



BOARD OF ALDERMEN
Regular Meeting Agenda
CITY OF PARKVILLE, MISSOURI
Tuesday, July 5, 2016 7:00 pm
City Hall Boardroom

Next numbers: Bill No. 2881 / Ord. No. 2850

1. CALL TO ORDER

- A. Roll Call
- B. Pledge of Allegiance

2. CITIZEN INPUT

3. MAYOR'S REPORT

- A. Recognition for City Clerk Melissa McChesney for certification as a Missouri Registered City Clerk by the Missouri City Clerks and Finance Officers Association
- B. Recognition for the Government Finance Officers Association Distinguished Budget Award for the 2016 Annual Budget

4. CONSENT AGENDA

- A. Approve the minutes for the June 21, 2016, regular meeting
- B. Receive and file the May sewer report
- C. Approve the second reading of an ordinance to amend Ordinance No. 2829 amending the 2016 Operating Budget and 2016 – 2021 Capital Improvement Program for the Sewer Fund and Economic Development Fund
- D. Approve the revised agreement with Kansas City Power and Light for the Demand Response Incentive Program (formerly M-Power) for a one-year term
- E. Approve accounts payable from June 16-30, 2016

Please Note: All matters listed under "Consent Agenda" are considered to be routine by the Board of Aldermen and will be enacted upon under one motion without discussion. Any member of the Board of Aldermen may be allowed to request an item be pulled from the Consent Agenda for consideration under the regular agenda if debate and a separate motion are desired. Any member of the Board of Aldermen may be allowed to question or comment on an item on the Consent Agenda without a separate motion under the regular agenda. Items not removed from the Consent Agenda will stand approved upon motion made by any alderman, followed by a second and a roll call vote to "Approve the consent agenda and recommended motions for each item as presented."

5. ACTION AGENDA

- A. Approve the financial statements for the City of Parkville for the fiscal year ended December 31, 2015, as audited by Cochran Head Vick & Co., P.C. (Administration)
- B. Approve Resolution No. 16-011 supporting an application for the Missouri Moves Cost Share Program for state fiscal year 2017 transportation funding (Administration)

6. STAFF UPDATES ON ACTIVITIES

- A. Police Department
 - 1. July 4th Celebration Recap

B. Community Development

1. Friends of Parkville Animal Shelter Work Session
2. Missouri American Water Plant Relocation

7. COMMITTEE REPORTS & MISCELLANEOUS ITEMS FROM THE BOARD

8. ADJOURN

General Agenda Notes:

The agenda closed at noon on June 30, 2016. With the exception of emergencies or other urgent matters, any item requested after the agenda was closed will be placed on the next Board meeting agenda. Emergencies and urgent matters may be placed on an amended agenda only upon vote of the Board of Aldermen. The deadline to submit your name for Citizen Input is noon on July 5, 2016.



Missouri City Clerks & Finance Officers Association

moccfoa.org

MoCCFOA

April 28, 2016

Officers 2014-2015

President

Jeanie L. Woerner
City of Raymore
jwoerner@raymore.com
816-331-3324

Melissa McChesney, City Clerk
City of Parkville
8880 Clark Avenue
Parkville, MO 64152

President-Elect

Betty Montano
City of Kirkwood
montanbk@kirkwoodmo.org
314-822-5802

Dear Melissa:

I am honored to inform you that you have been certified as a Missouri Registered City Clerk from the Missouri City Clerks and Finance Officers Association.

Secretary

Leesa Ross
City of Frontenac
lross@cityoffrontenac.org
314-373-6504

You will be recognized as attaining your MRCC Certification on September 13, 2016 during the Missouri Municipal League Conference general luncheon, in St. Louis, Missouri. Betty Montano, President, Missouri City Clerks and Finance Officers Association, will present your certificate to you on March 14, 2017 during the 2017 Spring Institute banquet in Columbia, Missouri.

Treasurer

Maribeth Matney
City of Carl Junction
cjcityhall@carljunction.org
417-649-7237

Again, congratulations on a job well-done.

Sincerely,

Immediate Past

President

Gayle Conrad
City of Cape Girardeau
gconrad@cityofcapegirardeau.org
573-339-6320

Diane S. Monteleone, MMC/MPCC
Chair of the Certification Committee
MoCCFOA

Cc: Lauren Palmer, City Administrator ✓

Training Manager

Belinda Davis
Missouri State University
bdavis@missouristate.edu
417-836-6866



CITY OF PARKVILLE • 8880 Clark Avenue • Parkville, MO 64152 • (816) 741-7676 • FAX (816) 741-0013

March 29, 2016

City of Fenton
Attn: Ms. Diane Monteleone, City Clerk
625 New Smizer Mill Road
Fenton, MO 63026

Dear Ms. Monteleone,

Melissa McChesney has been the City Clerk for the City of Parkville since July 2013. Her duties include agenda and document management; licensing for liquor, businesses and dog tags; registrations for golf cart/low-speed vehicles; administering oaths of office; maintaining records of membership to appointed boards and commissions; and codification of the City's ordinances. She also serves as the City's election official and coordinates open records requests, along with many other duties.

Melissa's duties require her to serve as a member of the city's senior management team along with other department heads. She is a trusted colleague who delivers exceptional work every day. She embraces opportunities to try new things and always looks for ways to improve city operations. On behalf of the City of Parkville, I wholeheartedly endorse Melissa's application to attain the Missouri Registered City Clerk (MRCC) status with the Missouri City Clerks and Finance Officers Association. I cannot imagine another professional who is more deserving of the designation.

Sincerely,

A handwritten signature in black ink, appearing to read "LP", with a long horizontal flourish extending to the right.

Lauren Palmer
City Administrator



FOR IMMEDIATE RELEASE

**CITY OF PARKVILLE HONORED WITH DISTINGUISHED
BUDGET PRESENTATION AWARD**

PARKVILLE, MO, JUNE 22, 2016 – The Government Finance Officers Association of the United States and Canada (GFOA) announced that the City of Parkville received the GFOA’s Distinguished Budget Presentation Award for the city’s 2016 annual budget. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting.

In order to receive the budget award, the City had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity’s budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

To receive the Distinguished Budget Presentation Award a budget document must rate proficient in all four categories, as well as rate proficient in the fourteen mandatory criteria within those categories. This is the first year that the City of Parkville achieved this award.

City Administrator Lauren Palmer said that “Parkville has been working toward this goal for three years. I am proud of the commitment of the governing body and city staff to meet the highest principles of governmental budgeting. The budget is a major team effort each year assisted by every department. I want to especially recognize Tim Blakeslee, Assistant to the City Administrator, for doing the primary work to compile the budget document and prepare the award application.”

Only 29 municipalities statewide received the award in 2015, putting Parkville among the top three percent of its peers for excellence in municipal budgeting. GFOA Technical Services Director Stephen J. Gauthier states that, “Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America. Its attainment represents a significant achievement by your organization.”

The Government Finance Officers Association is a major professional association servicing the needs of approximately 18,700 appointed and elected local, state, and provincial-level government officials and other finance practitioners. The GFOA Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting. An award will be formally presented at the regular Board of Aldermen meeting on July 5, 2016.

To view a copy of the Parkville’s 2016 Budget Document visit:

<http://parkvillemo.gov/financialdocuments/>. For more information, please contact City Administrator Lauren Palmer at (816) 741-7676 or lpalmer@parkvillemo.gov.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Parkville
Missouri**

For the Fiscal Year Beginning

January 1, 2016

Executive Director

1. CALL TO ORDER

A regular meeting of the Board of Aldermen was convened at 7:00 p.m. on Tuesday, June 21, 2016, at City Hall located at 8880 Clark Avenue, Parkville, and was called to order by Mayor Nanette K. Johnston. City Clerk Melissa McChesney called the roll as follows:

Ward 1 Alderman Diane Driver	- present
Ward 1 Alderman Tina Welch	- present
Ward 2 Alderman Jim Werner	- present
Ward 2 Alderman Dave Rittman	- present
Ward 3 Alderman Robert Lock	- present
Ward 3 Alderman Douglas Wylie	- present
Ward 4 Alderman Marc Sportsman	- present
Ward 4 Alderman Greg Plumb	- present

A quorum of the Board of Aldermen was present.

The following staff was also present:

Lauren Palmer, City Administrator
Kevin Chrisman, Police Chief
Alysen Abel, Public Works Director
Stephen Lachky, Community Development Director
Tim Blakeslee, Assistant to the City Administrator
Matthew Chapman, Finance/Human Resources Director
Steve Chinn, City Attorney

Mayor Johnston led the Board in the Pledge of Allegiance to the Flag of the United States of America.

2. CITIZEN INPUT

3. MAYOR'S REPORT

Mayor Johnston recognized a member of Boy Scouts of America Troop 333 in the audience and called him to the podium. Landon Byer was working on his Citizenship in Community merit badge.

4. CONSENT AGENDA

- A. Approve the minutes for the June 7, 2016 regular meeting
- B. Receive and file the May Municipal Court report
- C. Receive and file the financial report for the month ending May 31, 2016
- D. Receive and file the crime statistics for January through April 2016
- E. Receive and file the Synergy Services, Inc. Independent Auditor's Report and Consolidated Financial Statements
- F. Approve the purchase of a new pump and adapter from FTC Equipment, LLC for the South National Pump Station
- G. Approve Work Authorization No. 59 with North Hills Engineering for the engineering design, project management, and construction administration for the Main Street Sanitary Sewer Improvements
- H. Approve the renewal of Property & Liability and Worker's Compensation & Employer's Liability coverage with Midwest Public Risk for July 1, 2016 through June 30, 2017
- I. Approve accounts payable from June 2 to June 15, 2016

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO APPROVE THE CONSENT AGENDA AND RECOMMENDED MOTION FOR EACH ITEM, AS PRESENTED. ALL AYES BY ROLL CALL VOTE: PLUMB,

WYLIE, WERNER, DRIVER, WELCH, RITTMAN, LOCK AND SPORTSMAN. MOTION PASSED 8-0.

5. ACTION AGENDA

A. Adopt an ordinance to repeal and replace Ordinance No. 2830 amending the salary schedule to add a part-time position of code enforcement officer and a full-time position of financial analyst

Finance/Human Resources Director Matthew Chapman explained that the Board of Aldermen previously delegated authority to the City Administrator to hire, discipline and terminate all employees limited to the positions and pay ranges adopted in the 2016 salary schedule on December 15, 2015. Staff requested the addition of two positions that required Board approval because they did not exist in the adopted salary schedule. Chapman provided an overview of the positions and noted the change from one full-time position to two part-time positions would provide the City with an additional ten hours of service per week.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO APPROVE BILL NO. 2879, AN ORDINANCE REPEALING AND REPLACING ORDINANCE NO. 2830 TO ADD A PART-TIME POSITION OF CODE ENFORCEMENT OFFICER AND A FULL-TIME POSITION OF FINANCIAL ANALYST TO THE SALARY SCHEDULE, ON FIRST READING. ALL AYES; MOTION PASSED 8-0.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO APPROVE BILL NO. 2879 ON SECOND READING BY TITLE ONLY TO BECOME ORDINANCE NO. 2849 ALL AYES BY ROLL CALL VOTE: PLUMB, WYLIE, WERNER, DRIVER, WELCH, RITTMAN, LOCK AND SPORTSMAN. MOTION PASSED 8-0.

B. Approve the release of requests for proposals for development of properties within the Brush Creek Drainage and Brink Meyer Road neighborhood improvement districts

City Administrator Lauren Palmer stated that staff was ready to release to the public requests for proposals (RFP) for development of the properties within the Brush Creek Drainage and Brink Meyer Road neighborhood improvement districts located at Interstate 435 and Highway 45. The first RFP was for Tract 9 which was a 70-acre parcel on the southeast quadrant, also known as 45 Park Place. The property was acquired by the City through a sheriff's sale stemming from a judicial foreclosure against the owner. The second RFP was for the west side of Interstate 435. Palmer noted that the City would gain control a portion of Tract 1 due to a negotiation process and a deed-in-lieu settlement agreement with Bank of Blue Valley. The other portion of the property in the second RFP included Tracts 1, 3, 5 and 6 on the southeast and northeast corners. Palmer added there was one RFP for the west side but developers had the option to bid on any or all of the properties.

The RFPs asked the development community to demonstrate their qualifications, experience, a development concept and financial ability. The City's top objectives were to generate economic activity to help the City meet its debt obligation, to be compatible with the Master Plan and to provide a symbolic entryway into the community. Palmer said that staff recommended two selection committees that would present their recommendations to the Board by mid-fall. She added that the final steps would include negotiation of a development agreement and schedule.

Further discussion focused on communication to the development community about the RFPs, the pre-proposal conference on July 20 and options for a different course of action if RFPs were not received by the due date. Palmer added that staff would work closely with staff of the Parkville and Platte County economic development councils who would help market to the community.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO **AUTHORIZE STAFF TO RELEASE THE DEVELOPMENT RFPS AS PROPOSED AND APPOINT SELECTION COMMITTEES AS PROPOSED TO REVIEW RESPONSES AND RECOMMEND A PREFERRED DEVELOPER TO THE BOARD OF ALDERMEN.** ALL AYES; MOTION PASSED 8-0.

C. Approve the first reading of an ordinance to amend Ordinance No. 2829 amending the 2016 Operating Budget and 2016 – 2021 Capital Improvement Program for the Sewer Fund and Economic Development Fund

City Administrator Lauren Palmer stated that staff discussed amendments to the budget during the audit process and the audit team recommended that budget amendments should be approved when expenditures exceed budget at the governmental fund level. Two instances triggered the requested budget amendments. The first trigger was in the Economic Development Fund that housed proceeds from the transient guest tax that generated approximately \$2,000 annually but was not routinely budgeted for specific expenses. In 2016, the Parkville Economic Development Council requested co-sponsorship from the City for Platte County Community Development Day which was within the city administrator's approval authority. She added that since the budget did not include the expenditure, a budget amendment was requested.

Palmer said that the second trigger was in the Sewer Fund due to unexpected sewer repairs throughout the year. The Main Street Sewer Realignment project was programmed in the 2017 budget, but because staff determined the damage was worse than anticipated the project would be moved forward in 2016. The anticipated cost of \$145,000 would be above the spending limit approved in the 2016 budget. Palmer said that staff would use money from sewer working capital reserves that could be made up in future years.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO **APPROVE BILL NO. 2880, AN ORDINANCE AMENDING ORDINANCE NO. 2829 TO AMEND THE SEWER FUND AND ECONOMIC DEVELOPMENT FUND OF THE 2016 OPERATING BUDGET AND THE 2016-2021 CAPITAL IMPROVEMENT PROGRAM, ON FIRST READING AND POSTPONE THE SECOND READING TO JULY 5, 2016.** ALL AYES; MOTION PASSED 8-0.

D. Approve the purchase of a 5085E John Deere Utility Tractor and Land Pride DB2660 Ditch Bank Mower from Heritage Tractor, Inc. for the Operations Division of the Public Works Department

Public Works Director Alysen Abel explained that the 2015 Capital Improvement Program included funding to purchase a tractor and extendable arm mower for brush and trees in the public rights-of-way. The funds were carried over to the 2016 budget and a bid opening was held in April. Two bids were received and only one bidder provided specifications that matched the needs of the City. Staff recommended purchasing from the second low bidder because the bid met the specifications requested. Abel provided an overview of the benefits of purchasing the John Deere versus the specifications from the low bidder. She added that staff reached out to the low bidder for a comparable tractor with the important features and the cost exceeded the amount from the second low bidder.

Abel noted that the Finance Committee rejected approval of an alternative purchase by a vote of 2-3 on June 13. Alderman Sportsman shared his concerns with not selecting the low bidder.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO **APPROVE THE PURCHASE OF A NEW 2016 JOHN DEERE 5085E UTILITY TRACTOR AND LAND PRIDE DB2660 DITCH BANK MOWER FROM HERITAGE TRACTOR, INC. IN THE AMOUNT OF \$55,960.** MOTION PASSED 7-1 (SPORTSMAN OPPOSED).

E. Authorize staff to release a bid request for the English Landing Park Restroom Rehabilitation Project

Public Works Director Alysen Abel explained that the City received a Platte County Outreach Grant for \$40,000 for a new restroom. A bid opening was held in February 2016 and seven bids were received, but the low bid was 35 percent over the architect's estimate. The Board of Aldermen rejected the bids and approved the formation of a small group to review the project. The committee recommended rehabilitation of the restroom in a three-tiered plan. The first tier included interior remodel with site improvements that include a new sidewalk in order to become compliant with the Americans with Disabilities Act (ADA). The second tier included roof improvements and the third tier included exterior elements. The Community Land and Recreation Board supported the rehabilitation plan and expressed its desire to include the exterior elements. Abel noted that staff contacted staff at Platte County who was supportive of the new direction and requested that the project be substantially completed by November 1 in order to be compliant with the grant. Due to the time constriction, staff recommends only the tier 1 improvements at this time. The remaining improvement can be included as a future capital project.

Abel stated that the rehabilitation would include work from four different construction trades – electrician, carpenter, plumber and site contractor. The City would be the general contractor on the project which would provide cost savings but would also require more responsibility from staff. The bid document would be a single document that would be separated into four sections requesting unit prices for each item, allowing contractors to bid on any or all of the sections.

Abel provided an overview of the budget for the project, noting that funding would come from the Platte County Outreach Grant, the Parks Donation Fund and the remaining from the General Fund. She noted that the original project included a loan from the Fewson Fund but because of the lower rehabilitation cost staff determined it was not worthwhile to go through the loan process.

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO AUTHORIZE STAFF TO RELEASE THE BID REQUEST FOR THE ENGLISH LANDING PARK RESTROOM REHABILITATION PROJECT AS OUTLINED BY STAFF. ALL AYES; MOTION PASSED 8-0.

6. NON-ACTION AGENDA

A. Parks Master Plan Update

Assistant to the City Administrator Tim Blakeslee provided an overview of the progress with the Parks Master Plan update provided through a contract with Vireo; presentation appended hereto as Exhibit A. Blakeslee said that Vireo held targeted focus group discussions, key leader meetings and staff input. An open house was held on April 14 along with an online survey in order to receive comments from the public. Vireo created three concepts that were reviewed by the steering committee that included a mall, boardwalk and promenade. The steering committee discarded the second concept from its discussions because park space would be lost to retail.

Blakeslee added that a second open house would be held at Pocket Park in downtown Parkville to present the two concepts to the public during the July 4th Celebration, along with a second online survey. The final plan would be presented to the Board in August for approval.

Larry Reynolds, Vireo, responded to questions from the Board about pedestrian traffic and parking.

7. STAFF UPDATES ON ACTIVITIES

A. Administration

Assistant to the City Administrator Tim Blakeslee provided an update on the Missouri Riverfront Trail Connection, noting that staff received positive news from the City of Riverside and Platte

County regarding a meeting with Burlington Northern Santa Fe Railroad to discuss the easement for the second phase of the trail connection.

B. Police Department

Police Chief Kevin Chrisman reminded the Board and residents about fireworks, noting that Parkville Municipal Code Section 215.420 outlined the rules and regulations for selling and shooting off fireworks between July 1 and July 4.

C. Community Development

Community Development Director Stephen Lachky provided an update on the Missouri American Water Plant relocation, noting that a public hearing was held by the Planning and Zoning Commission on June 14. He provided an overview of the concepts presented at the public hearing; presentation appended hereto as Exhibit B. He added that staff was working with the water company who communicated their potential interest in acquiring additional parcels and shifting the site south, which would require annexation into the city and rezoning. Staff is currently waiting to hear back from Missouri American Water.

8. COMMITTEE REPORTS AND MISCELLANEOUS ITEMS FROM THE BOARD

9. RECONVENE EXECUTIVE SESSION

IT WAS MOVED BY ALDERMAN SPORTSMAN AND SECONDED BY ALDERMAN DRIVER TO **RECONVENE THE EXECUTIVE SESSION TO DISCUSS ATTORNEY-CLIENT MATTERS PURSUANT TO RSMO 610.021(1)**. ALL AYES; MOTION PASSED 8-0.

The Board reconvened the executive session at 8:13 p.m. At 8:44 p.m., the Board reconvened in open session.

Clerks Note: The minutes from the executive session are on file with the City Clerk.

Mayor Johnston announced no action was taken as a result of the executive session.

10. ADJOURN

Mayor Johnston declared the meeting adjourned at 8:45 p.m.

The minutes for Tuesday, June 21, 2016, having been read and considered by the Board of Aldermen, and having been found to be correct as written, were approved on this the fifth day of July 2016.

