intergovernmental	26,300	26,300	-	(26,300)
Investment earnings	1,000	1,000	249	(751)
Other	-	-	10	10
Total Revenues	<u>297,500</u>	<u>297,500</u>	<u>342,988</u>	<u>45,488</u>
Expenditures:				
Community Development	<u>5,000</u>	<u>5,000</u>	<u>4,928</u>	<u>72</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>4,928</u>	<u>72</u>
Excess of Revenues Over (Under) Expenditures	<u>292,500</u>	<u>292,500</u>	<u>338,060</u>	<u>45,560</u>
Other Financing Sources (Uses):				
Transfers in	60,000	60,000	41,516	(18,484)
Transfers out	<u>(350,000)</u>	<u>(400,000)</u>	<u>(393,310)</u>	<u>6,690</u>
Total Other Financing Sources (Uses)	<u>(290,000)</u>	<u>(340,000)</u>	<u>(351,794)</u>	<u>(11,794)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 2,500</u>	<u>\$ (47,500)</u>	<u>(13,734)</u>	<u>\$ 33,766</u>
Fund Balance, Beginning of Year			<u>65,563</u>	
Fund Balance, End of Year			<u>\$ 51,829</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #10
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Sales and intergovernmental activity taxes	\$ 153,600	\$ 152,897	\$ (703)
Investment earnings	-	285	285
Total Revenues	<u>153,600</u>	<u>153,182</u>	<u>(418)</u>
Expenditures:			
Community Development	5,000	2,509	2,491
Debt service	<u>150,000</u>	<u>151,427</u>	<u>(1,427)</u>
Total Expenditures	<u>155,000</u>	<u>153,936</u>	<u>1,064</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (1,400)</u>	<u>(754)</u>	<u>\$ 646</u>
Fund Balance, Beginning of Year		<u>27,971</u>	
Fund Balance, End of Year		<u>\$ 27,217</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #12
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Sales and intergovernmental activity taxes	\$ 70,000	\$ 66,193	\$ (3,807)
Investment earnings	-	76	76
Total Revenues	<u>70,000</u>	<u>66,269</u>	<u>(3,731)</u>
Expenditures:			
Community Development	6,500	6,058	442
Debt service	<u>63,000</u>	<u>59,631</u>	<u>3,369</u>
Total Expenditures	<u>69,500</u>	<u>65,689</u>	<u>3,811</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 500</u>	<u>580</u>	<u>\$ 80</u>
Fund Balance (Deficit), Beginning of Year		<u>(171)</u>	
Fund Balance, End of Year		<u>\$ 409</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #13
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Sales and intergovernmental activity taxes	\$ 110,800	\$ 115,613	\$ 4,813
Investment earnings	-	60	60
Other	-	14	14
Total Revenues	<u>110,800</u>	<u>115,687</u>	<u>4,887</u>
Expenditures:			
Community Development	<u>109,000</u>	<u>108,487</u>	<u>513</u>
Total Expenditures	<u>109,000</u>	<u>108,487</u>	<u>513</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 1,800</u>	<u>7,200</u>	<u>\$ 5,400</u>
Fund Balance, Beginning of Year		<u>12,036</u>	
Fund Balance, End of Year		<u>\$ 19,236</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #15
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales and intergovernmental activity taxes	\$ 2,758,545	\$ 2,758,545	\$ 1,439,083	\$ (1,319,462)
Investment earnings	-	-	1,905	1,905
Other	-	-	10,668	10,668
Total Revenues	<u>2,758,545</u>	<u>2,758,545</u>	<u>1,451,656</u>	<u>(1,306,889)</u>
Expenditures:				
Community Development	<u>2,758,545</u>	<u>2,850,545</u>	<u>1,351,471</u>	<u>1,499,074</u>
Total Expenditures	<u>2,758,545</u>	<u>2,850,545</u>	<u>1,351,471</u>	<u>1,499,074</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (92,000)</u>	100,185	<u>\$ 192,185</u>
Fund Balance, Beginning of Year			<u>235,883</u>	
Fund Balance, End of Year			<u>\$ 336,068</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
TIF #16
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 373,158	\$ -	\$ (373,158)
Total Revenues	<u>373,158</u>	<u>-</u>	<u>(373,158)</u>
Expenditures:			
Community Development	370,000	19,898	350,102
Total Expenditures	<u>370,000</u>	<u>19,898</u>	<u>350,102</u>
Excess of Revenues Over (Under) Expenditures	<u>3,158</u>	<u>(19,898)</u>	<u>(23,056)</u>
Other Financing Sources (Uses):			
Transfers in	-	18,800	18,800
Total Other Financing Sources (Uses)	<u>-</u>	<u>18,800</u>	<u>18,800</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 3,158</u>	<u>(1,098)</u>	<u>\$ (4,256)</u>
Fund Balance, Beginning of Year		<u>19,949</u>	
Fund Balance, End of Year		<u>\$ 18,851</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Gateway Commons TIF Project
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Debt Service - Community Development	395,935	395,935	393,310	2,625
Excess of Revenues Over Expenditures	<u>(395,935)</u>	<u>(395,935)</u>	<u>(393,310)</u>	<u>2,625</u>
Other Financing Sources (Uses):				
Transfers in	350,000	400,000	393,310	(6,690)
Total Other Financing Sources (Uses)	<u>350,000</u>	<u>400,000</u>	<u>393,310</u>	<u>(6,690)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (45,935)</u>	<u>\$ 4,065</u>	-	<u>\$ (4,065)</u>
Fund Balance, Beginning of Year			<u>832,637</u>	
Fund Balance, End of Year			<u>\$ 832,637</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
2003 COP Debt Service
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment earnings	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Debt service - principal	445,000	445,000	-
Debt service - interest and fiscal costs	<u>244,100</u>	<u>243,840</u>	<u>260</u>
Total Expenditures	<u>689,100</u>	<u>688,840</u>	<u>260</u>
Excess of Revenues Over (Under) Expenditures	<u>(689,100)</u>	<u>(688,840)</u>	<u>260</u>
Other Financing Sources (Uses):			
Transfers in	<u>687,000</u>	<u>687,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>687,000</u>	<u>687,000</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (2,100)</u>	(1,840)	<u>\$ 260</u>
Fund Balance, Beginning of Year		<u>148,063</u>	
Fund Balance, End of Year		<u>\$ 146,223</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
Public Works Facility Construction
Year Ended September 30, 2017

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 500	\$ 40	\$ 40
Total Revenues	<u>500</u>	<u>40</u>	<u>40</u>
Expenditures:			
Capital Outlay - Public Works	<u>7,000</u>	<u>1,888</u>	<u>5,112</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (6,500)</u>	<u>(1,848)</u>	<u>\$ 5,152</u>
Fund Balance, Beginning of Year		<u>6,772</u>	
Fund Balance, End of Year		<u>\$ 4,924</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Parks and Public Works Projects
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 1,445	\$ 1,445
Total Revenues	<u>-</u>	<u>-</u>	<u>1,445</u>	<u>1,445</u>
Expenditures:				
Capital Outlay	-	43,000	42,560	440
Total Expenditures	<u>-</u>	<u>43,000</u>	<u>42,560</u>	<u>440</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (43,000)</u>	<u>(41,115)</u>	<u>\$ 1,885</u>
Fund Balance, Beginning of Year			<u>197,298</u>	
Fund Balance, End of Year			<u>\$ 156,183</u>	

CITY OF GRANDVIEW, MISSOURI
General Fund
Schedule of Expenditures - Budget and Actual
Year Ended September 30, 2017
(With Comparative Actual Amounts for 2016)

	2017		2016
	Budget	Actual	Actual
GENERAL GOVERNMENT:			
Board of Aldermen:			
Policy and legislation:			
Personal services	\$ 56,346	\$ 56,405	\$ 56,925
Supplies	1,400	1,697	797
Purchased services	92,700	89,598	91,828
Total policy and legislation	<u>150,446</u>	<u>147,700</u>	<u>149,550</u>
Legal services:			
Purchased services	145,000	137,034	100,943
Total legal services	<u>145,000</u>	<u>137,034</u>	<u>100,943</u>
Total Board of Aldermen	<u>295,446</u>	<u>284,734</u>	<u>250,493</u>
Administration:			
City administration:			
Personal services	417,666	396,678	408,879
Supplies	2,500	625	1,982
Purchased services	27,400	22,335	28,075
Capital outlay	-	170	-
Total city administration	<u>447,566</u>	<u>419,808</u>	<u>438,936</u>
Human Resource:			
Personal services	120,910	125,314	114,366
Supplies	2,500	854	1,938
Purchased services	22,400	17,526	25,415
Total personnel	<u>145,810</u>	<u>143,694</u>	<u>141,719</u>
City clerk:			
Personal services	60,848	61,815	61,710
Supplies	550	574	495
Purchased services	35,906	40,708	33,387
Total city clerk	<u>97,304</u>	<u>103,097</u>	<u>95,592</u>
Total administration	<u>690,680</u>	<u>666,599</u>	<u>676,247</u>
Finance:			
State license office:			
Personal services	301,026	310,040	300,258
Supplies	6,300	7,677	3,407
Purchased services	7,600	6,619	7,660
Total state license office	<u>314,926</u>	<u>324,336</u>	<u>311,325</u>