Submitted by:

City Clerk Melissa McChesney

OPERATIONS REPORT – PARKVILLE DIVISION

May 2016

OPERATING DIVISIONS

MISSOURI

Atchison County
Wholesale Water
Commission

Bonne Terre
Boonville
Bowling Green
Buchanan County #1
Cameron
Cape Girardeau
Craig
Carroll County #1
Clay County #6
East Central Missouri
Water & Sewer
Authority

Elsberry
Fayette

Franklin County #1
Franklin County #3
Henry County
Water Company

Henry County #3
Lake Ozark/
Osage Beach

Lincoln County #1
Neosho
Nevada
Parkville

Phelps County #2
Platte County #C-1
Ralls County #1
Russellville

St. Charles County #2
Ste. Genevieve
Sedalia
Versailles

IOWA

Maquoketa
Tipton

TENNESSEE

Dyersburg Welcome
Center

Waste Water Treatment Plant Operations

- 9.27" of precipitation fell during the month.
- The plant performed well this month with 98.5% removal efficiency for B.O.D. and 96.5% for TSS.
- An average of 770,903 gallons of wastewater was treated each day.

Waste Water Laboratory Analysis

- Staff performed 404 recorded lab tests.
- The following samples were delivered to Keystone Labs for analysis: Oil & Grease (5), NH₃-N (5) and Sludge 503's (1).
- Monthly and daily laboratory equipment maintenance and calibrations were performed according to manufacturers' guidelines.

Waste Water Treatment Plant Maintenance

- Staff cleaned east and west clarifiers.
- LDO basins probes 1a, 1b, 2a, and 2b were cleaned.
- Routine preventative maintenance was done in accordance with all manufacturer recommendations.
- Northland Hydroflow performed annual state inspection of the WWTP backflow prevention devices.
- Staff and PWD met with Genesis Construction Services to discuss the new storage building. The City was able to receive dirt from the QT construction site to bring the new storage site up to grade.
- H&H Septic cleaned and removed grit from decant wet well.
- During the rain event at the end of the month, the field around WWTF was flooded again. It has been too wet to make repairs to the levee by Vikings Ball Field. Heavy rains also collapsed the creek bank by the low water crossing, with several trees falling into the creek. Urban Tree was called to remove the trees. City staff will be getting a quote to make repairs to the creek bank.
- Due to the heavy rains, the water level in the creek backed up the water to where the stream level was over the outfall pipe. This caused the water to back up inside the UV channel and flood #2 UV light module. Staff pulled UV module and removed the quartz sleeve and UV bulb to dry out. Staff had to replace 9 bulbs and 7 quartz sleeves.

OPERATIONS REPORT – PARKVILLE DIVISION

Collection System Operations

- Robin 4000 odor control chemical continues to be fed from the Riss Lake site at approximately 25 gallons per day.
- Staff continues to monitor for H₂S at manhole B-16 on a weekly basis.
- Staff continues to monitor pressure gauge on force main at River Chase subdivision three times per week.
- Staff performed 2 sewer inspections, 1 in Cider Mill Ridge and 1 in Riss Lake subdivision.

Collection System Maintenance

- Each pump station was checked on every Monday, Wednesday, and Friday.
- Mid-America Pump performed preventative maintenance on the pumps at Nationals Pump Station. Pump #2 was taken back to their shop for further inspection.
- H&H Septic jetted the sewer main on BNSF Railroad right-of-way between Main and East Street. During the cleaning a large amount of rocks were pulled out of the main. Replacement of this main is in the 2017 CIP. Staff has recommended that the city consider completion of this project in 2016 and city staff is in the process for approval to move this project for completion in 2016.

Bio-solids

- Staff land applied 6.6 dry ton of sludge during the month.

Safety

- 5/26/16: Electrical Safety.

Recommendations

- AWR is recommending to the city to look into placing an effluent pumping station after the UV channel to help prevent flooding of the UV system. The flooding of the UV channel is caused by the high water level in the creek to equalize with water level in the UV channel during heavy rain events. This has occurred twice since the UV system went on line in 2014.

OPERATIONS REPORT – PARKVILLE DIVISION

Loading

Hydraulic	770,903 gallons per day
Organic	417 mg/L of BOD ₅ per day

NPDES Effluent Permit Parameters

Parameter	Monthly Average	Permit Limit
pH	6.5 Min. and 7.2 Max	6.5 - 9.0
TSS	6.25 mg/L	30 mg/L
BOD ₅	2 mg/L	25 mg/L
NH ₃ -N	0.53 mg/L	1.7 mg/L
O & G	4 mg/L	10.0 mg/L
Fecal Coliform	4.0 #/100mL	400 #/100mL

Removal Efficiency

Parameter	Monthly Average	Permit Limit
Organic	98.3%	85 %
Solids	96.5 %	85 %

Biosolids

	Report Period	Year to Date
Quantity Applied	6.6 dry tons	6.6 dry tons
Acres Applied	10 acres	10 acres

OPERATIONAL CONTROL PARAMETERS

DATE	AB #1					AB#2					SLUDGE DRY TONS	WEATHER
	PH UNITS	TEMP. °C	DO mg/l	MLSS mg/l	Settled Solids	PH UNITS	TEMP. °C	DO mg/l	MLSS mg/l	Settled Solids		
1	6.7	18.3	0.3	4760	280	6.7	17.8	1.2	5150	290		PC
2	6.7	17.2	0.6	5950	410	6.6	17.4	1.8	6120	390		O
3	6.7	17.2	0.9	6040	410	6.6	17.5	1.2	5890	380		PC
4	6.6	18.6	0.7	6100	430	6.6	18.7	1.7	6160	380		C
5	6.6	18.2	1.5	5730	440	6.5	18.6	1.8	5880	370		C
6	6.5	18.7	0.3	5870	520	6.5	18.8	1.2	5770	400		C
7	6.6	18.7	1.3	5040	540	6.5	18.9	1.4	5260	420		C
8	6.6	18.8	1.0	6080	480	6.6	18.9	1.7	5950	380		C
9	6.6	18.9	0.1	5450	390	6.5	19.5	1.1	5370	320		O
10	6.7	19.5	0.5	6420	530	6.6	19.2	1.4	6060	400		PC
11	6.7	19.5	0.2	6140	600	6.5	19.7	2.0	5850	420		R
12	6.6	19.8	0.5	6590	670	6.6	19.4	2.0	6470	410		C
13	6.7	19.4	0.4	6430	520	6.6	19.5	2.0	6500	450		C
14	6.7	19.3	0.7	6290	650	6.6	18.8	1.5	5660	440		C
15	6.7	19.1	1.6	5600	430	6.7	18.7	2.0	5830	380		PC
16	6.6	19.8	0.3	5280	0	6.6	19.3	1.7	6100	390		R
17	6.6	18.9	2.4	6460	410	6.6	19.0	2.0	5860	400		O
18	6.6	18.9	1.7	6650	400	6.6	19.4	1.1	6340	370		C
19	6.6	18.6	1.3	6820	470	6.6	19.1	1.9	6150	410		PC
20	6.6	19.5	0.8	6520	450	6.6	19.4	1.2	6440	390		O
21	6.6	19.4	0.8	6350	430	6.6	19.2	2.0	6210	410		PC
22	6.6	19.9	0.9	6350	480	6.6	19.7	1.6	6390	400		C
23	6.6	20.1	0.2	6080	430	6.6	20.1	1.4	6330	390		PC
24	6.7	20.0	0.2	6740	520	6.7	20.2	1.3	6660	500		R
25	6.7	20.4	0.3	6780	680	6.7	20.6	1.8	6300	520		O
26	6.7	20.9	0.2	6610	510	6.7	20.8	1.2	6200	500		PC
27	7.1	18.1	1.8	4520	350	6.9	17.8	5.6	3960	260		R
28	7.3	17.4	0.4	3110	240	7.1	17.8	1.8	2310	160		PC
29	7.1	17.3	0.3	4110	300	6.7	18.7	1.8	4280	300		C
30	7.0	17.8	3.0	2610	200	6.7	18.0	2.6	2970	200		C
31	6.6	19.6	0.3	5410	480	6.7	19.8	1.4	4960	380		PC

1. Fill out one copy of report each month and mail in monthly for each treatment facility.
2. Mail one copy of report to the appropriate DNR regional office as noted in you permit and keep one copy in your files.
3. Reports must be signed by whoever performed tests and by an appropriate official.
4. In the weather column, use the following symbols: R-rain, S-snow, C-clear, P.C.-partly cloudy and O-overcast.
5. Use grab sample for pH, Temp. and D.O. Use grab samples for all operational control test.
6. Use 24 hr. composite (proportional) samples for B.O.D. 5, and Suspended Solids tests unless NPDES permit indicates otherwise. Use "Standard Methods" or an approved equal for all parameters.
7. Treatment plant flow measurements may be made on either influent or effluent. Lagoon influent flow measurements need be only at the time of composite sampling of the influent. All tests must be performed in accordance with NPDES Permit Conditions and Operational Control Regulation 10 CSR 20-9.010. Review your permit for specific requirements.
8. Unusual conditions, significantly affecting operations must be reported immediately to the Department of Natural Resources.
9. Representative sludge samples should be taken either before entering digesters and/or holding tanks or after removal from digesters or holding tanks.

Tests Performed by: Michael Taylor <i>Michael Taylor</i>	Title: Operator 1	Phone #: 816-891-0003	Date: 06-16-16
Report Approved by: C. Richard Wilson <i>C. Richard Wilson</i>	Title: Local Manager	Phone #: 816-891-0003	Date: 6/16/16

CITY OF PARKVILLE

Policy Report

Date: Tuesday, June 28, 2016

Prepared By:
Lauren Palmer
City Administrator

Reviewed By:
Matthew Chapman
Finance/Human Resources Director

ISSUE:

Approve the second and final reading of an ordinance to amend Ordinance No. 2829 amending the 2016 Operating Budget and 2016 – 2021 Capital Improvement Program (CIP) for the Sewer Fund and Economic Development Fund.

BACKGROUND:

On December 15, 2015, the Board of Aldermen adopted Ordinance No. 2829 to approve the 2016 Operating Budget and 2016 – 2021 Capital Improvement Program (CIP). During the 2015 audit process, the city's independent auditing team recommended that the Board amend the budget anytime expenditures exceed budget at the fund level. The draft audit report cites five such instances in 2015. In each instance, adequate funds were available for the purchase, and the purchase was authorized by the appropriate authority in accordance with the City's adopted purchasing policy. Based on the recommendation of the auditor, staff will prepare and present budget amendments as needed in the future.

To date in 2016, staff anticipates exceeding budgeted expenditure levels in two funds: the Guest Tax/Economic Development Fund and the Sewer Fund. A budget amendment is recommended to address the expenses described below.

Guest Room Tax/Economic Development Fund

This fund includes collections from the 5% transient guest room tax. It is a relatively small fund since annual revenues are approximately \$1,500 to \$2,000 per year. In general, state statute requires that the proceeds be used for tourism. The city has historically used these funds to support economic development initiatives such as marketing and business promotion that attract visitors and spur economic activity. There were no known expenses budgeted in the fund in 2016. Earlier this spring the Parkville Economic Development Council (EDC) approached the city administrator about sharing the costs for a joint sponsorship for the Platte County Community Development Day. The city participated in this successful event in 2015 and generated several promising leads and contacts for business development. Since the request was time sensitive and there were adequate funds in the Economic Development Fund for this purpose, the city administrator approved the sponsorship request of \$1,000 in accordance with the spending thresholds authorized in the purchasing policy. A budget amendment is recommended to reflect the expense.

Sewer Fund

There were several unanticipated emergency repair needs in the sanitary sewer system in 2016. Staff proposed strategies to delay or defer other projects and expenses to help offset the impact of these crucial repairs. On June 13, 2016, the Finance Committee recommended that working capital reserves in the Sewer Fund be utilized to cover some of these expenses in order to ensure that other planned maintenance projects are completed on schedule in 2016. This will

result in the city exceeding the budgeted expenditures in the Sewer Fund, so a budget amendment is recommended to capture the following changes:

Operating Expenses

1. Emergency repair expenses in the amount of \$24,480 for repairs to the water line serving the wastewater treatment plant. The original contract was approved by the Board of Aldermen on March 1, 2016; an emergency change order was approved by the city administrator and reported to the Board on March 24, 2016.
2. Reduction of \$6,000 for estimated savings in routine pump station repairs.

Capital Expenses

1. Reduction of \$45,290.70 for Phase 2 expenses that were anticipated in 2016 but paid in 2015.
2. Reduction of \$8,652 for expenses associated with the Pinecrest Pump Station Project that were anticipated in 2016 but paid in 2015.
3. Reduction of \$15,275 for savings in the 2016 closed-circuit television (CCTV) sewer maintenance program. The contract was approved by the Board of Aldermen on May 17, 2016.
4. Costs for the sewer plant storage building exceeded the budgeted amount by \$9,200. The contract was approved by the Board of Aldermen on April 19, 2016, along with the staff recommendation to defer the purchase of replacement tires for the sludge application equipment to 2017 (savings of \$7,000) to help offset the overage.
5. On April 25, 2016, the Finance Committee approved change order No. 4 with Insituform Technologies in the amount of \$8,339 for Sanitary Sewer Phase 2 repairs.
6. Emergency repair to accelerate the Main Street sewer realignment for a total project cost of \$145,000. On June 13, 2016, the Finance Committee recommended a work authorization for design to initiate the project. The recommendation will be considered by the Board of Aldermen as a separate item on the agenda for June 21, 2016.
7. Emergency replacement pump purchase for the South National Pump Station in the amount of \$11,002.26. The Finance Committee recommended the purchase on June 13, 2016. The recommendation will be considered by the Board of Aldermen as a separate item on the agenda for June 21, 2016.
8. Estimated cost of \$5,000 to repair storm and waterline related damage to the levee protecting the wastewater treatment plant and sludge fields.

Transportation Fund

Ordinance No. 2829 directed staff to monitor expenses and revenues for the first half of the 2016 fiscal year. Any savings generated due to personnel vacancies or other known cost reductions or exceptional revenues would be redirected to increase the funding available for street maintenance. Through this process, on June 7, 2016, the Board of Aldermen approved two change orders to increase the scopes of work for the annual sidewalk and asphalt overlay programs by \$49,000. This change will be accomplished by reducing budgeted monthly transfers from the Transportation Fund to the General Fund in the second half of the 2016 fiscal year. Since the approach was previously approved in the budget ordinance, and since increased street maintenance expenses will be offset by a corresponding transfer reduction, a budget amendment is not required for the Transportation Fund at this time. The independent auditor reviewed and concurred with staff's conclusion.

BUDGET IMPACT:

The impact to both the Economic Development Fund and the Sewer Fund is described in detail in the attachments. In summary, the year-end working capital balance in the Sewer Fund will be reduced from \$345,292 to \$226,583, a difference of \$118,709 or 34%. The year-end balance in

the Economic Development Fund will be reduced from \$2,054 to \$1,397, a difference of \$657 or 32%.

ALTERNATIVES:

1. Approve second reading of an ordinance to amend the 2016 Operating Budget and the 2016 – 2021 Capital Improvement Program as outlined by staff.
2. Approve second reading of an ordinance to amend the 2016 Operating Budget and the 2016 – 2021 Capital Improvement Program with changes directed by the Board of Aldermen.
3. Do not amend the budget and provide alternative direction to staff.
4. Postpone the item.

STAFF RECOMMENDATION:

Staff recommends that the Board approve an ordinance amending the Sewer Fund and Economic Development of the 2016 Operating Budget and the 2016-2021 Capital Improvement Program (CIP). On June 21, 2016, the Board of Aldermen approved the ordinance on first reading and postponed the second reading to July 5, 2016.

POLICY:

Since the budget was adopted by ordinance, an ordinance must be adopted to amend or repeal it.

SUGGESTED MOTION:

I move to approve Bill No. 2880, an ordinance amending Ordinance No. 2829 to amend the Sewer Fund and Economic Development of the 2016 Operating Budget and the 2016-2021 Capital Improvement Program, on second reading to become Ordinance No. _____.

ATTACHMENTS:

1. Ordinance – Budget Amendment No. 1
 2. Amended Economic Development Fund Budget
 3. Economic Development Fund Forecast
 4. Amended Sewer Fund Budget
 5. Amended Sewer Fund CIP
 6. Sewer Fund Forecast
-

BILL NO. 2880

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NO. 2829 TO AMEND THE OPERATING BUDGET FOR THE PERIOD FROM JANUARY 1 THROUGH DECEMBER 31, 2016, AND THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2016 THROUGH 2021, FOR THE CITY OF PARKVILLE, MISSOURI

WHEREAS, on December 15, 2016, the Board of Aldermen of the City of Parkville adopted Ordinance No. 2829 to approve and adopt the 2016 Operating Budget and 2016 – 2021 Capital Improvement Program (CIP) for the 2016 fiscal year; and

WHEREAS, new financial information made available during the fiscal year necessitates an amendment to the 2016 Operating Budget and 2016 – 2021 CIP to implement new priorities for city services.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PARKVILLE, MISSOURI AS FOLLOWS:

Section 1. The Board of Aldermen does hereby amend Ordinance No. 2829 that adopted the 2016 Operating Budget and 2016 – 2021 CIP for the fiscal year 2016.

Section 2. The Board of Aldermen does hereby approve and adopt Budget Amendment No. 1 for the 2016 fiscal year, attached hereto and incorporated herein by reference, implementing changes to the budgets for the Economic Development Fund and Sewer Fund.

Section 2. This ordinance shall become effective upon passage.

PASSED and APPROVED this 5th day of July 2016.

Mayor Nanette K. Johnston

ATTESTED:

City Clerk Melissa McChesney

Economic Development Fund (46) Revenues and Expenses

Type	Account	Description	Account	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget (original)	2016 Budget (amended)
Revenues	Beginning Fund Balance	Projected carryover from prior year.		309	2,312	312	404	539	882
	Guest Room Tax	Proceeds from the 5% guest room tax applied to overnight hotel/motel room stays.	41001-00	2,003	1,592	1,500	3,254	1,515	1,515
	Parkville EDC Contribution	Partnership funding from the EDC for joint projects such as feasibility studies and outside consultants.	41201-00						
	Transfers	Transfers from other funds.	41003-00	20,000	1,500				
Total Economic Development Fund (46) Revenues				22,312	5,404	1,812	3,658	2,054	2,397
Expenses	Economic Development - PEDC	No longer used. Annual membership dues for the Parkville Economic Development Council. Moved to Administration Department.	07-03-00	20,000					
	Economic Development - Other	Other miscellaneous economic development projects, studies, fees, etc.	07-03-00		5,000		2,776		1,000
Total Economic Development Fund (46) Expenses				20,000	5,000	-	2,776	-	1,000
Ending Fund Balance Economic Development Fund (46)				2,312	404	1,812	882	2,054	1,397

Guest Room Tax/Economic Development (46)

Last Updated 06/15/2016

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Amended	2016 YTD	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<i>Beginning Fund Balance</i>	\$ (2,692)	\$ 309	\$ 2,312	\$ 404	\$ 404	\$ 539	\$ 882	\$ 882	\$ 882	\$ 2,054	\$ 3,584	\$ 5,130	\$ 6,691	\$ 8,267
Revenues														
Guest Room Tax	3,001	2,003	1,592	1,500	1,843	1,515	1,515	471	1,515	1,530	1,545	1,561	1,577	1,592
Partner Contributions			1,500		1,411									
Transfer from Carry Over	-	-												
Transfer from General Fund	20,000	20,000												
Eco Devo Fund Revenues:	23,001	22,003	3,092	1,500	3,254	1,515	1,515	471	1,515	1,530	1,545	1,561	1,577	1,592
Total Sources:	\$20,309	\$22,312	\$5,404	\$1,904	\$3,658	\$2,054	\$2,397	1,352	2,397	\$3,584	\$5,130	\$6,691	\$8,267	\$9,859
Expenditures														
Advertising	-	-	-				1,000	1,000	1,000					
Economic Development	20,000	20,000	5,000	-	2,776	-				-	-	-	-	-
Eco Devo Fund Expenditures:	20,000	20,000	5,000	-	2,776	-	1,000	1,000	1,000	-	-	-	-	-
Estimated Ending Balance (deficit) :	\$309	\$2,312	\$404	\$1,904	\$882	\$2,054	\$1,397	\$352	\$1,397	\$3,584	\$5,130	\$6,691	\$8,267	\$9,859