(continued)

CITY OF GRANDVIEW, MISSOURI
General Fund
Schedule of Expenditures - Budget and Actual
Year Ended September 30, 2017
(With Comparative Actual Amounts for 2016)

	2017		2016
	Budget	Actual	Actual
Purchasing/disbursements:			
Personal services	\$ 85,861	\$ 86,396	\$ 76,664
Supplies	1,750	412	127
Purchased services	2,600	4,111	5,171
Total purchasing	90,211	90,919	81,962
Finance and accounting:			
Personal services	276,911	286,701	261,685
Supplies	5,800	2,238	5,103
Purchased services	75,010	50,463	78,576
Capital outlay	-	-	95
Total finance and accounting	357,721	339,402	345,459
Customer services/collections:			
Personal services	181,800	166,114	162,894
Supplies	4,000	1,085	2,238
Purchased services	143,000	117,492	149,107
Total customer service/collections	328,800	284,691	314,239
Municipal court:			
Personal services	231,018	223,331	244,554
Supplies	9,200	2,976	8,556
Purchased services	74,000	79,472	86,907
Total municipal court	314,218	305,779	340,017
City-wide support services:			
Personal services	7,500	18,979	11,907
Insurance	300,000	306,717	258,279
Supplies	5,000	7,498	6,029
Purchased services	32,900	53,349	87,025
Capital outlay	-	-	67
Total city-wide support services	345,400	386,543	363,307
Total finance	1,751,276	1,731,670	1,756,309
Public buildings and ground maintenance:			
Personal services	89,567	94,961	92,797
Supplies	22,900	18,102	16,906
Purchased services	175,500	157,028	214,087
Total public buildings and ground maintenance	287,967	270,091	323,790
Total general government	3,025,369	2,953,094	3,006,839

(continued)

CITY OF GRANDVIEW, MISSOURI
General Fund
Schedule of Expenditures - Budget and Actual
Year Ended September 30, 2017
(With Comparative Actual Amounts for 2016)

	2017		2016
	Budget	Actual	Actual
PUBLIC SAFETY:			
Fire:			
Emergency services:			
Personal services	\$ 2,764,138	\$ 2,839,990	\$ 2,924,725
Supplies	110,450	147,695	142,429
Purchased services	147,400	141,920	196,219
Capital outlay	-	-	27,294
Total emergency services	<u>3,021,988</u>	<u>3,129,605</u>	<u>3,290,667</u>
Fire administration:			
Personal services	491,767	525,534	469,419
Supplies	140	9,680	12,853
Purchased services	46,960	72,199	62,745
Total fire administration	<u>538,867</u>	<u>607,413</u>	<u>545,017</u>
Emergency preparedness:			
Personal services	86,702	86,515	80,375
Supplies	5,150	6,714	5,182
Purchased services	4,000	3,230	13,476
Total emergency preparedness	<u>95,852</u>	<u>96,459</u>	<u>99,033</u>
Total fire	<u>3,656,707</u>	<u>3,833,477</u>	<u>3,934,717</u>
Police:			
Patrol:			
Personal services	2,600,816	2,653,635	2,740,111
Supplies	120,000	125,835	114,107
Purchased services	259,794	238,101	217,911
Total patrol	<u>2,980,610</u>	<u>3,017,571</u>	<u>3,072,129</u>
Investigations:			
Personal services	1,140,267	1,125,804	1,187,054
Supplies	20,500	17,535	20,232
Purchased services	123,177	112,254	112,722
Total investigations	<u>1,283,944</u>	<u>1,255,593</u>	<u>1,320,008</u>
Services:			
Personal services	1,195,233	991,874	973,732
Supplies	16,500	14,788	12,928
Purchased services	31,076	20,704	26,053
Total services	<u>1,242,809</u>	<u>1,027,366</u>	<u>1,012,713</u>
Total police	<u>5,507,363</u>	<u>5,300,530</u>	<u>5,404,850</u>
Total public safety	<u>9,164,070</u>	<u>9,134,007</u>	<u>9,339,567</u>

(continued)

CITY OF GRANDVIEW, MISSOURI
General Fund
Schedule of Expenditures - Budget and Actual
Year Ended September 30, 2017
(With Comparative Actual Amounts for 2016)

	2017		2016
	Budget	Actual	Actual
PUBLIC WORKS:			
Engineering services:			
Personal services	\$ 119,443	\$ 157,102	\$ 162,400
Supplies	5,710	3,900	8,407
Purchased services	328,090	397,582	365,179
Total engineering services	<u>453,243</u>	<u>558,584</u>	<u>535,986</u>
Street maintenance:			
Personal services	503,461	439,328	448,473
Supplies	35,160	29,544	29,430
Purchased services	295,324	365,230	302,640
Total street maintenance	<u>833,945</u>	<u>834,102</u>	<u>780,543</u>
Solid waste:			
Purchased services	30,000	32,478	30,078
Total solid waste	<u>30,000</u>	<u>32,478</u>	<u>30,078</u>
Total public works	<u>1,317,188</u>	<u>1,425,164</u>	<u>1,346,607</u>
COMMUNITY DEVELOPMENT:			
Development services:			
Personal services	178,437	157,386	166,572
Supplies	500	571	510
Purchased services	14,110	23,427	7,912
Total development services	<u>193,047</u>	<u>181,384</u>	<u>174,994</u>
Neighborhood services/code enforcement:			
Personal services	217,465	222,021	225,334
Supplies	6,400	6,067	5,526
Purchased services	105,672	124,319	127,181
Total neighborhood services/code enforcement	<u>329,537</u>	<u>352,407</u>	<u>358,041</u>
Building services:			
Personal services	143,932	168,263	165,410
Supplies	2,250	2,156	1,901
Purchased services	15,109	11,215	6,372
Total building services	<u>161,291</u>	<u>181,634</u>	<u>173,683</u>
Total community development	<u>683,875</u>	<u>715,425</u>	<u>706,718</u>

(continued)

CITY OF GRANDVIEW, MISSOURI
General Fund
Schedule of Expenditures - Budget and Actual
Year Ended September 30, 2017
(With Comparative Actual Amounts for 2016)

	2017		2016
	Budget	Actual	Actual
CULTURE AND RECREATION:			
Park maintenance:			
Personal services	\$ 364,740	\$ 318,540	\$ 292,265
Supplies	55,700	41,940	43,812
Purchased services	86,150	87,830	134,993
Total park maintenance	<u>506,590</u>	<u>448,310</u>	<u>471,070</u>
Recreation services:			
Personal services	81,005	96,001	80,690
Supplies	-	-	99
Purchased services	8,500	7,058	4,320
Total recreation services	<u>89,505</u>	<u>103,059</u>	<u>85,109</u>
Total culture and recreation	<u>596,095</u>	<u>551,369</u>	<u>556,179</u>
Total general fund	<u>\$ 14,786,597</u>	<u>\$ 14,779,059</u>	<u>\$ 14,955,910</u>