Sewer Fund (30) Revenues and Expenses

Type	Account	Description	Account	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget (original)	2016 Budget (amended)
Rev: Sewer	Beginning Fund Balance	Projected carryover from prior year.		605,952	516,873	1,020,362	1,104,409	794,313	797,784
	Sewer Charges	Charges levied on all utility customers for use of the City's sewer system.	41501-00	931,425	1,016,426	1,027,940	1,020,684	1,014,750	1,014,750
	Sewer Tap Fees	Fees required to connect to the City's sewer system (\$1,500/new home).	41502-00	30,000	43,500	30,000	39,000	36,000	36,000
	Sewer Impact Fees	Fees required to compensate the City for the increased demand on the sewer system (\$1,400/new home).	41502-01	28,000	42,000	28,000	36,400	33,600	33,600
	MOAW Bill Collection Payment	Money received from Missouri American Water for accepting water bills at City Hall.	41503-00	686	562	650	643	650	650
	Grinder Pump Administration Fee	A fee paid by the Riss Lake Home Owner's Association for collecting and remitting monthly Riss Lake Subdivision grinder pump maintenance fees.	41504-00	3,850	4,620		4,620	4,620	4,620
	Transfer from Sewer CIP	No longer used. Transfer from Sewer CIP to close out fund in 2014.	41902-00		294,984				
Revenues: Sewer				1,599,913	1,918,965	1,086,590	2,205,756	1,089,620	1,089,620
Rev: Interest	Interest Income	Interest earned from sewer fund investments.	41701-00	5,872	4,361	4,400	4,956	4,800	4,800
	Revenues: Interest Income				5,872	4,361	4,400	4,956	4,800
Rev: Misc	Miscellaneous	Includes reimbursements from Viking Football Club for water usage at Viking Field.	41804-00	16	1,000	200	74	200	200
	Revenues: Misc				16	1,000	200	74	200
Total Sewer Fund (30) Revenues				1,605,801	1,924,326	2,111,552	2,210,786	1,888,933	1,892,404

Sewer Fund (30) Revenues and Expenses

Type	Account	Description	Account	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget (original)	2016 Budget (amended)
Exp: Personnel	Salaries	The total salaries for sewer billing duties. A portion of staff salaries are covered by the Sewer Administrative Fee, as related to sewer work performed.	01-01-00	10,276	10,062	13,156	11,691	13,824	13,824
	FICA & Medicare	This is the City's share of FICA & Medicare cost for its employees.	01-21-00	573	770	1,006	839	1,058	1,058
	Professional Development	Cost of educational seminars and conferences attended by Sewer employees.	01-41-00				1,416		
	Retirement	The City's LAGERS contribution for 2016 is 5.9% of general employee salaries.	01-22-00					816	816
Expenses: Personnel				10,849	10,831	14,162	13,946	15,698	15,698
Exp: Insurance	Property & Liability	Premium payment for the City's property & liability coverage.	02-01-00	2,914	3,678	6,000	2,689	2,850	2,850
	Health, Life, & Dental	The City offers health, dental, and life insurance to its employees and subsidizes a portion of the premium. Reflects premium increases for employees.	02-02-00				1,622	2,955	2,955
	Workers Compensation	The workers compensation premium that covers all sewer employees.	02-03-00					500	500
	Unemployment	This covers the cost of any unemployment insurance claims for the Sewer Department.	02-04-00					500	500
Expenses: Insurance				2,914	3,678	6,000	4,312	6,805	6,805
Exp: Utilities	Telephone & Voicemail	The charges for local and long distance telephone service for the sewer plant and lift station dialers.	03-01-00	2,382	2,394	2,600	2,278	1,600	1,600
	Electricity	Electric utility charges for the sewer plant and pump stations.	03-02-00	37,018	36,499	41,000	37,783	46,000	46,000
	Water	Water utility charges for the sewer plant.	03-04-00	5,492	2,083	3,500	1,606	3,500	3,500
	Wi-Fi	The cost of the Wi-Fi hotspot at the sewer plant for internet access.	03-06-00	520	440	480	480	480	480
	Trash Hauling	The charges for trash hauling at the sewer plant (\$70/year for Main Lift Station dumpster and \$356.52/year for Sewer Plant dumpster).	03-09-00	785	297	600	392	600	600
Expenses: Utilities				46,197	41,713	48,180	42,539	52,180	52,180
Exp: Office Expenses	Office Supplies	This includes items such as stationery, pens/pencils, folders, etc. as well as computer accessories, meeting supplies and general consumables.	05-01-00	46	229	100	257	150	150
	Postage	All postage and shipping costs, along with any incidental charges.	05-02-00	6,387	6,868	9,000	5,805	7,000	7,000
	Delinquencies	Administrative costs related to delinquency collections such as water shut off costs, filing property liens, and certified letters.	05-06-00			1,500	826	2,000	2,000
	Printing	Expenses for printing work not performed by City personnel. This includes items such as business cards, forms, letterhead, and books.	05-04-00	1,033	1,032	1,500	1,055	1,300	1,300
Expenses: Office Expenses				7,466	8,130	12,100	7,943	10,450	10,450

Sewer Fund (30) Revenues and Expenses

Type	Account	Description	Account	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget (original)	2016 Budget (amended)
Exp: Maintenance	Building Maintenance & Repair	General maintenance for the sewer plant. Includes field Dissolved Oxygen (DO) meter, repair of the water hydrant, and replacing steel doors and frames. Includes emergency repair to water line serving the plant.	06-01-00	4,190	4,787	8,500	6,863	12,000	36,480
	Pump Stations Maintenance	General maintenance for six pump stations in the City.	06-12-00	33,450	7,968	20,000	12,992	20,000	14,000
	Vehicle Repair & Maintenance	Maintenance for sewer vehicles.	06-21-00	758	105	500	41	500	500
	Tractor / Lawn Mowing Equipment	Maintenance for the sewer plant tractor and lawn equipment.	06-21-02	449	1,024	500	484	1,000	1,000
	Vehicle Gas & Oil	Fuel for sewer division vehicles.	06-22-00	2,056	1,254	3,000	802	3,000	3,000
	Equipment Gas & Oil	Fuel for sewer equipment, including the tractor, mower, and generator.	06-22-01	791	1,198	1,500	868	1,500	1,500
	Software Support Agreement	Annual software maintenance for Data Tech Summit sewer billing software.	06-33-00		1,768	2,170	1,910	2,000	2,000
Expenses: Maintenance				41,694	18,103	36,170	23,959	40,000	58,480
Exp: City Services	Line Repairs	This covers emergency repairs to sewer lines and manholes. Root control and unexpected clogs. It does not cover repairs budgeted in the sewer CIP.	07-34-00	2,926	5,522	20,000	24,708	20,000	20,000
	One Call Utility Locating	This is a fee charged to the City for every One Call sewer utility locate requested in the City limits.	07-42-00	1,176	2,366	2,000	3,180	2,000	2,000
	One Call Equipment & Supplies	No longer used. All equipment and supplies needed to mark sewer lines at One Call locations.	07-42-01	251					
	MOAW Sewer Billing	No longer used. MOAW discontinued sewer billing. This line item covered the sewer billing software purchase in 2012.	07-81-00	1,680					
	KC Water Dept.	Fees paid to the KCMO Water Department for sewer service provided to some Parkville residents The decrease in 2016 is a result of the decommission of Eastside Pump station.	07-82-00	56,937	62,521	55,655	53,304	26,000	26,000
	Platte County Regional Sewer District	Fees paid to the PCRSD for wastewater treatment for Parkville residents formerly served by Eastside Pump station.					3,961	16,000	16,000
	Odor Control	Chemical used to mitigate odors from sewer lines. Includes the replacement of the odor control carbon at the McAfee Pump Station.	07-91-00	11,034	18,138	19,000	18,851	22,000	22,000
Expenses: City Services				74,004	88,546	96,655	104,004	86,000	86,000
Exp: Professional Fees	Attorney Fees	Fees associated with contract reviews and sewer related legal questions.	08-01-00	576	7,049	10,000		2,500	2,500
	Engineering Fees	This covers the fees for work performed by the City Contract Engineer for the sewer system, including SSES Program engineering and management.	08-03-00	704	1,600	8,500	9,900	10,000	10,000
	Management Contract	Contract with Alliance Water Resources to operate the sewer plant.	08-04-00	263,925	275,395	282,245	282,245	290,483	290,483
	Administration Fee	Administrative salaries for sewer related work, Missouri One Call services, and other sewer related administrative functions.	08-06-00	100,000	100,000	101,500	101,500	103,530	103,530
	Credit Card Fees	Costs associated with processing credit card transactions.	08-07-00		546	2,000	2,732	2,000	2,000
	Sewer Refunds	Refunds for bill over payments	08-08-00				321		
Expenses: Professional Fees				365,205	384,590	404,245	396,698	408,513	408,513
Exp: Other Exp.	Miscellaneous	Miscellaneous includes uncategorized expenses.	09-21-00	292	4,833	2,000	851	2,000	2,000
	DNR Fees	Annual fee to the Missouri Department of Natural Resources based on the number of sewer connections in the City.	09-22-00	1,368	1,641	1,800	1,792	2,000	2,000
Expenditures: Other Expenditures				1,660	6,474	3,800	2,643	4,000	4,000

Sewer Fund (30) Revenues and Expenses

Type	Account	Description	Account	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget (original)	2016 Budget (amended)
Exp: Capital Outlay	Equipment & Machinery	For the purchase of operating equipment for the Sewer Plant. Includes rebuilding influent mechanical screen (\$3,000).	04-31-00	862	14,398	33,500	6,615	10,000	3,000
	Sewer Plant Improvements	Improvements and enhancements to the sewer plant. Includes storage building (\$99,200), clarifier floor replacement (\$45,000), and mission control for WWTP (\$12,000).	04-51-00	1,794		90,000	407	147,000	156,200
	Pump Station Improvements	Improvements to pump stations. Includes carryover from Pinecrest wet well (\$8,650). New projects include FF Hwy and McAfee pump station modifications planned for 2016 (\$11,800). Begin design of 45 Hwy Pump Station improvement, to be constructed in 2017 (\$6,200). Emergency pump replacement for S. National (\$11,050).	04-61-00		27,694	191,000	185,637	34,000	37,700
	Line Maintenance	Includes carryover for Sanitary Sewer Phase 2 improvements and 2015 CCTV (\$215,075). New projects include sewer evaluation and mapping (\$6,500), Sanitary Sewer Phase 3 manhole repairs (\$230,000), and 2016 CCTV & Cleaning (\$39,725). Emergency repair for Main St. Sewer Realignment (\$145,000).	06-42-00	2,980	11,566	415,750	197,854	543,500	636,300
	Other Maintenance	Improvements to collection lines.	06-99-00		6,330	72,025	68,575		5,000
Expenditures: Capital Outlay				5,636	59,988	802,275	459,088	734,500	838,200
Exp: Transfers	Transfer to 12-year CIP	No longer used. Funds are transferred to the Sewer CIP to be reserved for capital projects planned over the next 12 years.	20-01-01	289,000					
	Transfer to Debt Service Fund (for Bonds)	No longer used. Funds are transferred to Debt Service for bond payments. Paid off in 2015.	20-02-02	18,456		149,351	151,063		
	Transfer to Debt Service Fund (for SRF)	Funds are transferred to Debt Service for SRF payments.	20-02-03	183,777		183,434	206,807	185,495	185,495
	Transfer to Equipment Fund	No longer used. Transfer to the Equipment Fund to cover sewer related equipment purchases. Replacement truck in 2013.	20-42-00	23,431					
	Transfer to Projects Fund	No longer used. Transfer to the Projects Fund to cover sewer related project expenditures. Repairs to sewer equipment building in ELP in 2013.	20-43-00	25,000					
Expenditures: Transfers				539,664	-	332,785	357,870	185,495	185,495
Total Sewer Fund (30) Expenditures				1,095,289	622,053	1,756,372	1,413,002	1,543,641	1,665,821
Ending Fund Balance Sewer Fund (30)				510,513	1,302,273	355,180	797,784	345,292	226,583

**Capital Improvement Program
FY 2016 - Amended**

Division	Type	New or Replacement?	Name	Project Description	Funding Source	Total Cost	Budget Impact
Sewer	Equipment	Replacement	Sludge Application Equipment	Equipment replacement for the tractor (two tires and four wheel rims) and wagon (hoes and hydraulic ram gate) that are used to haul and distribute biosolids on agricultural fields. DEFERRED TO 2017.	100% Sewer Fund	\$ -	\$ -
Sewer	Multi-Year Project	Year 1 of 2	WWTP Headworks Screen Rebuild	Rebuild the influent mechanical bar screen at the WWTP. Screen is used to filter out plastics, rags and debris. Includes replacing the screen links, media shafts, and drive chain links. Begin design/bidding in 2016, construct in 2017.	100% Sewer Fund	\$ 3,000	\$ 3,000
Sewer	Project	New	WWTP Site Improvements	Includes a pole barn to protect and secure tractor, sludge wagon, pumps, and other equipment.	100% Sewer Fund	\$ 99,200	\$ 99,200
Sewer	Project	Maintenance	Clarifier Floor	Includes removal of replacement of the grout topping on the clarifier floor. One will be completed in 2016 and the other in 2018.	100% Sewer Fund	\$ 45,000	\$ 45,000
Sewer	Project	Maintenance	WWTP Mission Control	Mission control is the system for remote alarming and communications. It allows operators to remotely adjust key equipment at the WWTP. This project will upgrade the existing dial-up system and includes a laptop or tablet for remote use by on-call staff.	100% Sewer Fund	\$ 12,000	\$ 12,000
Sewer	Multi-year Project	Year 2 of 2	Pinecrest Pump Station Reconstruction	Complete a project started in 2015 to rebuild the pump station wetwell with new cover, hoist, guiderails, terminal boxes.	100% Sewer Fund	\$ 8,650	\$ 8,650
Sewer	Project	Maintenance	Miscellaneous Pump Station Improvements	Includes installation of FF Hwy Pump Station valves and mission unit, Pinecrest Valve pit lid, emergency replacement pump for S. National, and McAfee level transducer.	100% Sewer Fund	\$ 22,850	\$ 22,850
Sewer	Multi-year Project	Year 1 of 2	45 Hwy Pump Station	Installation of new pumps and controls. Begin design in 2016 with installation in 2016.	100% Sewer Fund	\$ 6,200	\$ 6,200
Sewer	Multi-year Project	Year 2 of 2	Sanitary Sewer Phase 2 Line Repairs	Includes cured-in-place (CIPP) lining and open-cut excavation repairs to gravity sewer pipes based on recommendations from CCTV reports and prior Sanitary Sewer Evaluation Study (SSES). Project was started in 2015 but will be completed in 2016.	100% Sewer Fund	\$ 215,075	\$ 215,075
Sewer	Multi-year Project	Year 1 of 2	Sanitary Sewer Phase 3 Manhole Repairs	Repair or install new manholes to access areas downtown per SSES recommendations. The project is critical for access to older sewer lines.	100% Sewer Fund	\$ 230,000	\$ 230,000
Sewer	Project	New	Sewer Evaluation and Mapping	Review and evaluate existing information about sewers and create updating mapping to assist with line locates and emergency calls. Maps have not been created since 2007.	100% Sewer Fund	\$ 6,500	\$ 6,500
Sewer	Project	New	Main St. Sewer Realignment	Re-align 250 feet of collapsing sewer inside railroad right-of-way between Main St. and East St. This line has large holes and voids and cannot be repaired with cured-in-place pipe. The line must be relocated outside of railroad ROW.	100% Sewer Fund	\$ 145,000	\$ 145,000
Sewer	Project	Maintenance	Levee Repairs	Repair storm and waterline related repairs to the levee protecting the wastewater treatment plant and sludge fields.	100% Sewer Fund	\$ 5,000	\$ 5,000
Sewer	Project	Maintenance	CCTV and Cleaning	Program to clean and televise (closed-circuit television) a portion of the City's sewers each year. Funding is recommended to examine the entire sewer system on an 8-year cycle.	100% Sewer Fund	\$ 39,725	\$ 39,725
Sewer Total						\$ 838,200	\$ 838,200

Sewer Fund (30)

Last Updated 06/15/2016

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Amended	2016 YTD	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<i>Beginning Fund Balance</i>	\$ 493,616	\$ 605,952	\$ 516,873	\$ 1,020,362	\$ 1,104,409	\$ 794,313	\$ 797,784	\$ 797,784	\$ 797,784	\$ 227,358	\$ 243,906	\$ 405,117	\$ 335,007	\$ 356,829
Revenues														
<i>Projected Rate Increase</i>			3.00%	3.00%	3.00%	2.50%	2.50%		2.50%	3.00%	3.00%	3.00%	2.50%	0.00%
Sewer Charges	962,603	937,785	1,016,426	1,027,940	1,020,684	1,014,750	1,014,750	305,789	1,014,750	1,045,193	1,076,548	1,108,845	1,136,566	1,136,566
Sewer Tap Fees	33,000	30,000	43,500	30,000	39,000	36,000	36,000	10,500	36,000	36,540	37,088	37,644	38,209	38,782
Sewer Impact Fees	30,800	28,000	42,000	28,000	36,400	33,600	33,600	9,800	33,600	34,104	34,616	35,135	35,662	36,197
MOAW Bill Collection Payment	715	686	562	650	643	650	650	-	650	650	650	650	650	650
Grinder Pump Administrative Fee	4,620	3,850	4,620	-	4,620	4,620	4,620	1,540	4,620	4,620	4,620	4,620	4,620	4,620
Interest Income	6,611	5,872	4,361	4,400	4,956	4,800	4,800	1,600	4,800	4,872	4,921	4,970	5,020	5,070
Transfer from Sewer CIP (33)	-	-	294,984	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	16	1,000	200	74	200	200	10	200	203	206	209	212	215
Sewer Fund Revenues:	1,038,349	1,006,209	1,407,454	1,091,190	1,106,376	1,094,620	1,094,620	329,239	1,094,620	1,126,182	1,158,649	1,192,073	1,220,939	1,222,100
Total Sources:	1,531,965	1,612,161	1,924,326	2,111,552	2,210,785	1,888,933	1,892,404	1,127,023	1,892,404	1,353,540	1,402,555	1,597,190	1,555,946	1,578,930
Expenditures														
Operating Expenses	453,316	449,989	462,065	519,812	494,544	520,116	538,596	187,321	537,893	529,780	539,630	549,669	559,901	570,330
Capital Expenses	18,146	5,636	59,988	802,275	459,088	734,500	838,200	214,465	838,128	293,300	168,000	419,700	348,500	212,400
Debt Service	198,952	202,233	191,504	332,785	357,870	185,495	185,495	44,236	185,495	180,953	182,095	182,947	178,651	179,311
Transfer to General Fund - Admin Fee	75,000	100,000	100,000	101,500	101,500	103,530	103,530	34,510	103,530	105,601	107,713	109,867	112,064	114,305
Other Transfers	180,600	337,431							-					
Sewer Fund Expenditures:	926,014	1,095,288	813,557	1,756,372	1,413,001	1,543,641	1,665,821	480,532	1,665,046	1,109,634	997,438	1,262,183	1,199,116	1,076,347
Estimated Working Capital (deficit):	605,952	516,873	1,110,769	355,180	797,784	345,292	226,583	646,491	227,358	243,906	405,117	335,007	356,829	502,583
TARGET*	\$331,031	\$339,730	\$332,020	\$488,113	\$481,796	\$341,407	\$346,027		\$345,851	\$339,798	\$343,931	\$347,831	\$346,642	\$350,470

* Target represents desired working capital of 90 days of operations in addition to the current fiscal year debt service payments as required by the Reserve Policy adopted December 3, 2013, by Resolution No. 12-01-13.

CITY OF PARKVILLE

Policy Report

Date: June 28, 2016

Prepared By:
Alysen Abel
Public Works Director

Reviewed By:
Tim Blakeslee
Assistant to the City Administrator

ISSUE:

Request to approve the agreement with Kansas City Power and Light (KCP&L) for the Demand Response Incentive Program (formerly M-Power) for a one-year term.

BACKGROUND:

The Kansas City Power and Light (KCP&L) Demand Response Incentive Program (formerly M-Power) offers customers a financial incentive to reduce electrical usage during periods of peak demand from June 1 through September 30. The City has previously contracted with KCP&L to participate in this program at the Wastewater Treatment Plant (WWTP). During the summer peak demand days, also known as curtailment events, the City will reduce the electrical consumption by transferring to generator power. There will be at least one, but no more than 10 curtailment events during each season, lasting between two and eight consecutive hours. Based on past experiences, there are typically 3 to 4 curtailment events during the summer peak demand, each lasting about 6 hours each. The City has participated in this program since 2010.