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Transportation Sales Tax Fund
Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,202,500	\$ 1,202,500	\$ 1,227,068	\$ 24,568
Intergovernmental	-	1,010,000	443,787	(566,213)
Investment earnings	10,000	10,000	6,835	(3,165)
Other	-	79,139	371	371
Total Revenues	<u>1,212,500</u>	<u>2,301,639</u>	<u>1,678,061</u>	<u>(544,439)</u>
Expenditures:				
Capital Outlay - Public Works	<u>555,000</u>	<u>1,936,117</u>	<u>1,869,186</u>	<u>66,931</u>
Total Expenditures	<u>555,000</u>	<u>1,936,117</u>	<u>1,869,186</u>	<u>66,931</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 657,500</u>	<u>\$ 365,522</u>	<u>(191,125)</u>	<u>\$ (477,508)</u>
Fund Balance, Beginning of Year			<u>668,618</u>	
Fund Balance, End of Year			<u>\$ 477,493</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Improvement Sales Tax Fund
Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,318,700	\$ 1,318,700	\$ 1,405,979	\$ 87,279
Intergovernmental	-	-	188,462	188,462
Charges for services	-	-	3,402	3,402
Investment earnings	10,000	10,000	11,445	1,445
Total Revenues	<u>1,328,700</u>	<u>1,328,700</u>	<u>1,609,288</u>	<u>280,588</u>
Expenditures:				
Capital Outlay	1,508,400	1,785,101	1,300,067	485,034
Total Expenditures	<u>1,508,400</u>	<u>1,785,101</u>	<u>1,300,067</u>	<u>485,034</u>
Excess of Revenues Over (Under) Expenditures	<u>(179,700)</u>	<u>(456,401)</u>	309,221	765,622
Other Financing (Uses):				
Insurance recoveries	-	-	41,366	41,366
Total Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>41,366</u>	<u>41,366</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (179,700)</u>	<u>\$ (456,401)</u>	350,587	<u>\$ 806,988</u>
Fund Balance, Beginning of Year			<u>1,118,799</u>	
Fund Balance, End of Year			<u>\$ 1,469,386</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
2014 GO Project Fund
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 26,220	26,220
Total Revenues	<u>-</u>	<u>-</u>	<u>26,220</u>	<u>26,220</u>
Expenditures:				
General Government	-	-	1,759	(1,759)
Capital Outlay	<u>2,200,000</u>	<u>2,679,784</u>	<u>2,146,965</u>	<u>532,819</u>
Total Expenditures	<u>2,200,000</u>	<u>2,679,784</u>	<u>2,148,724</u>	<u>531,060</u>
Excess of Revenue Over (Under) Expenditure	<u>\$ (2,200,000)</u>	<u>\$ (2,679,784)</u>	<u>(2,122,504)</u>	<u>\$ 557,280</u>
Fund Balance, Beginning of Year			<u>4,571,134</u>	
Fund Balance, End of Year			<u>\$ 2,448,630</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
2017 GO Project Fund
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 24,651	24,651
Total Revenues	<u>-</u>	<u>-</u>	<u>24,651</u>	<u>24,651</u>
Expenditures:				
Debt Service - Interest	<u>-</u>	<u>50,000</u>	<u>70,691</u>	<u>(20,691)</u>
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>70,691</u>	<u>(20,691)</u>
Excess of Revenue Over (Under) Expenditures	<u>-</u>	<u>(50,000)</u>	<u>(46,040)</u>	<u>3,960</u>
Other Financing Sources (Uses):				
Proceeds from bond issuance	-	3,625,000	3,500,000	125,000
Premium on Issuance	<u>-</u>	<u>-</u>	<u>147,506</u>	<u>147,506</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,625,000</u>	<u>3,647,506</u>	<u>272,506</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 3,575,000</u>	3,601,466	<u>\$ 276,466</u>
Fund Balance, Beginning of Year			<u>-</u>	
Fund Balance, End of Year			<u>\$ 3,601,466</u>	

CITY OF GRANDVIEW, MISSOURI
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Debt Service
Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 1,049,900	\$ 1,049,900	\$ 1,114,224	\$ 64,324
Investment earnings	10,000	10,000	11,794	1,794
Total Revenues	<u>1,059,900</u>	<u>1,059,900</u>	<u>1,126,018</u>	<u>66,118</u>
Expenditures:				
General government	17,500	17,500	18,664	(1,164)
Debt service - principal	355,000	355,000	355,000	-
Debt service - interest and fiscal costs	<u>285,644</u>	<u>320,644</u>	<u>317,868</u>	<u>2,776</u>
Total Expenditures	<u>658,144</u>	<u>693,144</u>	<u>691,532</u>	<u>1,612</u>
Excess of Revenues Over Expenditures	<u>\$ 401,756</u>	<u>\$ 366,756</u>	<u>434,486</u>	<u>\$ 67,730</u>
Fund Balance, Beginning of Year			<u>654,134</u>	
Fund Balance, End of Year			<u>\$ 1,088,620</u>	

CITY OF GRANDVIEW, MISSOURI
Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended September 30, 2015

	Balance September 30, 2016	Additions	Deductions	Balance September 30, 2017
<u>Jackson County Tax Fund</u>				
ASSETS:				
Cash and investments	\$ 55,887	\$ 8,915,805	\$ 8,871,171	\$ 100,521
LIABILITIES:				
Due to other governments	\$ 55,887	\$ 8,915,805	\$ 8,871,171	\$ 100,521
<u>71/150 Highway TDD</u>				
ASSETS:				
Cash and investments	\$ -	\$ 48,738	\$ 48,738	\$ -
Taxes receivable	4,862	59,861	48,738	15,985
Total Assets	\$ 4,862	\$ 108,599	\$ 97,476	\$ 15,985
LIABILITIES:				
Due to other governments	\$ 4,862	\$ 59,861	\$ 48,738	\$ 15,985
<u>Grandview Crossing CID</u>				
ASSETS:				
Cash and investments	\$ -	\$ 29,235	\$ 29,235	\$ -
Taxes receivable	3,472	33,075	29,235	7,312
Total Assets	\$ 3,472	\$ 62,310	\$ 58,470	\$ 7,312
LIABILITIES:				
Due to other governments	\$ 3,472	\$ 33,075	\$ 29,235	\$ 7,312
<u>Truman's Marketplace CID</u>				
ASSETS:				
Cash and investments	\$ -	\$ 465,747	\$ 465,747	\$ -
Taxes receivable	48,898	472,907	465,747	56,058
Total Assets	\$ 48,898	\$ 938,654	\$ 931,494	\$ 56,058
LIABILITIES:				
Due to other governments	\$ 48,898	\$ 472,907	\$ 465,747	\$ 56,058
<u>Truman's Marketplace TDD</u>				
ASSETS:				
Cash and investments	\$ -	\$ 123,141	\$ 123,141	\$ -
Taxes receivable	16,299	125,528	123,141	18,686
Total Assets	\$ 16,299	\$ 248,669	\$ 246,282	\$ 18,686
LIABILITIES:				
Due to other governments	\$ 16,299	\$ 125,528	\$ 123,141	\$ 18,686
<u>Total - All Agency Funds</u>				
ASSETS:				
Cash and investments	\$ 55,887	\$ 9,582,666	\$ 9,538,032	\$ 100,521
Taxes receivable	73,531	691,371	666,861	98,041
Total Assets	\$ 129,418	\$ 10,274,037	\$ 10,204,893	\$ 198,562
LIABILITIES:				
Due to other governments	\$ 129,418	\$ 9,607,176	\$ 9,538,032	\$ 198,562



**Statistical
Section
(unaudited)**

STATISTICAL SECTION

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

Contents

Tables

Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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Revenue Capacity

These tables contain information to help the reader assess the City's two most significant local revenue sources: sales tax and property tax.

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Debt Capacity

These tables 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.

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Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Operating Information

These tables 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.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF GRANDVIEW, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 1

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$ 24,325,087	\$ 27,722,715	\$ 34,711,402	\$ 38,100,329	\$ 39,532,182	\$ 38,951,104	\$ 39,528,593	\$ 39,914,713	\$ 42,839,119	\$ 39,793,421
Restricted	13,686,705	12,240,746	13,040,648	9,130,769	7,107,949	7,131,232	5,893,106	13,061,628	11,151,372	10,579,133
Unrestricted	7,457,335	5,391,752	(1,973,676)	(1,354,927)	(1,172,179)	(596,237)	(1,301,247)	(978,707)	(1,287,561)	445,425
Total governmental activities net position	<u>\$ 45,469,127</u>	<u>\$ 45,355,213</u>	<u>\$ 45,778,374</u>	<u>\$ 45,876,171</u>	<u>\$ 45,467,952</u>	<u>\$ 45,486,099</u>	<u>\$ 44,120,452</u>	<u>\$ 51,997,634</u>	<u>\$ 52,702,930</u>	<u>\$ 50,817,979</u>
Business-type activities										
Net investment in capital assets	10,205,462	10,418,672	10,474,833	10,276,383	10,073,815	9,965,069	9,934,858	9,818,208	9,631,497	9,404,313
Restricted	-	-	-	-	-	-	-	356,909	271,274	259,733
Unrestricted	5,592,187	5,324,743	5,288,551	5,088,778	4,738,491	4,463,784	4,277,363	4,632,668	5,044,738	5,647,965
Total governmental activities net position	<u>\$ 15,797,649</u>	<u>\$ 15,743,415</u>	<u>\$ 15,763,384</u>	<u>\$ 15,365,161</u>	<u>\$ 14,812,306</u>	<u>\$ 14,428,853</u>	<u>\$ 14,212,221</u>	<u>\$ 14,807,785</u>	<u>\$ 14,947,509</u>	<u>\$ 15,312,011</u>
Primary government										
Net investment in capital assets	34,530,549	38,141,387	45,186,235	48,376,712	49,605,997	48,916,173	49,463,451	49,732,921	52,470,616	49,197,734
Restricted	13,686,705	12,240,746	13,040,648	9,130,769	7,107,949	7,131,232	5,893,106	13,418,537	11,422,646	10,838,866
Unrestricted	13,049,522	10,716,495	3,314,875	3,733,851	3,566,312	3,867,547	2,976,116	3,653,961	3,757,177	6,093,390
Total governmental activities net position	<u>\$ 61,266,776</u>	<u>\$ 61,098,628</u>	<u>\$ 61,541,758</u>	<u>\$ 61,241,332</u>	<u>\$ 60,280,258</u>	<u>\$ 59,914,952</u>	<u>\$ 58,332,673</u>	<u>\$ 66,805,419</u>	<u>\$ 67,650,439</u>	<u>\$ 66,129,990</u>

CITY OF GRANDVIEW, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)

Table 2

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 3,405,633	\$ 3,425,226	\$ 3,371,308	\$ 3,265,463	\$ 3,386,360	\$ 3,653,698	\$ 3,649,755	\$ 3,460,520	\$ 3,459,706	\$ 3,305,777
Public safety	8,838,274	9,129,529	9,144,832	8,782,942	9,361,819	9,141,085	9,647,287	9,911,683	10,538,753	10,693,088
Community development	1,287,560	1,210,643	3,154,586	3,517,946	1,970,762	1,914,661	1,587,282	2,138,887	2,040,111	2,772,359
Public works	3,596,617	3,334,411	3,443,846	3,999,354	3,963,152	4,536,309	4,445,248	4,472,667	3,819,149	4,784,344
Culture and recreation	3,084,608	2,896,851	2,723,684	2,907,768	2,929,355	2,812,750	2,783,340	2,965,924	3,083,624	3,184,404
Interest on long-term debt	896,847	923,043	633,432	752,008	692,975	633,993	608,290	901,296	833,338	764,363
Total governmental activities expenses	21,109,539	20,919,703	22,471,688	23,225,481	22,304,423	22,692,496	22,721,202	23,850,977	23,774,681	25,504,335
Business-type activities:										
Sewer	1,990,516	2,505,109	2,418,425	2,890,743	3,120,284	3,043,968	3,105,595	2,881,332	3,278,949	3,361,820
Total primary government expenses	\$ 23,100,055	\$ 23,424,812	\$ 24,890,113	\$ 26,116,224	\$ 25,424,707	\$ 25,736,464	\$ 25,826,797	\$ 26,732,309	\$ 27,053,630	\$ 28,866,155
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,807,363	\$ 1,774,002	\$ 2,037,583	\$ 2,045,482	\$ 2,052,055	\$ 2,336,896	\$ 2,613,514	\$ 2,701,400	\$ 2,182,963	\$ 2,069,419
Public safety	831,682	850,986	678,968	853,944	839,944	921,236	713,386	938,523	1,104,782	473,234
Community development	170,084	170,354	108,092	321,004	85,870	146,332	118,372	275,738	152,030	435,728
Public works	12,874	14,985	21,065	14,314	15,933	29,567	52,777	99,312	15,494	31,817
Culture and recreation	1,064,077	1,011,306	1,043,788	941,207	988,027	964,211	972,599	940,931	965,867	974,768
Operating grants and contributions	1,246,772	1,226,691	1,365,609	1,541,643	1,254,258	1,171,743	1,316,315	1,457,719	1,516,749	1,401,416
Capital grants and contributions	1,912,979	996,589	675,414	908,292	447,107	381,657	297,125	1,054,840	2,311,042	804,648
Total governmental activities program revenues	7,045,831	6,044,913	5,930,519	6,625,886	5,683,194	5,951,642	6,084,088	7,468,463	8,248,927	6,191,030
Business-type activities:										
Charges for services	2,282,994	2,262,974	2,361,719	2,542,750	2,722,648	2,876,113	3,110,213	3,311,743	3,654,286	3,984,351
Capital grants and contributions	349,013	122,900	94,200	39,175	-	-	-	-	-	-
Total business-type activities program revenues	2,632,007	2,385,874	2,455,919	2,581,925	2,722,648	2,876,113	3,110,213	3,311,743	3,654,286	3,984,351
Total primary government program revenues	\$ 9,677,838	\$ 8,430,787	\$ 8,386,438	\$ 9,207,811	\$ 8,405,842	\$ 8,827,755	\$ 9,194,301	\$ 10,780,206	\$ 11,903,213	\$ 10,175,381
Net (expense)/revenue										
Governmental activities	\$ (14,063,708)	\$ (14,874,790)	\$ (16,541,169)	\$ (16,599,595)	\$ (16,621,229)	\$ (16,740,854)	\$ (16,637,114)	\$ (16,382,514)	\$ (15,525,754)	\$ (19,313,305)
Business-type activities	641,491	(119,235)	37,494	(308,818)	(397,636)	(167,855)	4,618	430,411	375,337	622,531
Total primary government net expense	\$ (13,422,217)	\$ (14,994,025)	\$ (16,503,675)	\$ (16,908,413)	\$ (17,018,865)	\$ (16,908,709)	\$ (16,632,496)	\$ (15,952,103)	\$ (15,150,417)	\$ (18,690,774)
General Revenues and Other										
Changes In Net Position										
Government activities:										
Taxes										
Property taxes	\$ 4,934,556	\$ 5,632,288	\$ 5,245,665	\$ 5,236,584	\$ 4,890,050	\$ 4,797,155	\$ 4,315,844	\$ 4,362,951	\$ 5,369,008	\$ 5,898,453
Sales and use taxes	7,438,968	6,397,293	5,987,549	6,297,365	6,273,901	6,178,561	5,723,795	6,041,310	6,523,577	7,265,473
Franchise, business and cigarette taxes	4,413,609	3,594,685	4,579,790	3,906,879	3,761,739	3,691,528	3,779,115	3,911,008	3,601,027	3,552,179
Unrestricted grants and contributions	84,315	59,914	43,498	217,755	150,175	142,039	163,221	17,390	4,601	26,166
Investment earnings	858,791	817,187	503,963	376,208	191,132	3,096	110,657	221,509	168,775	133,166
Miscellaneous	346,639	421,102	452,365	496,818	744,796	2,058,168	919,435	1,094,643	270,662	244,117
Transfers	126,100	135,500	151,500	165,783	201,217	220,500	259,400	259,400	293,400	308,800
Total governmental activities	18,202,978	17,057,969	16,964,330	16,697,392	16,213,010	17,091,047	15,271,467	15,908,211	16,231,050	17,428,354
Business-type activities										
Investment earnings	228,268	207,879	132,925	75,548	45,319	4,002	37,837	58,404	56,805	50,246
Miscellaneous	60,288	-	1,050	830	679	900	313	2,163	982	525
Transfers	(126,100)	(135,500)	(151,500)	(165,783)	(201,217)	(220,500)	(259,400)	(259,400)	(293,400)	(308,800)
Total business-type activities	162,456	72,379	(17,525)	(89,405)	(155,219)	(215,598)	(221,250)	(198,833)	(235,613)	(258,029)
Total primary government	\$ 18,365,434	\$ 17,130,348	\$ 16,946,805	\$ 16,607,987	\$ 16,057,791	\$ 16,875,449	\$ 15,050,217	\$ 15,709,378	\$ 15,995,437	\$ 17,170,325
Change in Net Position										
Governmental activities	\$ 4,139,270	\$ 2,183,179	\$ 423,161	\$ 97,797	\$ (408,219)	\$ 350,193	\$ (1,365,647)	\$ (474,303)	\$ 705,296	\$ (1,884,951)
Business-type activities	803,947	(46,856)	19,969	(398,223)	(552,855)	(383,453)	(216,632)	231,578	139,724	364,502
Total primary government	\$ 4,943,217	\$ 2,136,323	\$ 443,130	\$ (300,426)	\$ (961,074)	\$ (33,260)	\$ (1,582,279)	\$ (242,725)	\$ 845,020	\$ (1,520,449)