After the curtailment event, the City will receive a credit on its electrical bill. The 2015 agreement included a curtailment rate of \$0.35 per KW-Hour, for a maximum usage of 80 hours. The proposed agreement includes a curtailment rate that is split between two ranges: (1) a rate of \$0.075 per KW-Hour for the first 30 hours and (2) a rate of \$0.25 per KW-Hour for the remaining 50 hours. In addition, the City receives an overall participation payment of \$32.50 per kilowatt of curtailable load. When the WWTP uses its generator during curtailment events, the power demand from KCP&L drops to zero, since the sewer plant relies entirely on the back-up generator for power. The City would be responsible for any fuel costs associated with running the back-up generator during the curtailment period.

At the June 7, 2016, Board of Aldermen meeting, staff presented a three-year agreement with KCP&L for the Demand Response Incentive Program. Since that time, staff found that the rate included in the contract was lower than anticipated, at a rate of \$0.075 instead of \$0.75, as originally presented. Based on the revised rates, maximum curtailment hours, and current fuel prices a total net rebate of \$146.33 is possible under the revised rate structure. As a result, staff is changing their recommendation from a three-year term to a one-year term. Fuel prices may go up over the next 3 years, which could result in a net negative budgetary effect. After conversations with KCP&L, the City has the option to go back to the one-year agreement. However, since the one-year agreement will be signed one month into the four month curtailment season, the City will forfeit one-quarter of the curtailment participation payment, which will be \$999.38 instead of \$1,332.50.

The following table shows the rates from 2015 compared to the proposed 2016 rates.

ITEM 4D
For 07-05-16
Board of Aldermen Meeting

	<u>2015 Rates</u>	<u>2016 Rates</u>
Kilowatt Used	41 KW	41 KW
Unit Base Fee	\$45.00 per KW	\$32.50 per KW
Base Fee	\$1,845.00	\$999.38
Curtailment Rate (0 to 30 hours)	\$0.35 per KW-hour	\$0.075 per KW-hour
Curtailment Rate (31 to 80 hours)	\$0.35 per KW-hour	\$0.25 per KW-hour
Minimum Rebate (0 hours)	\$1,845.00	\$999.38
Maximum Rebate	\$2,993.00 (80 hours)	\$1,399.13 (60 hours)
Maximum Estimated Fuel Consumption	\$1,670.40 (80 hours)	\$1,252.80 (60 hours)
Net Difference (Rebate minus Fuel)	\$1,322.60	\$146.33

BUDGET IMPACT:

The approximate fuel cost to run the generator with maximum load at the sewer plant is \$20.88 per hour. Assuming no events, KCP&L will credit the City with the base rebate amount of \$999.38. Assuming the maximum of 60 hours of total time with curtailment events over the remaining three months, the fuel cost would be \$1,252.80, which will be offset by the curtailment payment of \$1,399.13. The City would receive a net rebate of \$146.33. There is some limited risk that the generator operation costs will outweigh the curtailment credits, however the city does perform regular preventative maintenance on the generator.

ALTERNATIVES:

1. Approve the Demand Response Incentive agreement with KCP&L for a one-year term.
2. Approve the Demand Response Incentive agreement with KCP&L for a three-year term.
3. Direct staff to negotiate changes to meet the desires of the Board.
4. Do not approve the agreement.
5. Postpone the item.

STAFF RECOMMENDATION:

Staff recommends that the Board of Aldermen approve the Demand Response Incentive agreement with KCP&L for a one-year term, ending May 31, 2017.

POLICY:

Although it is anticipated that the City will benefit financially from this arrangement with KCP&L, approval is requested from the Board of Aldermen because the number of curtailment events is uncertain.

SUGGESTED MOTION:

I move to approve the Demand Response Incentive agreement with Kansas City Power and Light for a one-year term at the Wastewater Treatment Plant.

ATTACHMENT:

1. Demand Response Incentive Agreement

**DEMAND RESPONSE INCENTIVE (MPOWER)
Schedule MP**

**KANSAS CITY POWER & LIGHT COMPANY
KCP&L GREATER MISSOURI OPERATIONS COMPANY
MPOWER RIDER
FORM OF AGREEMENT (MISSOURI)**

This AGREEMENT, made this the 5th day of July 2016, by and between KCP&L GREATER MISSOURI OPERATIONS COMPANY, hereinafter referred to as the "Company" and

Customer Name:	City of Parkville	Account Number:	3363473538
Street Address:	12301 NW Hwy FF	SAID:	7604758916
City:	Parkville	Meter #	4642102737310
State:	MO	SPID:	0206645896
Zip:	64152-5337	Rate:	1MGAE

Customer Contact: Richard Wilson

Fax:(816) 741-0013 **Telephone:** (816) 891-0003 **Mobile Telephone:**() **Email:** rwilson@alliancewater.com

hereinafter referred to as the "Customer."

WITNESSETH:

Whereas, the Company has on file with the Public Service Commission of the State of Missouri ("Commission") a certain MPower Rider, Schedule MP (Rider); and

Whereas, the Customer has furnished sufficient information to the Company to demonstrate that its facilities satisfy the Availability provisions of the Rider; and

Whereas, the Customer wishes to take electric service from the Company, and the Company agrees to furnish electric service to the Customer under this Rider and pursuant to all other applicable tariffs of the Company;

The Company and Customer agree as follows:

1. The Company shall provide electric service to the Customer's facility, which is located at 12301 NW Hwy FF, Parkville, Missouri 64152, pursuant to this Agreement, the Rider, all other applicable tariffs, and the Company's General Rules and Regulations Applying to Electric Service, as may be in effect from time to time and filed with the Commission.
2. The Customer acknowledges that the Firm Power Level (FPL), which is the maximum demand level to be drawn during a Curtailment Event, shall be set at least 25 kW less than the Customer's Estimated Peak Demand as established by the Company from time to time pursuant to the Rider. The FPL is set at **0 kW** resulting in a payment/bill credit for a Curtailable Load of **41 kW**, with an Estimated Peak Demand of **41 kW**. The Customer further acknowledges that any equipment required, except metering equipment necessary to ensure compliance under the Rider, shall be the obligation of the Customer.

Initial Here: _____

3. The Company may review and, if necessary, adjust the Customer's Estimated Peak Demand based on evidence that the Customer's actual peak demand has changed, or will change, significantly from the Estimated Peak Demand currently being used to calculate the Customer's Curtailable Load. If a change in the Customer's Estimated Peak Demand results in a change in its Curtailable Load, the Customer shall lose and/or repay its curtailment compensation proportional to the number of days curtailment was not available and the change in the Curtailable Load.

4. The FPL may be modified to reflect significant change in Customer load, subject to verification and approval by the Company. Any change in FPL made known to the Company that decreases Curtailable Load for the Customer shall result in re-evaluation of all curtailment compensation to the Customer. The Customer shall repay the company prior payments/credits made in excess of the curtailment compensation due based on the decreased level of Curtailable Load.
5. Service under this Agreement shall commence on July 6, 2016. Program Participation Payments shall begin with the first billing period following the first month of participation during the Curtailment Season. Agreements shall remain in effect for a minimum of one (1) year, up to a maximum of three (3) years, with all agreements ending by May 31, 2019.

This Agreement shall be for a term of **one (1)** year.

Initial Here: _____

6. The allowable Curtailment Season during which a Curtailment Event may be requested shall extend from June 1 through September 30 of each year, Monday through Friday during the hours of 12:00 noon through 8:00pm during the term of this Agreement. The Company may call on the Customer to participate in at least one (1), but no more than 10 Curtailment Events during each Curtailment Season lasting between two and eight consecutive hours. The Company may call no more than one Curtailment Event per day and no more than three consecutive days per calendar week. The Company reserves the right to request participation by the Customer in Additional Voluntary Events throughout the term of this Agreement.

The Company reserves the right to request a Test Curtailment once each year and/or within three months after a Customer's failure to effect load reduction to its Firm Power Level or lower upon any Company request for curtailment. Test Curtailments do not count toward the Maximum Number of Curtailment Events. Customers will not be compensated for Test Curtailments.

7. The Company shall notify the Customer of a Curtailment Event no less than four (4) hours before the start time of each Curtailment Event using the agreed upon communication method (see Exhibit A). The Customer may change the notification method at any time by providing a new Exhibit A to the Company.

The Company reserves the right to cancel a scheduled Curtailment Event prior to the start time of such Curtailment Event. However, if cancellation occurs with less than two hours of the notification period remaining prior to commencement of a Curtailment Event, the canceled Curtailment Event shall be counted as a separate occurrence with a zero-hour duration.

8. As consideration for participation in the MPower program, Customer shall receive from the Company a Program Participation Payment of **\$32.50 per kilowatt** of Curtailable Load per Curtailment Season payable either at the end of each Curtailment Season or with a bill credit in equal payments each month over the course of the Curtailment Season. Customer will also receive a Curtailment Occurrence Payment for each Curtailment Hour during which the Customer's metered demand is less than or equal to the Customer's FPL. The energy payment is **\$0.075/kW for the first 30 hours** of dispatch and **\$0.25/kW for the remaining 50 hours** of dispatch. Curtailment Occurrence Payments will be paid in the form of either a payment or a bill credit. If the Program Participation Payment, or an Initial Payment, as defined by the Rider, is made as a bill credit, the credit shall be applied before any applicable taxes. If the Program Participation Payment, or an Initial Payment, as defined by the Rider, is made as a payment by check, there are no applicable tax benefits. All other billing, operational, and related provisions of other applicable rate schedules shall remain in effect. A decrease in Curtailable Load will require the Customer to refund to the Company part or all of payments received. With a multi-year contract, a decrease in Curtailable Load, or early termination of the Agreement, will require the Customer to refund to the Company, the difference between payments received in the multi-year contract and the amount that would have been paid in the shorter-term contract. Refunds for a fractional year will be prorated.

Customer's preferred incentive payment method:

- Bill Credit
- Check

Initial Here: _____

9. At the Company's option and the Customer's request, during a Curtailment Event called for economic reasons, the Customer may purchase energy above its Firm Power Level from the Company at a price per kilowatt-hour determined at the beginning of a Curtailment Event. A Curtailment Event Payment will not be paid to Customers for Curtailment Events where this option is used. Customer will not have the option to purchase energy during a Curtailment Event called for operational reasons.
10. Failure of the Customer to effect load reduction to its Firm Power Level or lower in response to any Company request for curtailment shall result in the following reduction or refund of Program Participation Payments and Curtailment Occurrence Payments for each such failure as follows:

Reduction of Program Participation Payment: Customer will receive reduced future Program Participation Payments or a bill debit, in an amount equal to 150% of the Program Participation Payment divided by the Maximum Number of Curtailment Events, the result of which is multiplied by the percentage by which the Customer underperformed during a Curtailment Event.

Any Customer who fails to reduce load to its Firm Power Level on three or more days within any Curtailment Season may be ineligible for this program for a period of two years from the date of the third failure.

11. Self-generation as a curtailment method is restricted to customers who can provide documentation validating compliance pursuant to Environmental Protection Agency ("EPA") regulations (summarized at www.epa.gov/ttn/atw/icengines/comply.html) that affect the use of reciprocating internal combustion engines. By executing this Agreement, the Customer certifies that it has reviewed the EPA regulations pertaining to its specific generating equipment and it hereby represents and warrants that it is in compliance with all of the currently-applicable regulations. **Documentation of EPA compliance must be attached to this application for the agreement to go into effect.**

Customer's preferred method of curtailment:

- Load Reduction**
- Self Generation**

Initial Here: _____

12. The Customer further acknowledges that this Agreement is not assignable voluntarily by Customer, but shall nevertheless inure to the benefit of and be binding upon the Customer's successors by operation of law.
13. The Customer acknowledges that all information provided to the Company for the purpose of determining whether the Customer is eligible for service under the Rider shall be retained by the Company, and shall be subject to inspection and disclosure under Chapters 386 and 393, RSMo, as amended from time to time. Should the Customer designate any such information as proprietary or confidential, Company shall notify Customer of any request for inspection or disclosure, and shall use good faith efforts to secure an agreement or Commission order protecting the proprietary or confidential nature of such information.
14. This Agreement shall be governed in all respects by the laws of the State of Missouri, without regard to its conflict of laws provisions, and by the orders, rules and regulations of the Commission, as they may exist from time to time. Nothing contained herein shall be construed as divesting, or attempting to divest, the Commission of any rights, jurisdiction, power or authority vested in it by law.
15. Any regulation or law prohibiting the execution of this Agreement or its continuing execution will cancel the Agreement in place without penalty to either party.
16. This Agreement is subject to the Customer gaining the necessary permits, and to the Commission approving the required tariff and/or this Agreement.
17. In the event of modifications to the Rider, the parties will meet and discuss such changes. This Agreement may be replaced by a new agreement with full-term under the Rider with at least the same Curtailable Load.

In witness whereof, the parties have signed this Agreement as of the date first written above.

Kansas City Power & Light Company or
KCP&L Greater Missouri Operations Company

City of Parkville

By: _____

By: _____

Name: Brian File

Name: Nanette K. Johnston

Title: Sr. Manager, Products & Services

Title: Mayor

Exhibit A

The Company will notify the Customer of a Curtailment Event per each of the following methods. (Customer should only provide information for those channels by which he or she wishes to be contacted.)

<p>Contact #1</p> <p>Name: _____</p> <p>Title: _____</p> <p>Phone: _____</p> <p>Call to Cell: _____</p> <p>Email: _____</p>
<p>Contact #2</p> <p>Name: _____</p> <p>Title: _____</p> <p>Phone: _____</p> <p>Call to Cell: _____</p> <p>Email: _____</p>
<p>Contact #3</p> <p>Name: _____</p> <p>Title: _____</p> <p>Phone: _____</p> <p>Call to Cell: _____</p> <p>Email: _____</p>

CITY OF PARKVILLE
Policy Report

Date: Thursday June 30, 2016

Prepared By:
Emily Crook
Billing Clerk

Reviewed By:
Tim Blakeslee
Assistant to the City Administrator

ISSUE:

Approval of Accounts Payable Invoices, 1st of the Month Checks, Electronic Funds Transfer (EFT) Payments, Credit and Debit Card Processing Fees, and Payroll Expenditures from 6/16/2016 through 6/30/2016.

BACKGROUND:

Attached are the statements of approved payments, per the City's Purchasing Policy, for the period from June 16, 2016 through June 30, 2016. All disbursements must be reviewed and approved by the Board of Aldermen prior to the release of city funds.

BUDGET IMPACT:

Accounts Payable	\$252,384.69
Insurance Payments	\$67,137.89
1 st of the Month	\$0.00
EFT Payments	\$0.00
Processing Fees	\$0.00
Payroll	\$56,713.76
TOTAL	\$376,236.34

ALTERNATIVES:

1. Approve the release of funds.
2. Deny the release of funds and provide further direction to City Administration.
3. Deny any portion of the release of funds and provide further direction to City Administration.

STAFF RECOMMENDATION:

Staff recommends the release of funds as summarized in the attached statements.

SUGGESTED MOTION:

I move to appropriate \$376,236.34 of city funds to pay salaries and accounts.

ATTACHMENTS:

1. Accounts Payable
2. Insurance Payments
3. Payroll
4. Commerce Card Purchases
5. P & G Purchases

PACKET: 05664 Regular Payments-06/24/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
02443	Julius Kaaz I-Pay App #2	2016 Curb & Sidewalk Prog-TP	R	6/27/2016		37,145.00CR	035520	37,145.00
02450	Tandem Paving Co., Inc I-Pay App #1	2016 Mill & Overlay Program-TP	R	6/27/2016		149,225.05CR	035521	149,225.05
00838	The Work Zone, Inc. I-42178 (2)	Park Signs-PK	R	6/27/2016		86.00CR	035522	86.00
02451	Underground Vaults & Storage I-14009	Recycle Event- Paper Shred-ST	R	6/27/2016		1,375.00CR	035523	1,375.00

* * T O T A L S * *		NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:		4	0.00	187,831.05	187,831.05
HANDWRITTEN CHECKS:		0	0.00	0.00	0.00
PRE-WRITE CHECKS:		0	0.00	0.00	0.00
DRAFTS:		0	0.00	0.00	0.00
VOID CHECKS:		0	0.00	0.00	0.00
NON CHECKS:		0	0.00	0.00	0.00
CORRECTIONS:		0	0.00	0.00	0.00
REGISTER TOTALS:		4	0.00	187,831.05	187,831.05

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05667 Regular Payments-06/21/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
02449	Genesis Environmental Solutions I-Pay App #1	WWTP Storag Build Construct-SW	R	6/22/2016		2,375.00CR	035516	2,375.00
00503	Insituform Technologies U I-Pay Estimate 4	2015 San Sew Phas 2 Rep-SW	R	6/22/2016		11,115.00CR	035517	11,115.00
01163	North Hills Engineering, Inc I-1605	May 2016 Oncall Engineer Serv	R	6/22/2016		5,850.00CR	035518	5,850.00
00154	T-Ray Specialties Inc. I-28365(2)	Trash Bags-PK	R	6/22/2016		0.80CR	035519	0.80

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	4	0.00	19,340.80	19,340.80
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	4	0.00	19,340.80	19,340.80

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05671 Federal Withholdings - 6/24/16

VENDOR SET: 01

BANK : PY Pooled Cash PY Related AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00044	Park Bank							
	I-T1 201606274159	Federal Withholding	D	6/24/2016		8,534.43CR	000000	
	I-T3 201606274159	FICA W/H	D	6/24/2016		9,544.80CR	000000	
	I-T4 201606274159	Medicare W/H	D	6/24/2016		2,232.18CR	000000	20,311.41

* * T O T A L S * *

	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	0	0.00	0.00	0.00
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	1	0.00	20,311.41	20,311.41
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	1	0.00	20,311.41	20,311.41

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05678 Regular Payments-06/28/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00314	Pitney Bowes-Purchase Power I-June 2016 Refill	Postage	D	7/05/2016		400.00CR	000000	400.00
01614	KCPL I-Due 07/01/2016 I-Due 07/05/2016 I-Due 07/07/2016	Electric Due 07/01/2016 Electric Due 07/05/2016 Electric Due 07/07/2016	D	7/05/2016		3,609.73CR 51.91CR 3,180.66CR	000000 000000 000000	6,842.30
02140	Commerce Bank - Commercial Cards I-Stmt 06/20/2016	Stmt 06/20/2016	D	7/05/2016		6,131.25CR	000000	6,131.25
00002	A & M Printing I-57566	Route 9 Street Prints-CD	R	7/06/2016		13.00CR	035536	13.00
02018	Ace ImageWear I-0534068	Shop Towels-PK	R	7/06/2016		33.13CR	035537	33.13
02453	Adorama I-18773552 I-18777076 I-18798843	Digital Camera/Camera Equip-PD Digital Camera/Camera Equip-PD Evidence Camera Light-PD	R	7/06/2016		147.00CR 176.00CR 45.00CR	035538 035538 035538	368.00
00006	Alamar Uniforms I-513105 I-517037	Stone Kevlar Vest-PD Stone Collar Brass-PD	R	7/06/2016		756.00CR 5.99CR	035539 035539	761.99
02336	Alysen Abel I-Exp Rpt 06/16/2016	Food/Supp Develop Fee Meet-PW	R	7/06/2016		20.22CR	035540	20.22
01766	American Waste Systems, Inc. I-66100054	Portable Restroom Rental-NS	R	7/06/2016		95.00CR	035541	95.00
00738	Barbour Concrete I-55785	Concrete Storm Drain Lid-TP	R	7/06/2016		600.00CR	035542	600.00
00156	Dave's Foreign Car Repair LLC I-134,310 I-134,357 I-134,369	V604 Tire Sensor Inspect-PD Oil Change V601-PD Oil Change V603	R	7/06/2016		34.50CR 35.00CR 35.00CR	035543 035543 035543	104.50
02456	Double H Inc. I-June 23rd	Damage Deposit Refund-AD	R	7/06/2016		1,000.00CR	035544	1,000.00

PACKET: 05678 Regular Payments-06/28/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00039	Downing Construction I-19047	PLP Trail Lime Dust-PK	R	7/06/2016		350.00CR	035545	350.00
01454	Embassy Landscape Group Inc I-78097	Brewfest Turf Repair-PK	R	7/06/2016		1,198.00CR	035546	1,198.00
01016	FTC Equipment I-9486	Monitor Sys Install FF PS-SW	R	7/06/2016		495.00CR	035547	495.00
00052	Glen's Automotive Service Center, Inc I-96693	2015 Escape Tire Repair-CD	R	7/06/2016		22.50CR	035548	22.50
00496	Gunter Pest Management, Inc. I-1187382	Pest Control-AD	R	7/06/2016		50.00CR	035549	50.00
02131	Heritage Tractor, Inc. I-1616422	Filter for 997 Mower-PK	R	7/06/2016		181.58CR	035550	181.58
01752	InterPrecision LLC I-JUN1616-PARK	Spanish Interpretor-CT	R	7/06/2016		120.35CR	035551	120.35
02312	Janice Davis I-06/21/2016	Administrative Services-PW	R	7/06/2016		75.08CR	035552	75.08
02342	Kaw Valley Engineering, INC. I-C26173	Curb & Sidewalk Testing Mat-PW	R	7/06/2016		393.50CR	035553	393.50
02454	Logan Sloniker I-Exp Rpt 06/27/2016	Sloniker Mileage/Lunch-PW	R	7/06/2016		44.85CR	035554	44.85
00524	Lynn Peavey Company I-319341	Evidence Supplies-PD	R	7/06/2016		31.50CR	035555	31.50
02016	Madget Demolition, Inc I-06/10/2016	6201 MO-9 House Demolition-CIP	R	7/06/2016		9,800.00CR	035556	9,800.00
00232	Martin Marietta I-132575	Rock-NS	R	7/06/2016		45.99CR	035557	
	I-1362376	Rock-NS	R	7/06/2016		38.53CR	035557	
	I-1362495	Rock-NS	R	7/06/2016		42.23CR	035557	
	I-1362496	Rock-NS	R	7/06/2016		41.13CR	035557	
	I-1362506	Rock-NS	R	7/06/2016		45.31CR	035557	
	I-1362508	Rock-NS	R	7/06/2016		42.08CR	035557	
	I-1362580	Rock-NS	R	7/06/2016		49.27CR	035557	
	I-17775005	Trail Material-PK	R	7/06/2016		31.10CR	035557	335.64

PACKET: 05678 Regular Payments-06/28/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00088	Miller's Heritage Landscape							
	I-19624	Grigsby Field Irrigation-PK	R	7/06/2016		373.00CR	035558	
	I-20197	Grigsby Field Irrigation-PK	R	7/06/2016		208.00CR	035558	581.00
00159	Missouri American Water							
	I-4000096228	Water Disconnect/Reconnect-SW	R	7/06/2016		85.50CR	035559	85.50
00160	Missouri Gas Energy							
	I-Due 07/11/2016	Gas Due 07/11/2016	R	7/06/2016		80.34CR	035560	80.34
00530	Missouri Municipal League							
	I-300006081	Palmer MCMA Membership-AD	R	7/06/2016		75.00CR	035561	
	I-300006112	Blakeslee MCMA Assoc Mem-AD	R	7/06/2016		40.00CR	035561	115.00
02268	Northland Feed							
	I-214219	Tire for Ferris Mower-TP	R	7/06/2016		120.06CR	035562	120.06
00097	P & G Hardware							
	I-Stmt 06/20/2016	Stmt 06/20/2016	R	7/06/2016		203.64CR	035563	203.64
00107	Platte Rental & Supply							
	I-27789	Tree Sculpture Scaffolding-PK	R	7/06/2016		620.00CR	035564	
	I-28030	Chainsaw Repair-PK	R	7/06/2016		32.68CR	035564	652.68
01739	Print Time							
	I-9051673-IN	Abel Business Cards-PW	R	7/06/2016		35.00CR	035565	35.00
00114	Rampart Security, Inc.							
	I-R 163357	Security System Monitoring-TP	R	7/06/2016		165.91CR	035566	165.91
02029	Reinders, Inc.							
	I-5029122-00	Weed Control-PK	R	7/06/2016		120.00CR	035567	120.00
01982	Rejis Commission							
	I-INV0048838	REJIS VPN Connect Maintain-PD	R	7/06/2016		513.00CR	035568	
	I-INV0048839	REJIS Re Monthly Fee-PD	R	7/06/2016		65.07CR	035568	578.07
00274	Ricoh USA, Inc.							
	I-5042748432	Copy Machine Maintenance-PD	R	7/06/2016		118.83CR	035569	118.83
02154	Royal Papers Inc							
	I-K759720	Janitorial Services-AD	R	7/06/2016		137.09CR	035570	137.09

PACKET: 05678 Regular Payments-06/28/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
01087	Stinson Leonard Street LLP I-40006134	May 2016 Attorney Services-AD	R	7/06/2016		6,450.00CR	035571	6,450.00
02455	T J Jenkins I-062316	ELP Eagle Carving-PK	R	7/06/2016		2,250.00CR	035572	2,250.00
00154	T-Ray Specialties Inc. I-028434	Trash Bags/Scrubs/Towels-ST	R	7/06/2016		168.62CR	035573	
	I-28397	Shirts-PK	R	7/06/2016		168.00CR	035573	
	I-28419	Soap-PK	R	7/06/2016		118.24CR	035573	
	I-28435	Trash Bags-ST	R	7/06/2016		239.88CR	035573	694.74
01518	Taser International I-SI1441995	Training Taser Cartridges-81	R	7/06/2016		564.48CR	035574	
	I-SI1442027	Duty Taser Cartridges/Batt-PD	R	7/06/2016		182.40CR	035574	746.88
02071	TranSystems Corporation I-INV-00029846663	Route 9 Entryway Project-95	R	7/06/2016		737.94CR	035575	737.94
02409	UniFirst Corporation I-226 0439803	Mat Cleaning/Rental-AD	R	7/06/2016		54.40CR	035576	54.40
00150	Vance Bros Inc I-99086	Asphalt for Street Patching-TP	R	7/06/2016		159.00CR	035577	
	I-99087	Asphalt for Street Patching-TP	R	7/06/2016		106.00CR	035577	
	I-99162	Asphalt for Street Patching-TP	R	7/06/2016		121.00CR	035577	386.00

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	42	0.00	30,406.92	30,406.92
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	3	0.00	13,373.55	13,373.55
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	45	0.00	43,780.47	43,780.47

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05679 Regular Payments-06/14/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00159	Missouri American Water							
	I-Due 07/06/2016	Water Due 07/06/2016	R	7/06/2016		16.47CR	035578	16.47

* * T O T A L S * *		NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:		1	0.00	16.47	16.47
HANDWRITTEN CHECKS:		0	0.00	0.00	0.00
PRE-WRITE CHECKS:		0	0.00	0.00	0.00
DRAFTS:		0	0.00	0.00	0.00
VOID CHECKS:		0	0.00	0.00	0.00
NON CHECKS:		0	0.00	0.00	0.00
CORRECTIONS:		0	0.00	0.00	0.00
REGISTER TOTALS:		1	0.00	16.47	16.47

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05680 Regular Payments-06/16/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00159	Missouri American Water							
	I-Due 07/08/2016	Water Due 07/08/2016	R	7/06/2016		18.10CR	035579	18.10

* * T O T A L S * *

	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	1	0.00	18.10	18.10
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	1	0.00	18.10	18.10

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05682 Regular Payments-06/17/2016

VENDOR SET: 01

BANK : AP Pooled Cash Regular AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00159	Missouri American Water							
	I-Due 07/11/2016	Water Due 07/11/2016	R	7/06/2016		465.24CR	035581	465.24

* * T O T A L S * *

	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	1	0.00	465.24	465.24
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	1	0.00	465.24	465.24

TOTAL ERRORS: 0

TOTAL WARNINGS: 0

PACKET: 05673 EOM Benefits - June

VENDOR SET: 01

BANK : PY Pooled Cash PY Related AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
00005	AFLAC							
	I-AFP201606104158	AFLAC PRETAX	R	6/28/2016		105.92CR	035524	
	I-AFP201606274159	AFLAC PRETAX	R	6/28/2016		105.92CR	035524	211.84
00136	State of Missouri							
	I-T2 201606104158	State Withholdings	R	6/28/2016		2,458.66CR	035525	
	I-T2 201606274159	State Withholdings	R	6/28/2016		2,599.66CR	035525	5,058.32
00137	Kansas City Life Insuranc							
	I-LTD201606104158	Long Term Disability	R	6/28/2016		201.09CR	035526	
	I-LTD201606274159	Long Term Disability	R	6/28/2016		201.09CR	035526	402.18
00794	Delta Dental							
	I-DNC201606104158	Delta Dental Insurance	R	6/28/2016		205.36CR	035527	
	I-DNC201606274159	Delta Dental Insurance	R	6/28/2016		205.36CR	035527	
	I-DNF201606104158	Delta Dental Insurance	R	6/28/2016		222.42CR	035527	
	I-DNF201606274159	Delta Dental Insurance	R	6/28/2016		296.56CR	035527	
	I-DNP201606104158	DENTAL PRETAX	R	6/28/2016		508.64CR	035527	
	I-DNP201606274159	DENTAL PRETAX	R	6/28/2016		508.64CR	035527	
	I-DNS201606104158	Delta Dental Insurance	R	6/28/2016		231.30CR	035527	
	I-DNS201606274159	Delta Dental Insurance	R	6/28/2016		185.04CR	035527	2,363.32
01711	BCBSKC							
	I-ADD201606104158	ADD on BCBS Bill	R	6/28/2016		26.12CR	035528	
	I-ADD201606274159	ADD on BCBS Bill	R	6/28/2016		26.12CR	035528	
	I-ECC201606104158	BCBS Insurance	R	6/28/2016		892.00CR	035528	
	I-ECC201606274159	BCBS Insurance	R	6/28/2016		892.00CR	035528	
	I-BCE201606104158	BCKSKC Insurance	R	6/28/2016		1,641.50CR	035528	
	I-BCE201606274159	BCKSKC Insurance	R	6/28/2016		1,641.50CR	035528	
	I-BCF201606104158	BCBS Insurance	R	6/28/2016		1,452.00CR	035528	
	I-BCF201606274159	BCBS Insurance	R	6/28/2016		1,452.00CR	035528	
	I-ECS201606104158	BCBS Insurance	R	6/28/2016		492.00CR	035528	
	I-ECS201606274159	BCBS Insurance	R	6/28/2016		492.00CR	035528	
	I-HDC201606104158	BCBS Insurance	R	6/28/2016		1,520.00CR	035528	
	I-HDC201606274159	BCBS Insurance	R	6/28/2016		1,520.00CR	035528	
	I-HDE201606104158	BCBS Insurance	R	6/28/2016		1,400.00CR	035528	
	I-HDE201606274159	BCBS Insurance	R	6/28/2016		1,400.00CR	035528	
	I-HDF201606104158	BCBS Insurance	R	6/28/2016		1,857.00CR	035528	
	I-HDF201606274159	BCBS Insurance	R	6/28/2016		1,857.00CR	035528	
	I-HDS201606104158	BCBS Insurance	R	6/28/2016		840.00CR	035528	
	I-HDS201606274159	BCBS Insurance	R	6/28/2016		840.00CR	035528	
	I-HSE201606104158	BCBS Insurance	R	6/28/2016		1,330.00CR	035528	
	I-HSE201606274159	BCBS Insurance	R	6/28/2016		1,330.00CR	035528	
	I-HSF201606104158	BCBS Insurance	R	6/28/2016		588.00CR	035528	
	I-HSF201606274159	BCBS Insurance	R	6/28/2016		588.00CR	035528	
	I-LID201606104158	BC/BS Dependent Life Ins	R	6/28/2016		12.92CR	035528	
	I-LID201606274159	BC/BS Dependent Life Ina	R	6/28/2016		12.92CR	035528	
	I-LIF201606104158	BC/BS Life Insurance	R	6/28/2016		172.60CR	035528	
	I-LIF201606274159	BC/BS Life Insurance	R	6/28/2016		172.60CR	035528	24,448.28

PACKET: 05673 EOM Benefits - June
 VENDOR SET: 01
 BANK : PY Pooled Cash PY Related AP

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
VOID	VOID CHECK		V	6/28/2016			035529	**VOID**
VOID	VOID CHECK		V	6/28/2016			035530	**VOID**
01718	VSP							
	I-VSP201606104158	Vision Care Employee Premiums	R	6/28/2016		126.49CR	035531	
	I-VSP201606274159	Vision Care Employee Premiums	R	6/28/2016		126.49CR	035531	252.98
01730	LAGERS							
	I-CSR201606104158	LAGERS RETIREMENT	R	6/28/2016		3,531.98CR	035532	
	I-CSR201606274159	LAGERS RETIREMENT	R	6/28/2016		3,371.65CR	035532	
	I-R&P201606104158	City/PD Ret Contribution	R	6/28/2016		2,766.35CR	035532	
	I-R&P201606274159	City/PD Ret Contribution	R	6/28/2016		2,939.06CR	035532	12,609.04
01807	City of Parkville/Flex Plan							
	I-FLX201606104158	Flex Plan	R	6/28/2016		382.26CR	035533	
	I-FLX201606274159	Flex Plan	R	6/28/2016		382.26CR	035533	764.52
02290	Colonial Life							
	I-COA201606104158	Colonial Life After Tax	R	6/28/2016		124.93CR	035534	
	I-COA201606274159	Colonial Life After Tax	R	6/28/2016		124.93CR	035534	
	I-COP201606104158	Colonial Life PreTax	R	6/28/2016		121.45CR	035534	
	I-COP201606274159	Colonial Life PreTax	R	6/28/2016		121.45CR	035534	492.76
02434	Bessine Walterbach, LLP							
	XXXXXXXXXXXXXXXXXXXX		R	6/28/2016		111.62CR	035535	
	XXXXXXXXXXXXXXXXXXXX		R	6/28/2016		111.62CR	035535	223.24

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	10	0.00	46,826.48	46,826.48
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	2	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	12	0.00	46,826.48	46,826.48

TOTAL ERRORS: 0 TOTAL WARNINGS: 0

VENDOR SET: 01 City of Parkville
 BANK: AP Pooled Cash Regular AP
 DATE RANGE: 6/10/2016 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
02140	Commerce Bank - Commercial Car							
I-Stmt 06/20/2016	Stmt 06/20/2016	D	7/05/2016			000000		
10	501.09-21-00 Misc-Other		Purchase Charge To R	144.84				
10	505.05-21-00 Equipment and Handtools		Police Tape/Medical	225.10				
10	501.09-21-00 Misc-Other		Thank You Notes-AD	15.30				
10	535.09-21-00 Miscellaneous		Thank You Notes-NS	15.29				
10	501.01-41-00 Membership Fees & Dues - Staff		McChesney Sam's Club	33.75				
10	501.01-41-02 Professional Dev - Staff		Chapman July 21 HR S	99.00				
10	510.01-41-02 Professional Development		Eckerle Conference L	106.97				
10	510.01-41-02 Professional Development		Eckerle Conference L	427.88				
10	510.01-41-02 Professional Development		Rizutti Conference L	584.85				
10	510.01-41-02 Professional Development		Rizutti Conference L	50.00CR				
10	501.01-41-02 Professional Dev - Staff		Humiston Conference	197.76				
10	510.01-41-02 Professional Development		Coulson Conference L	197.76				
10	520.07-43-02 HHW Collection Event		HHW/Recycle Event Pi	109.90				
10	520.01-41-02 Professional Development		Missouri LTAP Traini	160.00				
10	525.01-41-02 Professional Development		Missouri LTAP Traini	40.00				
10	515.05-01-00 Office Supplies & Consumables		Pub Works Wk Photos/	35.80				
10	515.01-41-02 Professional Development		Inspire WomenPub Adm	115.00				
10	515.05-02-00 Postage		Mail FEMA Grant-PW	28.49				
10	515.01-41-02 Professional Development		APWA Conference Regi	910.00				
10	501.01-41-03 Professional Dev - Board		Johnston MARC 20th A	45.00				
10	501.01-41-02 Professional Dev - Staff		Senior Staff MARC 20	225.00				
10	501.01-41-02 Professional Dev - Staff		MARC Refund-AD	90.00CR				
10	535.05-01-00 Office Supplies & Consumables		Storage Tubs-NS	47.28				
10	535.05-42-00 Program Expenses		Nature Day Camp Supp	62.89				
10	535.05-42-00 Program Expenses		Nature Day Camp Supp	291.28				
10	520.03-04-00 Water		Water-ST	22.97				
10	520.03-04-00 Water		Water-ST	35.32				
10	501.03-01-00 Telephone & Voicemail		Consolidated Comm Ph	497.45				
10	525.03-05-00 Mobile Phones & Pagers		Sprint Phone-PK	82.37				
10	518.03-05-00 Mobile Phones & Pagers		Sprint Phone-CD	132.08				
10	515.03-05-00 Mobile Phones & Pagers		Sprint Phone-PW	20.59				
10	520.03-05-00 Mobile Phones & Pagers		Sprint Phone-ST	189.59				
10	505.03-05-00 Mobile Phone & Pagers		Sprint Phone-PD	231.67				
30	501.03-06-00 Wi-Fi		Sprint Hotspot-SW	39.99				
10	520.03-01-00 Telephone & Voicemail		ATT Uverse-ST	50.00				
10	505.03-01-00 Telephone & Voicemail		ATT Phone-PD	59.45				
10	525.03-01-00 Telephone & Voicemail		ATT Phone-PK	141.15				
10	520.03-01-00 Telephone & Voicemail		ATT Phone-ST	69.99				
30	501.03-01-00 Telephone & Voicemail		ATT Phone-SW	125.91				
30	501.09-21-00 Miscellaneous		Sewer Gmail Account-	5.00				
10	501.03-08-00 Cable		Time Warner Cable-AD	174.77				
10	525.03-04-00 Water		Water-PK	67.28				
10	501.05-01-00 Office Supplies & Consumables		Sharpies, Toner-AD	72.48				
10	501.05-01-00 Office Supplies & Consumables		Legal Pags-AD	34.32				
10	520.03-04-00 Water		Water-ST	44.81				
10	520.03-04-00 Water		Water-ST	54.92				

6,131.25

VENDOR SET: 01 City of Parkville
 BANK: AP Pooled Cash Regular AP
 DATE RANGE: 6/10/2016 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
* * T O T A L S * *								
		NO		INVOICE AMOUNT		DISCOUNTS		CHECK AMOUNT
	REGULAR CHECKS:	0		0.00		0.00		0.00
	HAND CHECKS:	0		0.00		0.00		0.00
	DRAFTS:	1		6,131.25		0.00		6,131.25
	EFT:	0		0.00		0.00		0.00
	NON CHECKS:	0		0.00		0.00		0.00
	VOID CHECKS:	0	VOID DEBITS	0.00				
			VOID CREDITS	0.00		0.00		

TOTAL ERRORS: 0

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
10 501.01-41-00	Membership Fees & Dues - Staff	33.75
10 501.01-41-02	Professional Dev - Staff	431.76
10 501.01-41-03	Professional Dev - Board	45.00
10 501.03-01-00	Telephone & Voicemail	497.45
10 501.03-08-00	Cable	174.77
10 501.05-01-00	Office Supplies & Consumables	106.80
10 501.09-21-00	Misc-Other	160.14
10 505.03-01-00	Telephone & Voicemail	59.45
10 505.03-05-00	Mobile Phone & Pagers	231.67
10 505.05-21-00	Equipment and Handtools	225.10
10 510.01-41-02	Professional Development	1,267.46
10 515.01-41-02	Professional Development	1,025.00
10 515.03-05-00	Mobile Phones & Pagers	20.59
10 515.05-01-00	Office Supplies & Consumables	35.80
10 515.05-02-00	Postage	28.49
10 518.03-05-00	Mobile Phones & Pagers	132.08
10 520.01-41-02	Professional Development	160.00
10 520.03-01-00	Telephone & Voicemail	119.99
10 520.03-04-00	Water	158.02
10 520.03-05-00	Mobile Phones & Pagers	189.59
10 520.07-43-02	HHW Collection Event	109.90
10 525.01-41-02	Professional Development	40.00
10 525.03-01-00	Telephone & Voicemail	141.15
10 525.03-04-00	Water	67.28
10 525.03-05-00	Mobile Phones & Pagers	82.37
10 535.05-01-00	Office Supplies & Consumables	47.28
10 535.05-42-00	Program Expenses	354.17
10 535.09-21-00	Miscellaneous	15.29
	*** FUND TOTAL ***	5,960.35

VENDOR SET: 01 City of Parkville
 BANK: AP Pooled Cash Regular AP
 DATE RANGE: 6/10/2016 THRU 99/99/9999

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
30 501.03-01-00	Telephone & Voicemail	125.91
30 501.03-06-00	Wi-Fi	39.99
30 501.09-21-00	Miscellaneous	5.00
	*** FUND TOTAL ***	170.90

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			1	6,131.25	0.00	6,131.25
BANK: AP	TOTALS:		1	6,131.25	0.00	6,131.25
REPORT TOTALS:			1	6,131.25	0.00	6,131.25

SELECTION CRITERIA

VENDOR SET: 01-City Vendors
VENDOR: 02140 - Commerce Bank - Commer
BANK CODES: All
FUNDS: All

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 6/10/2016 THRU 99/99/9999
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS

SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: YES
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
MANUAL ONLY: NO
STUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - All

SELECTION CRITERIA

VENDOR SET: 01-City Vendors
VENDOR: 00097 - P & G Hardware
BANK CODES: All
FUNDS: All

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 6/10/2016 THRU 99/99/9999
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS

SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: YES
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
MANUAL ONLY: NO
STUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - All

CITY OF PARKVILLE

Policy Report

Date: June 29, 2016

Prepared By:
Matthew Chapman
Finance/HR Director

Reviewed By:
Lauren Palmer
City Administrator

ISSUE:

Approve the financial statements for the City of Parkville for the fiscal year ended December 31, 2015 as audited by Cochran Head Vick & Co., P.C.