CITY OF GRANDVIEW, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 3

	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund										
Reserved	\$ 708,629	\$ 560,469	\$ 292,675							
Unreserved	5,090,449	4,448,176	5,269,433							
Nonspendable				\$ 236,130	\$ 274,152	\$ 315,570	\$ 334,555	\$ 206,014	\$ 221,944	\$ 163,760
Restricted				-	-	-	-	-	-	-
Committed					8,150	89,250	12,257	-	-	-
Assigned				280,000	44,510	36,773	22,800	-	21,864	32,437
Unassigned				5,768,730	5,546,660	4,970,931	4,191,036	4,036,879	3,246,847	2,724,133
Total general fund	<u>\$ 5,799,078</u>	<u>\$ 5,008,645</u>	<u>\$ 5,562,108</u>	<u>\$ 6,284,860</u>	<u>\$ 5,873,472</u>	<u>\$ 5,412,524</u>	<u>\$ 4,560,648</u>	<u>\$ 4,242,893</u>	<u>\$ 3,490,655</u>	<u>\$ 2,920,330</u>
All other governmental funds										
Reserved	\$ 5,196,094	\$ 4,499,948	\$ 7,804,604							
Unreserved, reported in:										
Special revenue funds	10,086,030	9,206,544	5,698,763							
Capital projects funds	53,534	3,263,292	2,284,072							
Nonspendable				13,198	13,095	19,736	24,369	\$ 919,547	922,159	9,010
Restricted				13,714,354	9,999,266	9,769,563	6,161,712	12,606,830	8,584,674	11,606,750
Committed				-	-	-	31,526	-	-	-
Assigned				1,178,571	1,056,297	966,393	825,629	696,831	540,034	573,376
Unassigned				-	-	(45)	(135,633)	(123,910)	(120,348)	(177,279)
Total all other governmental funds	<u>\$ 15,335,658</u>	<u>\$ 16,969,784</u>	<u>\$ 15,787,439</u>	<u>\$ 14,906,123</u>	<u>\$ 11,068,658</u>	<u>\$ 10,755,647</u>	<u>\$ 6,907,603</u>	<u>\$ 14,099,298</u>	<u>\$ 9,926,519</u>	<u>\$ 12,011,857</u>

Beginning in FY 2011, GASB 54 became effective which establishes five new categories for Fund Balance Reporting.

CITY OF GRANDVIEW, MISSOURI
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 4

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 16,514,705	\$ 15,130,836	\$ 15,770,042	\$ 15,712,944	\$ 14,886,727	\$ 14,669,105	\$ 13,934,840	\$ 14,329,721	\$ 15,454,190	\$ 16,784,426
Licenses and permits	485,342	436,002	495,811	491,434	449,682	561,510	514,517	666,732	626,386	691,126
Intergovernmental	1,331,087	1,286,605	1,773,421	2,427,661	1,851,539	1,695,437	1,776,660	3,150,072	3,975,113	2,232,230
Charges for services	2,575,249	2,584,341	2,311,260	2,408,399	2,243,905	2,409,379	2,426,855	2,733,994	2,588,085	2,747,833
Fines and forfeitures	1,042,281	965,136	1,103,387	1,125,706	1,183,416	1,317,275	1,623,627	1,530,386	1,051,772	811,208
Interest	842,952	805,651	496,622	372,524	189,998	3,096	109,270	219,389	167,226	132,097
Other	360,277	292,221	428,677	482,110	555,786	774,790	530,480	1,245,751	307,285	193,269
Total revenues	23,151,893	21,500,792	22,379,220	23,020,778	21,361,053	21,430,592	20,916,249	23,876,045	24,170,057	23,592,189
Expenditures										
Current:										
General government	3,210,986	3,081,199	2,933,820	2,992,518	3,118,791	3,278,434	3,258,851	3,124,179	3,024,418	2,973,517
Public safety	8,138,657	8,495,639	8,440,827	8,549,553	8,725,708	8,594,237	9,012,607	9,150,028	9,339,567	9,134,007
Community development	1,260,663	1,190,339	1,356,287	1,347,294	1,398,517	1,433,582	1,497,308	2,027,982	1,916,970	2,627,764
Public works	1,404,806	1,376,467	1,168,088	1,418,066	1,551,753	1,290,669	1,495,524	1,402,378	1,346,607	1,425,164
Culture and recreation	2,424,433	2,198,175	2,080,169	2,220,869	2,270,611	2,077,538	2,052,228	2,154,240	2,224,920	2,134,533
Payments to taxing districts				545,804	273,058	371,855	-	-	-	-
Capital outlay	3,734,090	3,811,203	4,719,478	6,738,958	6,277,837	3,048,830	6,320,614	6,554,111	8,869,220	5,751,295
Debt service:										
Principal	943,255	3,073,598	1,709,595	3,069,073	1,589,305	1,737,651	1,741,725	1,788,842	5,998,254	1,291,058
Interest	878,389	929,030	793,679	1,025,779	630,089	619,224	584,331	861,791	826,770	745,709
Total expenditures	21,995,279	24,155,650	23,201,943	27,907,914	25,835,669	22,452,020	25,963,188	27,063,551	33,546,726	26,083,047
Excess of revenues over (under) expenditures	1,156,614	(2,654,858)	(822,723)	(4,887,136)	(4,474,616)	(1,021,428)	(5,046,939)	(3,187,506)	(9,376,669)	(2,490,858)
Other financing sources (uses)										
Transfers in	1,496,572	1,853,051	2,161,662	2,746,307	2,492,172	1,237,754	1,474,400	1,284,400	1,783,142	1,363,366
Transfers out	(1,370,472)	(1,717,551)	(2,010,162)	(2,580,524)	(2,290,955)	(1,017,254)	(1,215,000)	(1,025,000)	(1,489,742)	(1,054,566)
Proceeds from note payable	387,500	-	-	-	-	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	8,405,000	-	-	-	-	4,085,000	41,366
Insurance proceeds	-	-	-	-	-	-	68,272	4,312	60,272	-
Proceeds from sale of capital assets	-	-	42,341	38,666	24,546	26,969	19,347	14,963	12,980	8,199
Payments to bond escrow agent	-	-	-	(8,313,755)	-	-	-	-	-	-
Proceeds from bonds issuance	-	3,300,000	-	4,250,000	-	-	-	9,500,000	-	3,500,000
Premium / discount on bonds	-	63,051	-	182,878	-	-	-	282,771	-	147,506
Total other financing sources (uses)	513,600	3,498,551	193,841	4,728,572	225,763	247,469	347,019	10,061,446	4,451,652	4,005,871
Net change in fund balances	\$ 1,670,214	\$ 843,693	\$ (628,882)	\$ (158,564)	\$ (4,248,853)	\$ (773,959)	\$ (4,699,920)	\$ 6,873,940	\$ (4,925,017)	\$ 1,515,013
Debt service as a percentage of non capital expenditures	9.51%	19.03%	13.03%	18.21%	10.74%	11.25%	11.09%	12.05%	26.70%	9.28%

CITY OF GRANDVIEW, MISSOURI
GOVERNMENTAL ACTIVITIES TAX BY REVENUE SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 5

FISCAL YEAR	SALES TAX	PROPERTY TAX	FRANCHISE TAX	CIGARETTE TAX	TRANSIENT GUEST TAX	TOTAL
2008	\$ 7,438,968	\$ 4,950,966	\$ 4,008,212	\$ 116,559	\$ -	\$ 16,514,705
2009	6,397,293	5,632,288	3,490,055	104,630	-	15,624,266
2010	5,987,549	5,445,584	4,219,578	117,331	-	15,770,042
2011	6,297,366	5,265,816	4,056,746	93,016	-	15,712,944
2012	6,273,900	4,851,087	3,585,261	102,886	73,593	14,886,727
2013	6,178,561	4,799,016	3,521,045	89,603	80,880	14,669,105
2014	5,723,795	4,431,930	3,616,009	84,431	78,675	13,934,840
2015	6,014,333	4,404,380	3,720,878	102,596	87,534	14,329,721
2016	6,523,577	5,329,586	3,396,645	99,940	104,442	15,454,190
2017	7,265,473	5,966,774	3,365,524	82,458	104,197	16,784,426

Note: Beginning in January of 2012, the City imposed a new Transient Guest Tax.