BACKGROUND:

The City has entered into a contract with Cochran Head Vick & Co., P.C., to conduct an audit of the City finances for year 2015. Cochran Head Vick & Co., P.C completed the audit and issued an unmodified opinion. Mr. Michael Keenan will review the report at the meeting and the Board may accept the report at that time or defer action to July 19 to allow additional time for review.

BUDGET IMPACT:

There is no cost associated with this action.

ALTERNATIVES:

1. Approve the audited financial statements for the fiscal year ended December 31, 2015.
2. Approve the audited financial statements for the fiscal year ended December 31, 2015, subject to changes requested by the Board of Aldermen.
3. Postpone the item.

STAFF RECOMMENDATION:

Staff recommends that the Board of Aldermen approve the audited financial statements for the fiscal year ended December 31, 2015. If the Board desires additional time to review the audit, final action may be deferred to July 19, 2016.

FINANCE COMMITTEE RECOMMENDATION:

Mr. Michael Keenan presented the draft audit and financial statements to the Finance Committee on June 27, 2016. The Finance Committee voted 4-0 to recommend to the Board of Aldermen to approve the 2015 Audit Report.

POLICY:

Section 143.010 of the Parkville Municipal Code states that the Finance Committee shall review and comment on the annual audit prior to the presentation to the Board of Aldermen.

RECOMMENDED MOTION:

I move to approve the audited financial statements for the fiscal year ended December 31, 2015.

ATTACHMENTS:

1. Audited Financial Statements for the Year Ended December 31, 2015

ITEM 5A
For 07-05-16
Board of Aldermen Meeting

2. Management Letter
3. Audit Comments and Responses Memo
4. Powerpoint presentation

City of Parkville, Missouri

Basic Financial Statements With Independent Auditor's Report

For the Year Ended
December 31, 2015



INDEPENDENT AUDITOR’S REPORT

1251 NW Briarcliff Pkwy
Suite 125
Kansas City, MO 64116
(816) 584-9955
Fax (816) 584-9958

To the Honorable Mayor and
Board of Aldermen
City of Parkville, Missouri

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 Parkville, Missouri (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 from 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 December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Offices

1333 Meadowlark Lane
Kansas City, KS 66102
(913) 287-4433
(913) 287-0010 FAX

5700 Broadmoor Street, Suite
202
Mission, Kansas 66202
(913) 378-1100
(913) 378-1177 FAX

400 Jules Street
Suite 415
St. Joseph, MO 64501
(816) 364-1118
(816) 364-6144 FAX

Emphasis of a Matter

As described in Note 7A to the financial statements, subsequent to yearend, the City acquired certain property resulting from a judicial foreclosure default judgment. The property was subject to special assessments related to the both the Brink Meyer Road and Brush Creek Drainage Neighborhood Improvement Districts.

As described in Notes 9 and 11 to the financial statements, in 2015, the City adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*. The City has made other adjustments to the 2014 financial statements as described in Note 11.

Our opinion is not modified with respect to these matters.

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 changes in net pension liability 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.

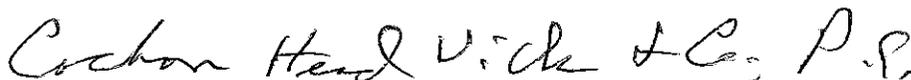
Other Information

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 non-major fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2016, on our consideration of the City's internal control over financial reporting and 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 the 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
June 15, 2016

CITY OF PARKVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2015

As management of the City of Parkville, we offer readers of the City of Parkville's financial statements this narrative overview and analysis of the financial activities of the City of Parkville for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

1. The assets and deferred outflows of the City of Parkville exceeded its liabilities and deferred inflows at the close of the year by \$9,493,329 (net position), a decrease of \$2,625,616 over the prior year.
2. As of the close of the current year, the City's governmental funds showed a combined ending balance of \$4,684,135, a decrease of \$1,177,886 from the prior year as a result of planned debt refinancing. Approximately 34 percent of the fund balance, \$1,579,944 is unassigned and available for spending at the City's discretion.
3. The City's total long-term debt decreased \$2,088,823. Debt connected with the City's government activities decreased \$1,791,551 primarily due to the pay down and refunding of the City's 2006 Certificate of Participation. Debt connected with the City's business-type activities decreased \$297,269 as the City paid off a capital lease obligation early.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components; government-wide financial statements, fund financial statements, and notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Reporting the City as a Whole

Our analysis of the City as a whole begins on page 6. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities reports information about the City as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the City's net position and changes in it. You can think of the City's net position—the difference between assets and deferred outflows less liabilities and deferred inflows—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is that the format is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative net financial costs of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

Governmental activities—Most of the City's basic services are reported here, including general government, public safety, public works, parks and recreation, and community development. Taxes, (sales, property, and franchise) charges for services, fines, and state and federal grants finance most of these activities.

Business-type activities—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sanitary sewer fund activities are reported here.

Reporting the City's Most Significant Funds - Fund Financial Statements

The fund financial statements begin on page 13 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. The City establishes other funds to help it control and manage money for particular purposes. The City uses three types of funds to manage its resources: governmental, proprietary, and agency funds. A fund is a fiscal entity with a set of self-balancing accounts recording financial resources, together with all related liabilities and residual equities and balances, and the changes therein. These accounting entities are separated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions or limitations.

Governmental funds—Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.

Proprietary funds—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City’s sewer enterprise fund, is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows.

Fiduciary Funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, since the resources of those funds are not available to support the City’s operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

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 contain certain *required supplemental information* that further explains and supports the information in the financial statements. This report also contains *other supplementary information* that provides certain combining and individual fund statements and schedules.

Government-Wide Financial Analysis

Our analysis below focuses on net position (Figure 1) and changes in net position (Figure 2) of the governmental and business-type activities.

Figure 1 – Statement of Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014*	2015	2014*	2015	2014*
Current and other assets	\$ 11,919,946	\$ 16,539,744	\$ 1,224,469	\$ 1,400,259	\$ 13,144,415	\$ 17,940,003
Capital assets	9,650,764	9,596,365	3,571,218	3,783,417	13,221,982	13,379,782
Total assets	21,570,710	26,136,109	4,795,687	5,183,676	26,366,397	31,319,785
Deferred charge on refunding	33,127	-	-	-	33,127	-
Deferred outflows - pension	86,658	30,337	-	-	86,658	30,337
Total deferred outflows of resources	119,785	30,337	-	-	119,785	30,337
Long-term debt	14,667,277	16,292,917	1,518,351	1,815,620	16,185,628	18,108,537
Other liabilities	355,789	558,700	245,828	98,452	601,617	657,152
Total liabilities	15,023,066	16,851,617	1,764,179	1,914,072	16,787,245	18,765,689
Deferred inflow - property taxes	163,377	465,488	-	-	163,377	465,488
Deferred inflow - pension	42,231	-	-	-	-	-
Total deferred intflows of resources	205,608	465,488	-	-	205,608	465,488
Net position:						
Net investment in capital assets	2,338,456	767,779	2,052,867	1,967,797	4,391,323	2,735,576
Restricted	1,703,206	3,017,153	174,709	156,350	1,877,915	3,173,503
Unrestricted	2,420,159	5,064,409	803,932	1,145,457	3,224,091	6,209,866
Total net position	\$ 6,461,821	\$ 8,849,341	\$ 3,031,508	\$ 3,269,604	\$ 9,493,329	\$ 12,118,945

* as restated

Net position may serve over time as a useful indicator of a government's financial position. The City of Parkville's assets and deferred outflows exceeded liabilities and deferred inflows by \$9,493,329 at the close of the year ended December 31, 2015.

Figure 2 – Statement of Changes in Net Position

	Governmental		Business-type		Total	
	2015	2014*	2015	2014*	2015	2014*
Revenues:						
Program revenues:						
Charges for services	\$ 683,966	\$ 791,908	\$ 1,096,800	\$ 1,093,424	\$ 1,780,766	\$ 1,885,332
Operating grants and contributions	256,108	222,503	-	-	256,108	222,503
Capital grants and contributions	1,080,809	871,819	45,143	46,890	1,125,952	918,709
General revenues:						
Property taxes	1,436,359	1,404,253	-	-	1,436,359	1,404,253
Sales taxes	1,685,328	1,765,529	-	-	1,685,328	1,765,529
Franchise taxes	813,440	902,084	-	-	813,440	902,084
Intergovernmental activity taxes	160,125	164,549	-	-	160,125	164,549
Other taxes	3,254	1,592	-	-	3,254	1,592
Other	114,003	105,536	9,594	8,981	123,597	114,517
Total revenues	6,233,392	6,229,773	1,151,537	1,149,295	7,384,929	7,379,068
Expenses:						
General government	1,147,866	1,081,774	-	-	1,147,866	1,081,774
Public safety	1,313,066	1,379,740	-	-	1,313,066	1,379,740
Public works	1,541,591	1,296,926	-	-	1,541,591	1,296,926
Parks and recreation	435,047	374,837	-	-	435,047	374,837
Community development	3,556,318	729,525	-	-	3,556,318	729,525
Interest on long-term debt	627,024	1,124,864	-	-	627,024	1,124,864
Sewer	-	-	1,389,633	971,634	1,389,633	971,634
Total expenses	8,620,912	5,987,666	1,389,633	971,634	10,010,545	6,959,300
Change in net position	(2,387,520)	242,107	(238,096)	177,661	(2,625,616)	419,768
Net position, beginning	8,849,341	8,607,234	3,269,604	3,091,943	12,118,945	11,699,177
Net position, ending	\$ 6,461,821	\$ 8,849,341	\$ 3,031,508	\$ 3,269,604	\$ 9,493,329	\$ 12,118,945

* as restated

The City's net position decreased \$2,625,616 during the 2015 fiscal year. Of the total, governmental activities net position decreased \$2,387,520 and business-type activities net position decreased by \$238,096. Total 2015 governmental revenue increased \$3,619 over 2014. Total governmental activities expenses increased \$2,633,246. The increase is primarily attributable to additional Community Development expenses related to certain properties and special assessment receivable adjustments associated with the Brink Meyer Road and Brush Creek Drainage Neighborhood Improvement Districts. See Note 7A in the Notes to the Basic Financial Statements on page 33 for additional details.

Total 2015 business-type activities revenues increased slightly over 2014. Total business-type expenses increased \$417,999 resulting from intentional additional repair and maintenance expenses to catch up on deferred maintenance.

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As mentioned earlier in this analysis, at the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,684,135. Of this amount \$3,104,191 is *non-spendable, restricted committed or assigned* for various purposes and \$1,579,944 is unassigned.

The general fund is the main operating fund of the City. At the end of the current fiscal year the general fund balance was \$2,924,185. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 46.6% of total general fund expenditures. Included in the general fund's committed fund balance is the City's reserve fund which totaled \$1,269,842 at December 31, 2015.

The City's fund balance of the general fund increased by \$167,891 during the current fiscal year. 2015 general fund expenditures, excluding transfers out, were approximately \$9,200 less than 2014.

At December 31, 2015, the transportation sales tax fund has an ending fund balance of \$231,767, all of which is restricted. The fund balance decreased by \$96,229 during the year primarily related to the 2015 asphalt overlay program.

The debt service fund has a total fund balance of \$642,209, all of which is restricted for the payment of principal, interest and fees. The fund balance decreased by \$1,267,357 during the year primarily due to due to the pay down and refunding of the City's 2006 Certificate of Participation.

Proprietary Fund

The City's proprietary fund provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the sewer fund at the end of the year totaled \$3,031,508 of which \$803,932 is unrestricted. The sewer fund's net position decreased by \$238,096 from the prior year due to an increase in repair and maintenance expenses.

General Fund Actual to Budget Analysis

Actual revenues exceed budgeted revenues by \$31,232 as taxes, intergovernmental, and other revenues exceed budgeted revenues which more than offset the fines and forfeiture budget to actual deficit. Actual expenditures were \$668,104 under the final budget. The city routinely outperforms budget due to careful management, conservative budgeting, and personnel savings due to routine vacancies throughout the year. However, this amount is significantly higher than recent previous years due primarily to three factors. The City budgeted a considerable increase in 2015 for workers compensation, property, and liability coverage based on early projections. Through the negotiation process, those costs were brought down considerably. The City budgeted an increase in 2015 for legal expenses due to anticipated needs for code enforcement, economic development, and litigation. Fortunately costs were managed well below budget. Finally, three capital projects that were initiated in 2015 will not be completed until 2016, so approximately \$140,000 of approved expenses will be reported in 2016 due to the timing of payments.

Capital Asset and Debt Administration

Capital Assets

At the end of year, the City had \$13,221,982 invested in capital assets including land, buildings, equipment, vehicles, infrastructure, and sewer lines net of accumulated depreciation. (See table below) This represents a net decrease of \$157,800 from last year as current year depreciation expense exceeded current year capital assets additions.

City of Parkville, Missouri Capital Assets (Net of Depreciation)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Land	\$ 869,880	\$ 869,880	\$ 59,975	\$ 59,975	\$ 929,855	\$ 929,855
Buildings & Improvements	3,195,009	3,306,278	2,015,051	2,188,002	5,210,060	5,494,280
Equipment & Vehicles	452,240	460,331	48,455	37,839	500,695	498,170
Infrastructure	5,133,635	4,959,876	1,447,737	1,497,601	6,581,372	6,457,477
Total	<u>\$ 9,650,764</u>	<u>\$ 9,596,365</u>	<u>\$ 3,571,218</u>	<u>\$ 3,783,417</u>	<u>\$ 13,221,982</u>	<u>\$ 13,379,782</u>

Additional information on the City's capital assets can be found in Note 6 in the Notes to the Basic Financial Statements.

Long-Term Obligations - At the end of the current fiscal year, the City had total long-term obligations outstanding of \$15,936,135.

City of Parkville, Missouri Outstanding Debt

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Limited General Obligation Bonds (plus premium)	\$ 10,993,523	\$ 11,293,620	\$ -	\$ -	\$ 10,993,523	\$ 11,293,620
Certificates of Participation (less discount)	3,383,722	4,866,626	-	-	3,383,722	4,866,626
Compensated Absences	40,539	49,092	-	-	40,539	49,092
Capital Lease Obligation	-	-	-	149,350	-	149,350
Revenue Bonds (plus premium)	-	-	1,518,351	1,666,270	1,518,351	1,666,270
Total	<u>\$ 14,417,784</u>	<u>\$ 16,209,338</u>	<u>\$ 1,518,351</u>	<u>\$ 1,815,620</u>	<u>\$ 15,936,135</u>	<u>\$ 18,024,958</u>

The government activities decreased \$1,791,554 and the business-type activities decreased \$297,269.

During fiscal year 2015, the City issued \$3,383,722 Refunding Certificates of Participation to current refund the 2006 Certificates of Participation. The City completed the refunding to reduce its debt service payments by \$1,427,903 and to obtain an economic gain of \$529,186.

In 2003, the City entered into a lease purchase agreement to fund certain improvements to the City's sewer plant property. In 2015, the City retired the remaining outstanding balance under the agreement totaling \$149,350. The early retirement resulted in an estimated interest costs savings of \$37,107.

Additional information on the City's long-term obligations can be found in Note 7 in the Notes to the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

As in prior years, the City budgeted cautiously, holding 2016 revenues and expenditure budgets at or near 2015 levels. The 2016 budget maintains essential services at current levels and directs limited additional resources toward the five critical success factors identified by the Board of Aldermen in July 2015 (basic services, infrastructure, parks, economic development, and finances). The City is fortunately experiencing steady growth in its retail, residential, and commercial base that bodes well for future financial security. The Board continues to exercise caution when implementing new projects and expanding services due to the debt burden associated with the Brush Creek Drainage and Brink Meyer Road Neighborhood Improvement Districts (NIDs). However, the NID properties show strong development potential, so the City should not forgo opportunities. The City continues to take advantage of grant opportunities and strategic financing. For example, the English Landing Park restroom project, a long-deferred community priority, will be accomplished through a combination of sources – county grant, donations, and a Fewson Fund loan.

Contacting the City's Financial Management

This report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk's office, Parkville, Missouri.

CITY OF PARKVILLE, MISSOURI
Statement of Net Position
December 31, 2015

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and investments	\$ 3,107,630	\$ 913,062	\$ 4,020,692
Receivables:			
Taxes	367,100	-	367,100
Special assessments	5,248,601	-	5,248,601
Accounts and other	-	121,374	121,374
Due from other governments	17,159	-	17,159
Prepays, deposits, and other assets	74,399	1,839	76,238
Restricted assets:			
Cash and investments	1,505,057	188,194	1,693,251
Land held for redevelopment	1,600,000	-	1,600,000
Capital assets:			
Not being depreciated	869,880	59,975	929,855
Being depreciated, net of depreciation	8,780,884	3,511,243	12,292,127
Total assets	<u>21,570,710</u>	<u>4,795,687</u>	<u>26,366,397</u>
Deferred Outflows of Resources			
Deferred charges on refunding	33,127	-	33,127
Deferred outflow - pension asset	38,548	-	38,548
Deferred outflow - employer contributions	48,110	-	48,110
Total deferred outflows of resources	<u>119,785</u>	<u>-</u>	<u>119,785</u>
Liabilities			
Accounts payable	162,555	194,966	357,521
Accrued payroll and benefits	61,278	908	62,186
Accrued interest	131,956	36,469	168,425
Payable from restricted assets:			
Customer deposits	-	13,485	13,485
Long term debt:			
Net pension liability	249,493	-	249,493
Due within one year	345,636	152,919	498,555
Due in more than one year	14,072,148	1,365,432	15,437,580
Total liabilities	<u>15,023,066</u>	<u>1,764,179</u>	<u>16,787,245</u>
Deferred Inflows of Resources			
Deferred inflow - property taxes	163,377	-	163,377
Deferred inflow - pension liability	42,231	-	42,231
Total deferred inflows of resources	<u>205,608</u>	<u>-</u>	<u>205,608</u>
Net Position			
Net investment in capital assets	2,338,456	2,052,867	4,391,323
Restricted :			
Capital projects	322,255	-	322,255
Debt service	642,209	174,709	816,918
Public safety	89,092	-	89,092
Parks and recreation	59,912	-	59,912
Community development	22,741	-	22,741
Fewson trust (non-expendable)	566,997	-	566,997
Unrestricted	2,420,159	803,932	3,224,091
Total net position	<u>\$ 6,461,821</u>	<u>\$ 3,031,508</u>	<u>\$ 9,493,329</u>

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI
Statement of Activities
For the Year Ended December 31, 2015

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating</u>	<u>Capital</u>	<u>Primary Government</u>		
			<u>Grants and Contributions</u>	<u>Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary government:							
Government activities							
General government	\$ 1,147,866	\$ 419,815	\$ -	\$ 108,540	\$ (619,511)	\$ -	\$ (619,511)
Public safety	1,313,066	230,085	8,904	-	(1,074,077)	-	(1,074,077)
Public Works	1,541,591	-	233,066	972,269	(336,256)	-	(336,256)
Parks and recreation	435,047	34,066	14,138	-	(386,843)	-	(386,843)
Community development	3,556,318	-	-	-	(3,556,318)	-	(3,556,318)
Interest on long-term debt	627,024	-	-	-	(627,024)	-	(627,024)
Total governmental activities	<u>8,620,912</u>	<u>683,966</u>	<u>256,108</u>	<u>1,080,809</u>	<u>(6,600,029)</u>	<u>-</u>	<u>(6,600,029)</u>
Business-type activities							
Sewer	1,389,633	1,096,800	-	45,143	-	(247,690)	(247,690)
Total business-type activities	<u>1,389,633</u>	<u>1,096,800</u>	<u>-</u>	<u>45,143</u>	<u>-</u>	<u>(247,690)</u>	<u>(247,690)</u>
Total primary government	<u>\$ 10,010,545</u>	<u>\$ 1,780,766</u>	<u>\$ 256,108</u>	<u>\$ 1,125,952</u>	<u>(6,600,029)</u>	<u>(247,690)</u>	<u>(6,847,719)</u>

General revenues:

Taxes:

Property taxes, levied for general purpose	1,097,697	-	1,097,697
Property taxes, levied for debt service	338,662	-	338,662
Sales taxes	1,685,328	-	1,685,328
Franchise taxes	813,440	-	813,440
Intergovernmental activity taxes	160,125	-	160,125
Other taxes	3,254	-	3,254
Unrestricted investment earnings	36,812	4,974	41,786
Gain on disposal of capital assets	19,247	-	19,247
Miscellaneous	57,944	4,620	62,564
Total general revenues	<u>4,212,509</u>	<u>9,594</u>	<u>4,222,103</u>
Change in net position	(2,387,520)	(238,096)	(2,625,616)
Net position, beginning of year, as restated	8,849,341	3,269,604	12,118,945
Net position, end of year	<u>\$ 6,461,821</u>	<u>\$ 3,031,508</u>	<u>\$ 9,493,329</u>

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI
Balance Sheet - Governmental Funds
December 31, 2015

	General	Transportation Sales Tax Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 2,596,069	\$ 265,267	\$ -	\$ 246,294	\$ 3,107,630
Receivables:					
Taxes	278,706	88,394	-	-	367,100
Special assessments	-	-	5,248,601	-	5,248,601
Due from other governments	6,274	10,885	-	-	17,159
Due from other funds	244,075	-	-	-	244,075
Prepays, deposits and other assets	74,399	-	-	-	74,399
Restricted cash and investments	-	8,883	926,970	569,204	1,505,057
Total Assets	<u>\$ 3,199,523</u>	<u>\$ 373,429</u>	<u>\$ 6,175,571</u>	<u>\$ 815,498</u>	<u>\$ 10,564,021</u>
Liabilities					
Accounts payable	\$ 99,578	\$ 44,498	\$ 674	\$ 17,805	\$ 162,555
Accrued payroll and benefits	61,278	-	-	-	61,278
Due to other funds	-	-	244,075	-	244,075
Total Liabilities	<u>160,856</u>	<u>44,498</u>	<u>244,749</u>	<u>17,805</u>	<u>467,908</u>
Deferred inflows of resources					
Unavailable revenues	<u>114,482</u>	<u>8,883</u>	<u>5,288,613</u>	<u>-</u>	<u>5,411,978</u>
Fund balances:					
Nonspendable:					
Prepaid Items	74,399	-	-	-	74,399
Fewson trust	-	-	-	566,997	566,997
Restricted:					
Capital projects	-	320,048	-	2,207	322,255
Debt service	-	-	642,209	-	642,209
Public safety	-	-	-	89,092	89,092
Parks and recreation	-	-	-	59,912	59,912
Community development	-	-	-	22,741	22,741
Committed:					
Emergency reserve	1,269,842	-	-	-	1,269,842
Assigned:					
Capital projects	-	-	-	56,744	56,744
Unassigned	1,579,944	-	-	-	1,579,944
Total fund balance	<u>2,924,185</u>	<u>320,048</u>	<u>642,209</u>	<u>797,693</u>	<u>4,684,135</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,199,523</u>	<u>\$ 373,429</u>	<u>\$ 6,175,571</u>	<u>\$ 815,498</u>	<u>\$ 10,564,021</u>

See accompanying notes to the basic financial statements

**CITY OF PARKVILLE, MISSOURI
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
December 31, 2015**

Fund balances of governmental funds	\$	4,684,135
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements		5,248,601
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.		9,650,764
Long-term assets held for redevelopment are not reported in the fund statements		1,600,000
Deferred charges on refunding are not due and payable in the current period and therefore not reported in the governmental fund statements		33,127
Deferred outflows and inflows related to pension activity are not required to be reported in the governmental funds but are required to be reported in the Statement of Net Position		44,427
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.		(131,956)
The net pension liability is not due and payable and therefore is not recorded in the governmental fund statements.		(249,493)
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 deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Long-term liabilities		(14,417,784)
Net position of governmental activities	<u>\$</u>	<u>6,461,821</u>

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2015

	General	Transportation Sales Tax Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 2,871,357	\$ 454,581	\$ 338,662	\$ 273,781	\$ 3,938,381
Intergovernmental	95,222	469,846	-	210,125	775,193
Charges for services	36,616	-	-	4,956	41,572
Fines and forfeitures	225,128	-	-	-	225,128
Licenses and permits	315,764	-	-	-	315,764
Special assessments	-	-	589,095	-	589,095
Grants	-	-	-	58,540	58,540
Charges for sewer administration	101,500	-	-	-	101,500
Interest	7,623	-	17,855	11,334	36,812
Other	47,163	2,300	-	22,697	72,160
Total Revenues	3,700,373	926,727	945,612	581,433	6,154,145
Expenditures:					
Current:					
General government	923,911	-	-	-	923,911
Public safety	1,203,442	-	-	11,488	1,214,930
Public works	618,882	-	-	-	618,882
Parks and recreation	349,601	-	-	42,801	392,402
Community development	292,195	-	-	438,801	730,996
Capital outlay	-	790,847	-	73,295	864,142
Debt service:					
Principal	-	-	545,000	-	545,000
Interest and fiscal charges	-	-	717,537	-	717,537
Refunding payment	-	-	1,346,056	-	1,346,056
Total Expenditures	3,388,031	790,847	2,608,593	566,385	7,353,856
Excess of Revenues Over (Under) Expenditures	312,342	135,880	(1,662,981)	15,048	(1,199,711)
Other financing sources (uses):					
Transfers in	245,000	-	395,624	4,577	645,201
Transfers out	(400,201)	(245,000)	-	-	(645,201)
Sale of capital assets	10,750	11,075	-	-	21,825
Proceeds from certificates of participation	-	-	3,383,722	-	3,383,722
Payment to escrow agent	-	-	(3,383,722)	-	(3,383,722)
Total Other Financing Sources (Uses)	(144,451)	(233,925)	395,624	4,577	21,825
Net change in fund balances	167,891	(98,045)	(1,267,357)	19,625	(1,177,886)
Fund balances, beginning of year, as restated	2,756,294	418,093	1,909,566	778,068	5,862,021
Fund balances, end of year	\$ 2,924,185	\$ 320,048	\$ 642,209	\$ 797,693	\$ 4,684,135

See accompanying notes to the basic financial statements

**CITY OF PARKVILLE, MISSOURI
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015**

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

Net change in fund balances - total governmental funds	\$ (1,177,886)
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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	158,214
Depreciation	(436,237)
Donated capital assets	335,000
Disposal of capital assets	(2,578)

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

Special assessments	(3,102,331)
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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.

Principal payments on long-term debt	275,000
Refunding of certificates of participation, net	1,516,278
Changes in unamortized bond issuance discount	24,850
Changes in accrued interest expense	165,441

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 and net pension obligations	(143,271)
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Change in net position of governmental activities	<u>\$ (2,387,520)</u>
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See accompanying notes to the basic financial statements

Exhibit E

CITY OF PARKVILLE, MISSOURI
Statement of Net Position
Proprietary Fund
December 31, 2015

	Sewer Fund
Assets	
Current assets:	
Cash and investments	\$ 913,062
Receivables, net:	
Accounts and other	121,374
Prepaid expenses	1,839
Restricted cash and investments	188,194
Total current assets	1,224,469
Noncurrent assets:	
Capital assets:	
Not being depreciated	59,975
Being depreciated, net of depreciation	3,511,243
Total noncurrent assets	3,571,218
Total assets	4,795,687
Liabilities	
Current liabilities:	
Accounts payable	194,966
Accrued liabilities	908
Current liabilities (payable from restricted assets):	
Customer deposits	13,485
Interest payable	36,469
Current portion of bonds payable	152,919
Total current liabilities:	398,747
Long-term liabilities:	
Bonds payable	1,365,432
Total long-term liabilities:	1,365,432
Total liabilities	1,764,179
Net position	
Net investment in capital assets	2,052,867
Restricted net position for:	
Debt service	174,709
Unrestricted	803,932
Total net position	\$ 3,031,508

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2015

	Sewer Fund
Operating revenues:	
Charges for services	\$ 1,096,800
Other	4,620
Total operating revenues	1,101,420
Operating expenses:	
Personnel Services	14,152
Contractual Services	335,549
Administrative Fee	101,500
Depreciation	234,400
Repairs and maintenance	548,509
Other	73,220
Total operating expenses	1,307,330
Operating income (loss)	(205,910)
Nonoperating revenues (expenses):	
Intergovernmental	45,143
Interest income	4,974
Interest expense	(82,303)
Total nonoperating revenues (expenses)	(32,186)
Change in net position	(238,096)
Total net position, beginning of year, as restated	3,269,604
Total net position, end of year	\$ 3,031,508

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

Exhibit G

	Sewer Fund
Cash flows provided by (used in) operating activities:	
Receipts from customers and others	\$ 1,075,123
Payments to suppliers	(906,989)
Payments to employees	(13,465)
Net cash provided by (used in) operating activities	154,669
Cash flows provided by (used in) investing activities:	
Interest received	50,117
Net cash flows provided by (used in) investing activities	50,117
Cash flows provided by (used in) capital and related financing activities:	
Interest and fiscal charges	(47,434)
Principal payments on long-term debt	(297,269)
Net cash flows provided by (used in) capital and related financing activities	(366,904)
Net change in cash and equivalents	(162,118)
Cash and equivalents, beginning of year	1,263,374
Cash and equivalents, end of year	\$ 1,101,256
Cash and investments reported on the Statement of Net Position	
Cash and investments	\$ 913,062
Restricted cash and investments	188,194
Total cash and investments	\$ 1,101,256
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ (205,910)
Adjustments to reconcile operating loss to net cash used by operations:	
Depreciation	234,400
Changes in:	
Receivables	(26,297)
Accounts payable	151,789
Accrued liabilities	687
Net cash provided by (used in) operating activities	\$ 154,669

See accompanying notes to the basic financial statements

**CITY OF PARKVILLE, MISSOURI
Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2015**

	Municipal Court	Escrow Fund	Total Agency Funds
Assets			
Cash and investments	\$ 21,730	\$ 71,952	\$ 93,682
Total assets	<u>\$ 21,730</u>	<u>\$ 71,952</u>	<u>\$ 93,682</u>
Liabilities			
Due to others	\$ 21,730	\$ 71,952	\$ 93,682
Total liabilities	<u>\$ 21,730</u>	<u>\$ 71,952</u>	<u>\$ 93,682</u>

See accompanying notes to the basic financial statements

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

(1) Summary of Significant Accounting Policies

The City of Parkville, Missouri (the City) was incorporated on February 6, 1957. The City is a fourth class city and operates under a Mayor-Board of Aldermen form of government. The City Administrator is the chief administrative officer of the City. The City provides services to nearly 5,600 residents in many areas, including law enforcement, sewer services, community enrichment and development, and various social services.

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

A. Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are separate legal entities which are included in the primary government's financial report. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the City's financial accountability for the potential component unit. An entity is considered a component unit if City officials appoint a voting majority of the component unit's governing body and the City is able to impose its will upon the component unit. Additionally, if the entity provides specific financial benefits to or imposes specific financial burdens on the City, it may be considered a component unit.

This report includes the financial statements of the City (the primary government) and its blended component unit, the City of Parkville, Missouri Tax Increment Financing (TIF) Commission (the Commission). The Commission is governed by a board of which six members are appointed by the Mayor with the consent of the Board of Alderman, two members appointed by the school board whose district is in the boundary of the redevelopment area, and one member appointed by the affected taxing district. Although it is legally separate from the City, the Commission is reported as if it were part of the primary government because its sole function is to use TIF as a method to finance economic development through payments in lieu of taxes (PILOTS) and economic activity taxes (EATS). The Commission does not issue separate financial statements.

B. Basis of Presentation

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Government-wide financial statements

The statement of net position and the statement of activities display information about the City, 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. Expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services 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 PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

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 funds by 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 for through Governmental Funds. The measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination.

The following are the City's major governmental funds:

General Fund – the general fund of the City accounts for all financial transactions not accounted for in other funds. For financial reporting purposes, the City's Emergency Reserve Fund and Equipment Reserve Fund activities are included in the General Fund.

Transportation Fund – This fund is used to account for revenues restricted for transportation purposes including the half-percent transportation sales taxes collected and a county tax distribution for capital improvements and the expenditures for the related items.

Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, principal and interest on long-term obligations of the City.

The City reports the following fund types of nonmajor funds:

Special Revenue Funds - These funds account for specific revenue sources that are restricted for specified purposes.

Permanent Fund – This fund reports resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support City programs.

PROPRIETARY FUND

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

The following is the City's major proprietary fund:

The Sewer Service Fund – This fund accounts for the provision of waste water and sewer services to the general public. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, financing and related debt service, and billing and collection.

FIDUCIARY FUNDS

The City maintains two fiduciary funds, the Municipal Court, which accounts for court bonds paid by defendants and the Escrow Fund which accounts for funds held in escrow for future special assessments. 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.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

C. 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 or when all eligibility requirements have been satisfied 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 tax, and donations. Revenue from grants and donations is 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 the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation 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 modified accrual basis of accounting and the current financial resources measurement focus. 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 (collectible within the current year or within 60 days after year-end to pay obligations of the current period). This includes property taxes, investment earnings and state-levied locally shared taxes (including motor vehicle fees). The City records property tax receivables at the time the lien attaches to the property. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

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.

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

The economic resources measurement focus and the accrual basis of accounting are utilized by the proprietary funds. Under this basis of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred. All assets and liabilities (whether current or noncurrent) associated with a proprietary fund's activities are included on its statement of net position and statement of activities. Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. All other revenues and expenses are considered nonoperating.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

D. Cash and Investments

Missouri State Statutes authorize the City, with certain restrictions, to deposit funds in open accounts, time deposits, investment pools and certificates of deposit. 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 an independent third party and must be of the kind prescribed by State Statutes and approved by the State.

The City maintains and controls a cash pool in which a majority of the City's funds share. Each fund's portion of the pool is displayed on their respective balance sheet or statement of net position as "cash and investments". The City's cash and investments are primarily considered to be cash on hand, amounts in demand deposits, and certificates of deposits. Interest earned on demand deposits is allocated to the various funds on the basis of average month-end balances.

For purposes of the statement of cash flows, short-term investments and certificates of deposit with a maturity date within three months of the date acquired by the City, if any, are considered cash equivalents.

E. Accounts Receivable

Accounts receivable result primarily from miscellaneous services provided to citizens accounted for in the Governmental Funds, and from water, sewer, and sanitation services accounted for in the their respective Proprietary Fund net of an allowance for doubtful accounts.

F. Special Assessments Receivable

Special assessments receivable reflects the property taxes collectable by the City for the purpose of repaying certain Special Assessment debt held by the City. The amount collectable by the City is reduced each year as the taxes are levied against the property and, subsequently, collected by the City.

G. Prepaid Items

Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items.

H. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (i.e. roads, streets lights, storm sewers, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements, and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair value as of the date of the donation.

As the City is a Phase III government under Governmental Accounting Standards Board (GASB) Statement No. 34, it has elected to exercise its option to forego retroactively reporting governmental infrastructure assets acquired prior to December 31, 2003. Governmental infrastructure assets on the statement of net position include only infrastructure capital assets acquired subsequent to December 31, 2003.

Capital assets are defined by the City as assets with an initial, individual cost of \$2,500 or more and an estimated useful life of greater than one year. 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. Other costs incurred for repairs and maintenance is expensed as incurred. Fully depreciated capital assets are included in their respective accounts until their disposal.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

Depreciation on exhaustible 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:

Governmental infrastructure	20 – 40 years
Buildings	20 – 40 years
Machinery and equipment	5 – 10 years
Sewer plant and collection systems	20 – 50 years

I. Compensated Absences

Under terms of the City's personnel policy, City employees are granted vacation in varying amounts. Vacation days are required to be taken within the current or following calendar year in which earned. In the event of retirement or termination, an employee is paid for unused vacation days.

Vested or accumulation vacation is accounted for as follows:

Governmental Funds - The accumulated liabilities for employee vacation is recorded in the governmental activities column of the government-wide financial statements.

J. 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 three items that qualify for reporting in this category. The first two relate to the change in actual and projected earnings in calculating the pension asset and employer contributions made subsequent to the measurement date of June 30, 2015. The last is deferred charges on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, 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 arises under the accrual and modified accrual basis of accounting, which qualify for reporting in this category. The first one relates to the change in actual and projected experience in calculating the pension liability. The second item, unavailable revenue, is reported in both the statement of net position and in the governmental funds balance sheet for receipts of tax payments related to fiscal year 2016 property taxes. Special assessment revenues related to debt are only reported in the governmental funds balance sheet. The governmental funds report unavailable revenues related to taxes, fees, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and Police Pension Fund additions to/deductions from LAGERS and Police Pension Fund's fiduciary net position have been determined on the same basis as they are reported by each plan. 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 PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

K. Interfund Activity

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

Services provided and used – sales and purchases of goods and services between funds for a price approximating their fair value. Interfund services provided and used are reported as revenues in funds providing the good or service and expenditures or expenses in the fund purchasing the good or service. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or statement of net position.

The General fund provides administrative and other support services for the Sewer fund. Amounts charged to the Sewer fund for such services were \$101,500 for the year ended December 31, 2015.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

L. Fund Balances

In the fund financial statements, 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 determined by a formal action of passing an ordinance or resolution by the Board of Aldermen, the City's highest level of decision-making authority. Any changes or removal of specific purpose requires the same action by the Board of Aldermen.

Assigned – This consists of amounts which are constrained by City management's intent to be used for a specific purpose but do not meet the criteria to be classified as committed. In accordance with the approved City policy only the Board of Alderman has the authority to assign amounts for a specific purpose 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.

Per policy, the general fund balance should be no less than 5% of general fund appropriations for the succeeding fiscal year in order to provide adequate cash flow and emergency cash funding. The City will endeavor to grow a general fund balance of 15% of general fund appropriations for the succeeding fiscal year. Amounts over 15% may be moved into the emergency reserve fund.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

M. Net Position Classifications

In the government-wide statements, equity is shown as net position and classified into three components:

- (1) Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (2) Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.
- (3) Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Sometimes the City 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.

N. Expenditures in Excess of Budget Appropriations

In violation of the budget ordinance, actual expenditures exceeded budgeted appropriations as follows:

<u>Fund</u>	<u>Expenditures in Excess of Budget Appropriations</u>
Economic Development	\$ 2,777
Nature Sanctuary	10,450
Parks Donations	13,351
Debt Service Fund (Certificates of Participation)	4,692,581
Reserve Fund	178,124

O. Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

(2) Cash and Investments

A reconciliation of cash and investments as shown on the government-wide statement of net position and statement of fiduciary net position is as follows:

Cash on hand	\$	330
Demand deposits		4,549,242
Certificates of deposits		340,226
US treasuries and agency securities		56,027
Restricted cash equivalents held in trust		861,800
		\$ 5,807,625

	Government-wide statement of net position	Fiduciary funds statement of net position	Total
Cash and investments	\$ 4,020,692	\$ 93,682	\$ 4,114,374
Restricted cash and investments	1,693,251	0	1,693,251
	\$ 5,713,943	\$ 93,682	\$ 5,807,625

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of 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. The custodial credit risk for investments is that, in the event of the failure of a counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize deposits with securities held by the financial institution's agent and in the City's name.