CITY OF GRANDVIEW, MISSOURI
STATEMENT OF REVENUES, EXPEDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND
LAST TEN FISCAL YEARS
(MODIFIED ACCURAL BASIS ACCOUNTING)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES:										
Taxes	\$ 9,913,235	\$ 9,079,776	\$ 9,646,949	\$ 9,469,226	\$ 9,038,808	\$ 8,836,129	\$ 8,609,310	\$ 8,786,212	\$ 8,870,124	\$ 9,170,007
Licenses & Permits	485,342	436,002	495,811	491,434	449,682	561,510	514,517	666,732	626,386	691,126
Intergovernmental revenues	1,331,087	1,286,605	1,318,592	1,500,887	1,379,385	1,301,780	1,464,488	1,535,509	1,544,681	1,427,582
Charges for services	1,584,981	1,635,057	1,321,848	1,515,416	1,314,047	1,463,553	1,470,598	1,689,222	1,630,450	1,784,388
Fines and forfeitures	1,042,281	965,136	1,103,387	1,125,706	1,183,416	1,317,275	1,623,627	1,530,386	1,051,772	811,208
Interest	222,398	208,800	129,843	139,243	45,508	7,066	43,806	62,585	46,231	33,941
Other	217,780	172,611	339,375	311,600	296,488	390,277	331,974	149,730	67,458	79,139
Total revenues	14,797,104	13,783,987	14,355,805	14,553,512	13,707,334	13,877,590	14,058,320	14,420,376	13,837,102	13,997,391
EXPENDITURES:										
General government	3,192,418	3,061,900	2,915,408	2,974,094	3,100,989	3,260,687	3,241,666	3,103,665	3,006,839	2,953,094
Public safety	8,138,657	8,495,639	8,440,827	8,549,553	8,725,708	8,594,237	9,012,607	9,150,028	9,339,567	9,134,007
Public works	1,404,806	1,376,467	1,356,287	1,347,294	1,398,517	1,433,582	1,497,308	1,402,378	1,346,607	1,425,164
Community development	757,449	764,058	724,254	663,109	678,657	699,810	674,985	751,384	706,718	715,425
Culture and recreation	649,659	643,856	707,245	746,030	729,569	584,796	527,377	564,479	556,179	551,369
Total expenditures	14,142,989	14,341,920	14,144,021	14,280,080	14,633,440	14,573,112	14,953,943	14,971,934	14,955,910	14,779,059
Excess of revenues over (under) expenditures	654,115	(557,933)	211,784	273,432	(926,106)	(695,522)	(895,623)	(551,558)	(1,118,808)	(781,668)
OTHER FINANCING SOURCES (USES):										
Sale of capital assets	-	-	42,341	38,666	24,546	26,969	19,347	14,963	12,980	109
Transfers in	283,000	327,500	360,500	556,654	1,296,172	382,605	424,400	424,400	549,121	443,800
Transfers out	(163,000)	(560,000)	(61,162)	(396,000)	(556,000)	(175,000)	(400,000)	(210,000)	(191,091)	(232,566)
Total other financing sources (uses)	120,000	(232,500)	341,679	199,320	764,718	234,574	43,747	229,363	371,010	211,343
Net change in fund balances	774,115	(790,433)	553,463	472,752	(161,388)	(460,948)	(851,876)	(322,195)	(747,798)	(570,325)
FUND BALANCES:										
Fund balances, beginning of year	5,024,963	5,799,078	5,008,645	5,562,108	6,034,860	5,873,472	5,412,524	4,560,648	4,238,453	3,490,655
Fund balances, end of year	5,799,078	5,008,645	5,562,108	6,034,860	5,873,472	5,412,524	4,560,648	\$ 4,238,453	\$ 3,490,655	\$ 2,920,330

**CITY OF GRANDVIEW, MISSOURI
SALES TAX COLLECTIONS
LAST TEN FISCAL YEARS**

Table 7

FISCAL YEAR ENDED SEPTEMBER 30	GENERAL FUND (1.0%)	TRANSPORTATION SALES TAX (0.5%)	CAPITAL IMPROVEMENT SALES TAX (0.5%)	COMMUNITY CENTER SALES TAX (0.5%)
2008	\$ 2,962,357	\$ 1,387,344	\$ 1,406,010	\$ 1,277,723
2009	2,589,043	1,194,211	1,213,731	1,091,605
2010	2,445,098	1,114,586	1,143,643	1,015,808
2011	2,570,599	1,178,814	1,237,354	1,120,281
2012	2,568,078	1,173,845	1,284,031	1,133,197
2013	2,512,243	1,152,625	1,256,106	1,146,210
2014	2,328,444	1,057,286	1,164,223	1,050,990
2015	2,402,293	1,088,495	1,202,122	1,081,435
2016	2,605,565	1,173,604	1,301,806	1,181,080
2017	2,811,485	1,227,068	1,405,979	1,297,353

CITY OF GRANDVIEW, MISSOURI
TOTAL CITY TAXABLE SALES BY CATEGORY
(AMOUNTS EXPRESSED IN HUNDREDS)
LAST TEN FISCAL YEARS

Table 8

Sales by Retail Category:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Auto dealers and supplies	\$ 436,185	\$ 360,959	\$ 363,979	\$ 381,109	\$ 377,130	\$ 330,954	\$ 494,728	\$ 529,788	\$ 565,282	\$ 586,711
Building materials and farm tools	308,060	119,837	75,837	67,363	82,605	158,071	128,283	141,000	160,508	221,939
Eating and drinking establishments	295,988	286,163	272,247	262,731	243,695	274,406	255,487	270,118	277,433	308,629
Food stores	218,464	214,963	200,890	208,980	201,078	199,996	186,087	175,704	153,940	215,255
General merchandise	337,234	323,890	287,847	284,017	248,383	258,228	315,579	331,928	350,027	351,474
Hardware, plumbing, heating & cooling	130,376	101,370	93,804	107,859	107,632	104,860	121,849	132,022	144,672	153,333
Home furnishings	19,411	12,426	7,108	7,889	8,972	7,071	11,576	19,991	19,745	48,792
Other retail stores	840,456	800,986	744,245	756,740	733,517	681,607	370,969	333,408	364,286	363,544
Service stations	31,647	31,984	25,460	30,285	31,112	14,582	84,115	89,081	75,181	84,727
Utilities	303,104	306,630	320,936	317,619	302,578	356,499	307,781	300,028	301,470	280,314
All other outlets	115,533	122,578	118,296	189,156	293,748	147,905	168,731	178,178	298,055	390,558
Total	\$ 3,036,459	\$ 2,681,787	\$ 2,510,650	\$ 2,613,749	\$ 2,630,450	\$ 2,534,179	\$ 2,445,185	\$ 2,501,246	\$ 2,710,599	\$ 3,005,276

Note: Missouri statutes prohibit cities from disclosing principal sales tax remitters and the respective amounts of sales tax revenue remitted

Source: Missouri Department of Revenue

CITY OF GRANDVIEW, MISSOURI
SALES TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(IN PERCENT)

Table 9

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Direct Sales Tax Rate of Grandview										
General Fund	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Transportation	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Capital Improvements	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Community Center	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Total Direct Sales Tax	2.500									
Total Local Option Sales Tax Rate										
Sate of Missouri	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Missouri Sate Conservation	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Missouri Sate Parks and Soil	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Jackson County	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.250
City of Grandview	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Kansas City Zoologic	0.000	0.000	0.000	0.000	0.125	0.125	0.125	0.125	0.125	0.125
Total Direct and Overlapping Sales Tax Rate	7.850	7.850	7.850	7.850	7.975	7.975	7.975	7.975	7.975	8.100

Source: Missouri Department of Revenue

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

Table 10

FISCAL YEAR	REAL PROPERTY				OTHER PROPERTY		TOTAL ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED MARKET VALUE	ASSESSED VALUE AS A PERCENTAGE OF MARKET VALUE
	RESIDENTIAL PROPERTY	AGRICULTURAL PROPERTY	COMMERCIAL PROPERTY	TOTAL	PERSONAL PROPERTY	RAILROADS & UTILITIES				
2008	\$ 149,872,687	\$ 126,810	\$ 60,788,373	\$ 210,787,870	\$ 65,877,335	\$ 4,506,303	\$ 281,171,508	1.45	\$ 1,054,929,081	26.7%
2009	150,004,275	114,659	61,693,705	211,812,639	64,400,226	4,075,401	280,288,266	1.47	1,051,167,854	26.7%
2010	138,168,487	114,518	60,599,038	198,882,043	60,400,589	3,700,659	262,983,291	1.50	979,206,524	26.9%
2011	139,162,192	119,968	59,939,081	199,221,241	61,589,779	4,728,917	265,539,937	1.50	999,557,234	26.6%
2012	138,287,037	119,952	55,875,297	194,282,286	58,927,577	5,577,260	258,787,123	1.50	996,390,747	26.0%
2013	139,445,236	121,973	56,983,984	196,551,193	57,424,441	6,407,450	260,383,084	1.50	1,019,804,520	25.5%
2014	123,710,674	120,710	56,776,667	180,608,051	59,126,763	7,705,283	247,440,097	1.50	957,963,195	25.8%
2015	127,265,600	121,074	56,382,504	183,769,178	58,171,287	8,474,502	250,414,967	1.50	988,264,922	25.3%
2016	132,145,033	124,306	58,715,793	190,985,132	63,763,176	9,293,525	264,041,833	1.48	1,034,914,993	25.5%
2017	131,725,294	124,305	57,935,717	189,785,316	70,759,547	9,318,261	269,863,124	1.49	1,030,680,362	26.2%

Source: Jackson County Assessor's Office

**CITY OF GRANDVIEW, MISSOURI
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Table 11

FISCAL YEAR	CITY OF GRANDVIEW				OVERLAPPING RATES			TOTAL
	GENERAL	PARKS	DEBT SERVICE	TOTAL	SCHOOL DISTRICT	COUNTY	STATE	
2008	\$ 0.96	\$ 0.11	\$ 0.38	\$ 1.45	\$ 5.45	\$ 1.23	\$ 0.03	\$ 8.16
2009	0.98	0.12	0.38	1.48	5.61	1.23	0.03	8.35
2010	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2011	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2012	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2013	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2014	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2015	1.00	0.12	0.38	1.50	5.89	1.23	0.03	8.65
2016	0.98	0.12	0.38	1.48	5.80	1.23	0.03	8.54
2017	0.99	0.12	0.38	1.49	5.61	1.23	0.03	8.36

Note: All rates expressed as tax rates per \$100 of assessed valuation

Note: Real Estate Tax Levy Sheet from Jackson County, Missouri Government website

Note: County rate includes Jackson County, Community College, Library, Handicap Workshop, and Mental Health

Note: State rate is Missouri Blind Pension

Note: The City of Grandview is permitted to levy taxes up to \$1.00 per \$100 of assessed valuation for general government services other than payment of principal and interest on long-term debt, up to \$.20 per \$100 of assessed valuation for recreation and in unlimited amounts for the payment of principal and interest

**CITY OF GRANDVIEW, MISSOURI
PRINCIPAL PROPERTY TAXPAPERS
CURRENT YEAR AND NINE YEARS AGO**

Table 12

<u>TAXPAYER</u>	<u>2017</u>			<u>2008</u>		
	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE</u>
Greens at Grand Summit Golf	\$ 7,302,453	1	2.50%	\$ 3,647,672	2	1.30%
Google Fiber Missouri LLC	6,223,712	2	2.13%	-	-	-
KCPL-GMOC	6,140,940	3	2.10%	-	-	-
Caravan Ingredients Company	5,757,566	4	1.97%	2,737,204	3	0.98%
Sika Corporation	4,912,770	5	1.68%	2,075,021	6	0.74%
Peterson Manufacturing	4,097,617	6	1.40%	4,601,929	1	1.64%
Westrock CP LLC	2,307,969	7	0.79%	-	-	-
Botts Road Associates LLC	2,102,144	8	0.72%	2,015,224	7	0.72%
Legacy Truman LLC	2,085,549	9	0.71%	-	-	-
Triumph Structures - Kansas City	2,083,071	10	0.71%	1,891,608	8	0.67%
US Toy Company	-	-	-	2,605,474	4	0.93%
Sam's Club	-	-	-	2,138,201	5	0.76%
DECS Remain Derman Limited	-	-	-	1,846,952	9	0.66%
Grandview Road III LLC	-	-	-	1,495,031	10	0.53%
TOTALS	<u>\$ 43,013,791</u>		<u>14.71%</u>	<u>\$ 25,054,316</u>		<u>8.93%</u>

Source: Jackson County Collections Office

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

Table 13

FISCAL YEAR ENDED SEPTEMBER 30	TOTAL TAX LEVY FOR FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2008	\$ 4,836,905	\$ 4,515,012	93.3%	\$ 232,738	\$ 4,747,750	98.2%
2009	4,782,244	4,415,352	92.3%	303,040	4,718,392	98.7%
2010	5,024,738	4,725,891	94.1%	205,404	4,931,295	98.1%
2011	4,942,490	4,666,724	94.4%	215,329	4,882,053	98.8%
2012	4,945,708	4,624,906	93.5%	243,488	4,868,394	98.4%
2013	4,708,106	4,464,804	94.8%	186,746	4,651,550	98.8%
2014	4,291,290	4,122,220	96.1%	148,092	4,270,312	99.5%
2015	4,343,940	4,187,320	96.4%	149,169	4,336,489	99.8%
2016	4,462,316	4,106,402	92.0%	175,343	4,281,745	96.0%
2017	4,630,770	4,331,148	93.5%	-	4,331,148	93.5%

Source: Jackson County Collections Office

**CITY OF GRANDVIEW, MISSOURI
SUMMARY OF DEBT STRUCTURE
AS OF SEPTEMBER 30, 2017**

Table 14

2016 Assessed Valuation (1)	\$	269,863,124
2016 Estimated Actual Valuation (2)	\$	1,116,616,130
Population		26,270
Outstanding General Obligation Bonds - Direct Debt (3)	\$	25,448,579
Overlapping General Obligation Debt	\$	24,970,502
Total Direct and Overlapping General Obligation Debt	\$	50,419,081
Ratio of Direct Debt to Assessed Valuation		9.43%
Ratio of Direct Debt to Estimated Actual Valuation		2.28%
Per Capita Direct Debt	\$	968.73
Ratio of Direct and Overlapping Debt to Assessed Valuation		18.68%
Ratio of Direct and Overlapping Debt to Estimated Valuation		4.52%
Per Capita Direct and Overlapping Debt	\$	1,919.26

- (1) Includes 2015 real and personal property assessment as certified by the Jackson County Clerk
- (2) Estimated actual valuation is calculated by dividing different classes of property by the corresponding assessment ration
- (3) Includes all outstanding general obligation bonds of the City

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

Table 15

Fiscal Year	GOVERNMENTAL ACTIVITIES						TOTAL	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	TIF LOAN	DEVELOPER AGREEMENTS	MTFC LOAN	CAPITAL LEASE			
2008	\$ 2,400,000	\$ 9,560,000	\$ 5,211,611	\$ -	\$ 387,500	\$ 19,319	\$ 17,578,430	3.58%	\$ 725
2009	3,360,716	9,295,000	5,065,808	1,761,885	314,949	-	19,798,358	4.10%	809
2010	2,556,285	9,020,000	4,905,005	3,436,806	240,027	-	20,158,123	3.70%	778
2011	5,629,229	8,477,904	4,759,202	3,943,193	-	-	22,809,528	4.13%	873
2012	4,689,564	8,118,175	4,603,399	3,921,397	-	-	21,332,535	4.03%	866
2013	3,699,899	7,708,446	4,437,596	2,632,156	-	-	18,478,097	3.48%	743
2014	2,709,573	7,328,717	4,241,793	2,526,494	-	-	16,806,577	3.20%	657
2015	11,474,908	6,933,988	4,040,990	2,417,857	-	-	24,867,743	4.79%	983
2016	10,425,115	6,514,259	3,810,000	2,300,923	-	-	23,050,297	4.46%	913
2017	13,683,489	6,064,530	3,530,000	2,170,560	-	-	25,448,579	4.48%	969

Note: See Table 20 for personal income data

CITY OF GRANDVIEW, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 16

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	NET BONDED DEBT OUTSTANDING	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2008	\$ 2,400,000	\$ 2,400,000	\$ -	0.00%	\$ -
2009	3,360,716	1,130,593	2,230,123	0.80%	91
2010	2,556,285	1,262,740	1,293,545	0.49%	50
2011	5,629,229	1,088,230	4,540,999	1.71%	174
2012	4,689,564	1,141,437	3,548,127	1.37%	144
2013	3,699,899	1,138,637	2,561,262	0.98%	103
2014	2,709,573	1,127,699	1,581,874	0.64%	62
2015	11,474,908	917,488	10,557,420	4.22%	417
2016	10,425,115	654,134	9,770,981	3.70%	387
2017	13,683,489	1,088,620	12,594,869	4.67%	479

Note: See table 10 for property value data

Note: See table 20 for population data

CITY OF GRANDVIEW, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2017

Table 17

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
Debt repaid with property taxes:			
Consolidated School District No. 4	\$ 33,711,667	60.00%	\$ 20,227,000
Hickman Mills School District	\$ 47,435,015	10.00%	<u>4,743,502</u>
Subtotal, overlapping debt			24,970,502
City Direct debt			<u>25,448,579</u>
Total direct and overlapping debt			<u><u>\$ 50,419,081</u></u>

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

Source: The debt outstanding data and applicable percentages as provided by each governmental entity

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

Table 18

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 56,057,653	\$ 52,596,658	\$ 53,107,987	\$ 51,757,425	\$ 52,076,617	\$ 49,488,019	\$ 50,082,993	\$ 52,808,367	\$ 53,972,625	\$ 58,487,045
Total net debt applicable to limit	-	6,419,407	5,387,260	4,411,770	3,448,563	2,491,363	1,532,301	10,557,422	9,770,981	12,594,869
Legal debt margin	<u>\$ 56,057,653</u>	<u>\$ 46,177,251</u>	<u>\$ 47,720,727</u>	<u>\$ 47,345,655</u>	<u>\$ 48,628,054</u>	<u>\$ 46,996,656</u>	<u>\$ 48,550,692</u>	<u>\$ 42,250,945</u>	<u>\$ 44,201,644</u>	<u>\$ 45,892,176</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	12.20%	10.14%	8.52%	6.62%	5.03%	3.06%	19.99%	18.10%	21.53%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Value	\$ 292,435,225
Debt Limit (20% of assessed value)	58,487,045
General Obligation Bonds Issued	13,683,489
Less: Amount available in Debt Service	1,088,620
Net General Obligation Bonded Debt Applicable to Debt Limit	<u>12,594,869</u>
Legal Debt Margin	<u>\$ 45,892,176</u>

Note: Article 6, Section 26 (b) & (c) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified elected electors voting thereon, to incur an indebtedness to the city purposes not to exceed 10 percent of the value of the taxable tangible property therein, as shown by the last assessment.

Note: Article 6, Section 26 (d) & (e) of the Missouri Constitution provides that any city may become indebted not exceeding in the aggregate an additional 10 percent of the value of the taxable tangible property for the purpose of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary or storm sewer systems and an additional 10 percent for purchasing or construction of waterworks, electric or other light plants provided the total general obligated indebtedness of the city does not exceed 20 percent of the assessed valuation.

**CITY OF GRANDVIEW, MISSOURI
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Table 19

FISCAL YEAR	SEWER REVENUE BONDS							
	SEWER CHARGES AND OTHER	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		COVERAGE		
				PRINCIPAL	INTEREST			
2008	\$ 2,282,994	\$ 1,786,571	\$ 496,423	\$ -	\$ -	\$ -		
2009	2,262,974	2,258,828	4,146	-	-	-		
2010	2,361,719	2,165,931	195,788	-	-	-		
2011	2,542,750	2,628,781	(86,031)	-	-	-		
2012	2,722,648	2,859,189	(136,541)	-	-	-		
2013	2,876,113	2,782,303	93,810	-	-	-		
2014	3,110,213	2,842,019	268,194	-	-	-		
2015	3,311,743	2,623,646	688,097	-	-	-		
2016	3,654,286	3,013,765	640,521	-	-	-		
2017	3,984,351	3,122,833	861,518	-	-	-		

Note: Operating expenses excludes depreciation, interest expense, amortization, non-operating expenses, and payments in lieu of taxes

Note: The City of Grandview does not have any outstanding sewer revenue bonds over the last ten years

**CITY OF GRANDVIEW, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Table 20

YEAR	POPULATION (1)	PERSONAL INCOME (1)	PER CAPITA INCOME (1)	MEDIAN AGE (1)	SCHOOL ENROLLMENT (2)	UNEMPLOYMENT RATE (3)
2008	24,234	\$ 490,593,096	\$ 20,244	34.4	3,957	7.3%
2009	24,464	482,430,080	19,720	36.6	3,912	9.9%
2010	25,898	544,427,756	21,022	36.8	3,772	9.5%
2011	26,140	551,867,680	21,112	35.8	3,888	9.0%
2012	24,630	529,298,700	21,490	36.0	3,912	7.3%
2013	24,881	530,960,540	21,340	33.7	4,018	6.9%
2014	25,572	525,990,468	20,569	33.2	4,205	7.5%
2015	25,290	519,406,020	20,538	32.9	4,264	7.8%
2016	25,256	517,268,136	20,481	33.4	4,287	4.7%
2017	26,270	567,484,540	21,602	33.4	4,170	4.1%

Sources: (1) Information provided by Census Bureau
(2) Information provided by School District
(3) Information provided by Bureau of Labor Statistics

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

Table 21

EMPLOYER	2017			2008		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY
Consolidated School District # 4	589	1	4.88%	710	1	5.70%
Peterson Manufacturing Company	465	2	3.85%	598	2	4.80%
Westrock Dispensing Systems	340	3	2.82%	-	-	-
Vendtech-SGI , LLC	319	4	2.64%	-	-	-
Sika Corporation	217	5	1.80%	307	4	2.47%
City of Grandview	202	6	1.67%	172	9	1.38%
Kenny's Tile & Floor Covering, Inc	196	7	1.62%	160	6	1.29%
United Heating & Cooling, Inc	134	8	1.11%	184	7	1.48%
U.S. Toy Company, Inc	114	9	0.94%	181	8	1.45%
Maxi-Seal Harness Systems, Inc	106	10	0.88%	-	-	-
Mead Westvaco Calimar, Inc.	-	-	-	340	3	2.73%
Thyssen Access Corporation	-	-	-	212	5	1.70%
Ruskin Company	-	-	-	142	10	1.14%
TOTAL	2,682		22.22%	3,006		24.14%

Source: City of Grandview Occupational License System

CITY OF GRANDVIEW, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Table 22

Function:	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	21.0	20.0	21.0	22.0	29.0	30.0	27.0	29.0	29.0	30.0
Public Safety										
Police										
Officers	50.0	52.0	52.0	56.0	51.0	51.0	52.0	52.0	51.0	49.0
Civilians	12.0	15.0	14.0	11.0	16.0	17.0	16.0	17.0	16.0	15.0
Fire										
Firefighters and officers	39.0	40.0	40.0	42.0	42.0	44.0	43.0	43.0	43.0	43.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works										
Engineering	3.0	3.0	3.0	2.5	2.0	2.0	4.0	2.0	2.0	2.0
Maintenance	11.0	10.0	9.0	8.5	8.0	9.0	8.0	7.0	7.0	6.5
Sewer	8.0	7.0	8.0	10.0	9.5	9.5	8.0	10.0	9.0	9.5
Culture and Recreation	17.0	18.0	18.0	15.0	43.0	39.0	35.0	38.0	39.0	39.0
Community Development	10.0	10.0	8.0	8.0	8.0	8.0	8.0	7.0	8.0	7.0
Total	<u>172.0</u>	<u>176.0</u>	<u>174.0</u>	<u>176.0</u>	<u>209.5</u>	<u>210.5</u>	<u>202.0</u>	<u>206.0</u>	<u>205.0</u>	<u>202.0</u>

Source: City of Grandview Payroll Records

Note: Changed methodology for computing FTE's for Culture and Recreation beginning in FY 2012

**CITY OF GRANDVIEW, MISSOURI
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Table 23

FUNCTION	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
UCR arrests	1,201	1,315	1,153	1,422	428	347	388	353	251	1,110
Parking violations	209	287	216	925	59	204	188	158	37	138
Traffic violations	11,738	10,424	7,799	8,711	9,982	12,242	14,678	12,043	9,261	9,532
Fire										
Number of fire calls answered	670	777	750	355	618	651	781	635	694	1,086
Number of ambulance calls answered	2,415	2,475	2,310	2,745	2,617	2,582	2,595	2,811	2,786	3,127
Inspections	150	150	255	241	746	107	189	400	561	541
Public Works										
Street resurfacing (miles)	2.6	5.8	5.0	2.8	2.4	2.4	5.0	4.7	1.2	3.0
Potholes repaired (Square Feet)	4,568	1,168	300	828	2,017	88	1,150	664	300	1,735
Culture and Recreation										
Community center admissions	138,103	145,367	131,248	119,365	123,417	143,987	141,197	131,390	125,838	122,235
Community Development										
Construction permits issued	132	98	97	124	114	135	203	332	361	673
Value of construction	\$ 9,971,236	\$ 8,279,053	\$ 13,117,025	\$ 12,868,594	\$ 9,213,599	\$ 25,636,625	\$ 13,442,187	\$ 33,586,331	\$ 14,616,219	\$ 31,002,294
Wastewater Flow										
(millions of gallons)	960	1,267	1,414	1,207	1,054	1,269	966	1,111	1,075	1,457

Sources: Various government departments

Wastewater flow was provided by Little Blue Valley Sewer District

**CITY OF GRANDVIEW, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Table 24

FUNCTION	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	17	17	17	17	17	17	17	16	16	16
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works										
Streets (miles)	113	113	113	113	113	113	113	113	114	118
Streetlights	1,287	1,281	1,283	1,283	1,283	1,374	1,284	1,377	1,344	1,348
Traffic signals	19	19	19	19	19	19	19	20	20	18
Culture and recreation										
Parks acreage	255	255	255	255	255	255	256	256	256	256
Parks	13	13	13	13	13	13	13	13	13	13
Swimming pools	2	2	3	3	3	3	2	2	2	2
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community centers	1	1	1	1	1	1	1	1	1	1
Sewer										
Sanitary sewers (miles)	117	117	117	117	117	117	117	117	118	118

Sources: Various city departments