As of December 31, 2015, the City's deposits were insured with Federal depository insurance, with the remaining uninsured balance collateralized by securities held in the City's name by their financial institution's agent. Accordingly, management has determined that none of the City's deposits were exposed to custodial credit risk as of December 31, 2015.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City structures the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

(3) Tax Revenues and Taxes Receivable

The City's property taxes are levied and recorded each November 1 on the assessed value as of the prior January 1 for all property located in the City, and are delinquent on January 1 (the lien date) following the levy date. Assessed values are established by county assessors, subject to review by the county's Board of Equalization. The assessed value of local property at January 1, 2014, was \$195,553,232.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

The City is permitted by the Missouri State Constitution to levy (without a vote of two-thirds of the voting electorate) taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt. The City's property tax levies per \$100 of assessed valuation for the year in which the revenues were earned were as follows:

<u>Fund</u>	<u>Levy</u>
General Fund	\$ 0.4784
General Revenue- Temporary	0.1759
	<u>\$ 0.6543</u>

Tax revenues for the year consisted of the following:

	Property Taxes	Sales Taxes	Franchise Taxes	Other Taxes	Total
Major governmental funds:					
General	\$ 1,097,697	\$ 960,220	\$ 813,440	\$ -	\$ 2,871,357
Transportation Sales Tax	-	454,581	-	-	454,581
Debt Service	338,662	-	-	-	338,662
Nonmajor funds	-	270,527	-	3,254	273,781
	<u>\$ 1,436,359</u>	<u>\$ 1,685,328</u>	<u>\$ 813,440</u>	<u>\$ 3,254</u>	<u>\$ 3,938,381</u>

Taxes receivable represent property, sales, gross receipts, and franchise taxes, including interest and penalties, reduced by an appropriate allowance for uncollectible taxes. Taxes receivable consisted of the following at December 31, 2015:

	Sales Taxes	Franchise Taxes	Total
Major governmental funds:			
General	\$180,838	\$ 97,868	\$278,706
Transportation Sales Tax	88,394	-	88,394
	<u>\$269,232</u>	<u>\$ 97,868</u>	<u>\$367,100</u>

(4) Intergovernmental Revenue/Receivables

Intergovernmental revenue during the year consisted of the following:

	General Fund	Transportation Sales Tax	Other Nonmajor Funds	Total
Grants - Federal, State and Local	\$ 24,630	\$ -	\$ 50,000	\$ 74,630
State:				
Motor vehicle sales tax	46,053	-	-	46,053
Motor vehicle fuel tax	-	146,671	-	146,671
Motor vehicle license and title transfer fees	24,539	-	-	24,539
Local:				
Economic activity taxes	-	323,175	160,125	483,300
Total Intergovernmental Revenue	<u>\$ 95,222</u>	<u>\$ 469,846</u>	<u>\$ 210,125</u>	<u>\$ 775,193</u>

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

Amounts due from other governments at December 31, 2015, were as follows:

	<u>General Fund</u>	<u>Transporation Sales Tax</u>	<u>Total</u>
Motor vehicle sales tax	\$ 3,836	\$ -	\$ 3,836
Motor vehicle fuel tax	-	10,885	10,885
Motor vehicle license and title transfer fees	2,438	-	2,438
Total due from other governments	<u>\$ 6,274</u>	<u>\$ 10,885</u>	<u>\$ 17,159</u>

(5) Interfund Activity

Transfers between funds for the year ended December 31, 2015 were as follows:

	<u>General</u>	<u>Transfers Out: Transporation Sales Tax</u>	<u>Total</u>
Transfers In:			
Governmental activities:			
General Fund	\$ -	\$ 245,000	\$ 245,000
Debt Service Fund	395,624	-	395,624
Other Governmental Funds	4,577	-	4,577
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 400,201</u>	<u>\$ 245,000</u>	<u>\$ 645,201</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues in the General Fund to meet certain special assessment debt service requirements as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Any transfers within the governmental funds or within the proprietary funds have been eliminated in the government-wide statement of activities.

Amount due to/due from other funds as of December 31, 2015 were as follows:

	<u>Due to:</u>
	<u>General</u>
	<u>Fund</u>
Due from:	
Debt service fund	<u>\$ 244,075</u>

Interfund advances to the Debt Service Fund were used to lower annual principal bond payments through the refunding of the Certificates of Participation.

CITY OF PARKVILLE, MISSOURI
Notes to the Basic Financial Statements
December 31, 2015

(6) Capital Assets

A summary of the changes in capital assets for the year is as follows:

	December 31, 2014 ***	Additions	Retirements	December 31, 2015
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 869,880	\$ -	\$ -	\$ 869,880
Total capital assets, not being depreciated	869,880	-	-	869,880
Capital assets, being depreciated				
Buildings and improvements	4,394,446	-	-	4,394,446
Equipment and vehicles	2,045,443	158,214	116,501	2,087,156
Infrastructure	6,011,540	335,000	-	6,346,540
Total capital assets being depreciated	12,451,429	493,214	116,501	12,828,142
Less accumulated depreciation for:				
Buildings and improvements	1,088,168	111,269	-	1,199,437
Equipment and vehicles	1,585,112	163,727	113,923	1,634,916
Infrastructure	1,051,664	161,241	-	1,212,905
Total accumulated depreciation	3,724,944	436,237	113,923	4,047,258
Total capital assets being depreciated, net	8,726,485			8,780,884
Governmental activates capital assets, net	<u>\$ 9,596,365</u>			<u>\$ 9,650,764</u>

*** as restated

	December 31, 2014 ***	Additions	Retirements	December 31, 2015
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 59,975	\$ -	\$ -	\$ 59,975
Total capital assets, not being depreciated	59,975	-	-	59,975
Capital assets, being depreciated				
Buildings and improvements	5,253,934	-	-	5,253,934
Equipment and vehicles	263,593	22,201	-	285,794
Infrastructure	2,384,899	-	-	2,384,899
Total capital assets being depreciated	7,902,426	22,201	-	7,924,627
Less accumulated depreciation for:				
Buildings and improvements	3,065,932	172,951	-	3,238,883
Equipment and vehicles	225,754	11,585	-	237,339
Infrastructure	887,298	49,864	-	937,162
Total accumulated depreciation	4,178,984	234,400	-	4,413,384
Total capital assets being depreciated, net	3,723,442			3,511,243
Business-type activates capital assets, net	<u>\$ 3,783,417</u>			<u>\$ 3,571,218</u>

*** ss restated

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

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

Governmental activities:	
General government	\$ 126,764
Public safety	59,692
Public works	212,928
Parks and recreation	34,043
Economic development	2,810
Total depreciation expense for governmental activities	\$ 436,237
 Business-type activities:	
Sewer	\$ 234,400
Total depreciation expense for business-type activities	\$ 234,400

(7) Long Term Debt

A summary of the changes in long term debt is as follows:

	Beginning of Year	Adjustments/ Additions	Adjustments/ Retirements	End of Year	Due Within One Year
Governmental Activities:					
Limited general obligation bonds:					
Series 2010 - River Park	\$ 1,755,000	\$ -	\$ 275,000	\$ 1,480,000	\$ 280,000
Series 2014A - Brush Creek	5,375,000	-	-	5,375,000	-
Series 2014B - Brink Meyer	3,675,000	-	-	3,675,000	-
Premium on issuance	488,620	-	25,097	463,523	25,097
	11,293,620	-	300,097	10,993,523	305,097
Certificates of participation	4,900,000	3,383,722	4,900,000	3,383,722	-
Discount on issuance	(33,374)	-	(33,374)	-	-
* Compensated absences	49,092	40,539	49,092	40,539	40,529
Total Governmental Activities	16,209,338	3,424,261	5,215,815	14,417,784	345,626
 Business-type Activates:					
Revenue bonds	\$ 1,595,000	\$ -	\$ 140,000	\$ 1,455,000	\$ 145,000
Premium on issuance	71,270	-	7,919	63,351	7,919
Capital lease obligation	149,350	-	149,350	-	-
Total Business-type Activates	1,815,620	-	297,269	1,518,351	152,919
Total Primary Government	\$ 18,024,958	\$ 3,424,261	\$ 5,513,084	\$ 15,936,135	\$ 498,545

* Primarily liquidated by the General fund in prior years.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

A. Limited General Obligation Bonds

The City has issues special limited general obligation bonds to provide funds for the acquisition and construction of certain neighborhood improvement projects. Financing is provided by special assessments levied within the respective Districts. Special general obligation bonds are direct obligations and pledge the full faith and credit of the City. The City's limited general obligation bonds as of December 31, 2015:

Series 2010 - Neighborhood Improvement District - Limited General Obligation Refunding Bonds (River Park Project); due in annual installments through March 1, 2020; interest at 1.75% to 3.25%	\$ 1,480,000
Series 2014A - Neighborhood Improvement District - Limited General Obligation Bonds (Brush Creek Drainage Area Neighborhood Improvement Project); due in annual installments through March 1, 2034; interest at 3.0% to 4.0%	5,375,000
Series 2014B - Neighborhood Improvement District - Limited General Obligation Bonds (Brink Meyer Road Neighborhood Improvement Project); due in annual installments through March 1, 2034; interest at 3.0% to 3.25%	<u>3,675,000</u>
Total limited general obligation bonds	<u>\$ 10,530,000</u>

In 2015, the City began the required special assessment levy on the property owners within the Brink Meyer Road Neighborhood Improvement District (Brink Meyer NID). The Brink Meyer NID's scheduled annual special assessments necessary to meet the Series 2014B debt service requirements is \$276,166 per year through 2034. The Brink Meyer NID's sole property owner is delinquent on its 2015 special assessment. Accordingly, the City transferred funds totaling \$178,124 from the General Fund to the Debt Service Fund to assist in meeting the 2015 debt service requirement on the 2014B bonds. The City is currently pursuing legal action against the property owner related to the default on the special assessments.

In 2015, the City began the required special assessment levy on the property owners within the Brush Creek Drainage Area Neighborhood Improvement District (Brush Creek NID). The Brush Creek NID's scheduled annual special assessments necessary to meet the Series 2014A debt service requirements is \$388,030 per year through 2034. Certain property in the Brink Meyer NID is also subject to special assessments in the Brush Creek NID. The property owner is delinquent on its 2015 Brush Creek NID special assessment of approximately \$81,000. The City is currently pursuing legal action against the property owner related to the default on the special assessments.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

Subsequent event

As a result of the judicial foreclosure default judgment issued by the Platte County Circuit Court, a sheriff's sale was held on May 24, 2016, for the approximately 73 acre tract of property on the southeast quadrant of the intersection of I-435 and Route 45. This property is subject to special assessments for both the Brink Meyer Road NID and Brush Creek Drainage NID. At the sale, the City acquired the property for a credit bid (no cash exchange) of \$10,000. City management has estimated the acquisition value of the acquired property at \$1,600,000 and has recorded this amount as "Land held for redevelopment. With the sale, all past, current and future Brink Meyer Road NID and Brush Creek Drainage NID special assessments due within the NID districts associated with the acquired property were "cleared" as part of the judicial foreclosure process and are no longer subject to Brink Meyer Road NID and Brush Creek Drainage NID a special assessments. Accordingly, the principal portion of the special assessment receivable of \$4,427,331 net of the estimated acquisition value of the property of \$1,600,000 resulted in a total of \$2,827,331 being charged to expense.

The City is actively seeking a development partnership to offset the debt exposure through a combination of property sale proceeds and new economic activity.

B. Certificates of Participation

During fiscal year 2015, the City issued \$3,383,722 Refunding Certificates of Participation to current refund the 2006 Certificates of Participation issued for the purpose of constructing City Hall, public parking lot and certain other capital improvements within the City. A temporary levy on property was approved to make a portion of the debt service payments. Principal and interest payments are due semi-annually beginning on September 1, 2016 through March 1, 2027 with principal payments ranging from \$139,867 to \$444,872, with an interest rate of 2.24%.

The net proceeds of the certificates of participation together with the other available funds totaling \$4,729,779 were deposited in trust with an escrow agent to provide for all future debt service payments on the refunded 2006 Certificates of Participation. The City completed the refunding to reduce its debt service payments by \$1,427,903 and to obtain an economic gain of \$529,186.

C. Revenue Bonds

The City issued Sewerage System Revenue Bonds (State Revolving Loan Fund (SRF)) Series 2004A in the original amount of \$2,750,000. Series 2004A (SRF) Sewage System Refunding Revenue Bonds (SRF) are special, limited obligations of the City payable solely from, and secured by a pledge of, the net revenues. The bonds are due in annual installments of \$30,000 to \$170,000 through January 1, 2015 with interest ranging from 3.0% to 5.25%. The outstanding balance at December 31, 2015, is \$1,455,000.

D. Lease purchase Agreement

In 2003, the City entered into a lease purchase agreement to fund certain improvements to the City's sewer plant property. In 2015, the City retired the remaining outstanding balance under the agreement totaling \$149,350.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

Future Debt Service Requirements

Year Ending December 31,	Governmental Activities					
	Limited General Obligation Refunding Bonds - Series 2010 (River Park)		Limited General Obligation Bonds - Series 2014A (Brush Creek)		Limited General Obligation Bonds - Series 2014B (Brink Meyer)	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 280,000	\$ 40,700	\$ -	\$ 93,544	\$ -	\$ 73,994
2017	285,000	33,275	210,000	90,394	140,000	71,894
2018	295,000	24,575	215,000	87,169	145,000	69,719
2019	305,000	15,194	220,000	83,869	150,000	67,469
2020	315,000	5,119	230,000	80,419	155,000	65,144
2021-2025	-	-	1,245,000	712,731	830,000	590,169
2026-2030	-	-	1,475,000	488,563	995,000	427,175
2031-2034	-	-	1,780,000	102,300	1,260,000	91,125
	\$ 1,480,000	\$ 118,863	\$ 5,375,000	\$ 1,738,989	\$ 3,675,000	\$ 1,456,689

Year Ending December 31,	Governmental Activities				Business-type Activities	
	Certificates of Participation Series 2015		Total		Sewerage System Revenue Bonds Series 2004	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ -	\$ 56,636	\$ 280,000	\$ 264,874	\$ 145,000	\$ 69,313
2017	297,114	72,468	932,114	268,031	150,000	61,938
2018	335,155	65,386	990,155	246,849	150,000	61,938
2019	354,132	57,666	1,029,132	224,198	155,000	54,438
2020	361,800	49,648	1,061,800	200,330	160,000	46,619
2021-2025	1,772,536	117,935	3,847,536	1,420,835	695,000	108,350
2026-2030	262,985	6,078	2,732,985	921,816	-	-
2031-2034	-	-	3,040,000	193,425	-	-
	\$ 3,383,722	\$ 425,817	\$ 13,913,722	\$ 3,740,358	\$ 1,455,000	\$ 402,596

(8) Cooperative Agreement – Sewer Services

The City has entered into agreements with the City of Kansas City, Missouri and the Platte County Regional Sewer District to provide certain sewer services for the City. For the year ended December 31, 2015, amounts recorded under these agreements were \$53,304 (Kansas City, Missouri) and \$3,961 (Platte County Regional Sewer District).

(9) Employees Retirement System

A. 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.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

B. 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 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 and receive a reduced allowance.

	<u>2015 Valuation</u>
Benefit Multiplier:	1.25% for life
Final Average Salary:	3 Years
Member Contributions:	4%

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. Benefit terms changed from 1.0% for life to 1.25% for life since the last measurement period.

C. Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

	<u>General</u>	<u>Police</u>	<u>Total</u>
Inactive employees or beneficiaries currently receiving benefits	1	1	2
Inactive employees entitled to but not yet receiving benefits	4	4	8
Active employees	18	12	30
	<u>23</u>	<u>17</u>	<u>40</u>

D. 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 contribute 4% to the pension plan. Employer contribution rates are 3.5% (General) and 4.2% (Police) of annual covered payroll.

E. Net Pension Liability

The City's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

F. Actuarial Assumptions

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

Inflation	3.5% wage inflation; 3.0% price inflation
Salary Increase	3.5% to 6.8% including wage inflation (General and Police)
	3.5% to 8.6% including wage inflation (Fire)
Investment rate of return	7.25%, net of investment and administrative expenses

Mortality rates were based on 105% of the 1994 Group Annuity Mortality Table set back 0 years for both males and females.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	48.50%	5.50%
Fixed Income	25.00%	2.25%
Real Assets	20.00%	4.50%
Strategic Assets	6.50%	7.50%

G. 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 PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

H. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at beginning of year	\$ 912,014	\$ 828,435	\$ 83,579
Changes for the year:			
Service Cost	104,714	-	104,714
Interest	69,352	-	69,352
Change in benefit terms	226,297	-	226,297
Difference between expected and actual	(47,700)	-	(47,700)
Contributions - employer	-	73,690	(73,690)
Contributions - employee	-	60,880	(60,880)
Net investment income	-	17,409	(17,409)
Benefit payments, including refunds	(14,002)	(14,002)	-
Administrative expense	-	(3,356)	3,356
Other changes (net transfer)	-	38,126	(38,126)
Net changes	338,661	172,747	165,914
Balances at end of year	\$ 1,250,675	\$ 1,001,182	\$ 249,493

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease	Current Single Discount Rate	1% Increase
	6.25%	Assumption 7.25%	8.25%
Total Pension Liability (TPL)	\$ 1,468,062	\$ 1,250,675	\$ 1,072,627
Plan Fiduciary Net Position	(1,001,182)	(1,001,182)	(1,001,182)
Net Pension Liability	\$ 466,880	\$ 249,493	\$ 71,445

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

For the year ended December 31, 2015, the City recognized LAGERS pension expense of \$243,387 (\$133,422 (General) and \$109,865 (Police)). The City reported deferred outflows related to LAGERS pension from the following sources:

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

	<u>General</u>	<u>Police</u>	<u>Total</u>
	Deferred	Deferred	Deferred
	Outflows/ (Inflows) of	Outflows/ (Inflows) of	Outflows/ (Inflows) of
	Resources	Resources	Resources
Differences in experience	\$ (17,834)	\$ (24,397)	\$ (42,231)
Excess (deficit) investment returns	21,344	17,204	38,548
Contributions subsequent to the measurement date	26,280	21,830	48,110
Total	<u>\$ 29,790</u>	<u>\$ 14,637</u>	<u>\$ 44,427</u>

Net amounts reported as deferred outflows resources related to LAGERS pension will be recognized in pension expense as follows:

Year ending December 31:	<u>General</u>	<u>Police</u>	<u>Total</u>
2016	\$ 29,235	\$ 23,043	\$ 52,278
2017	2,955	1,213	4,168
2018	2,955	1,213	4,168
2019	2,955	1,213	4,168
2020	(2,381)	(3,088)	(5,469)
Thereafter	(5,929)	(8,957)	(14,886)
Total	<u>\$ 29,790</u>	<u>\$ 14,637</u>	<u>\$ 44,427</u>

K. Payable to the Pension Plan

At December 31, 2015, the City paid all outstanding contributions to the LAGERS pension plan.

(10) Commitments and Contingencies

A. Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the Midwest Public Risk (MPR), formerly Mid-America Regional Council Insurance Trust, a not-for-profit corporation consisting of local governments 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 annual premiums to MPR for all coverage. The agreement with MPR provides that MPR will be self-sustaining through member premiums. MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. The City continues to carry commercial insurance for employee life insurance and short-term disability. The amount of settlements has not exceeded the City's insurance coverage in any of the past three fiscal years.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

B. Investments-Trust Fund

The City was the recipient of funds from a resident's estate during the calendar year 2002. The funds were previously held by a trustee for the benefit of the City. In 2011, the City took over management of the fund and by Resolution No. 12-01-13, the Board of Aldermen enacted a policy restricting the use of the fund to follow the intentions of the original donor of the fund. The nature of the fund is that the principal of the contributions is to remain intact. One-half of the interest earnings are to be added to the principal and the remaining one-half of annual earnings may be used to fund city capital projects. At December 31, 2015, the fund had \$2,207 net appreciation on assets available for expenditure which is reported as restricted fund balance and \$566,997 in principal which is reported as nonspendable fund balance. Both of these amounts are reported as restricted net position on the government-wide statement of net position.

The State of Missouri requires that recipients of endowment gifts maintain the original principal intact at the original donation value.

C. Federal and State Grants

The City has received financial assistance from various federal, state, and local agencies in the form of grants and entitlements. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the City.

D. Litigation

The City is involved in legal proceedings arising from the ordinary course of City activities. While these proceedings may have future financial effect, management believes that their ultimate outcome will not be material to the basic financial statements.

(11) Adjustments to Prior Period Financial Statements and Changes in Presentation

For the year ended December 31, 2015, management determined that the following adjustments were to be made to the opening net position and fund balances:

Certain revenue recognition adjustments between the governmental funds and government-wide financial statements related to sales taxes were required to be in conformity with GASB Statement No. 33.

Management determined that certain amounts held on deposit for debt service should be recorded as an asset of the City and the related debt service payments should be recognized on the date the debt service payment was made.

Management determined that certain adjustments were necessary to properly report and depreciate infrastructure and other capital assets. The City previously used the modified method to report governmental infrastructure capital assets.

Management determined that land held for resale reported in prior years related to infrastructure projects should be expensed as certain of those costs are related to assets not owned by the City.

Management determined that the total outstanding special assessments receivable should be reported. This change had no effect on fund balance as these amounts are reported as deferred inflows of resources on the fund statements under the modified accrual method. However, on the government-wide statements special assessments should be recognized on the full accrual basis of accounting.

Management implemented GASB Statement No. 68 – Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

CITY OF PARKVILLE, MISSOURI

Notes to the Basic Financial Statements

December 31, 2015

	Governmental Funds	Governmental Activities	Sewer Fund/Business- type Activities
Net position/fund balance, beginning of year as previously reported	\$ 5,758,998	\$ 5,587,140	\$ 3,400,421
Revenue recognition - sales taxes	103,023	103,023	-
Debt service activity	-	-	(51,957)
Capital assets	-	2,697,485	(39,096)
Accumulated depreciation	-	(963,221)	(39,764)
Land held for resale	-	(8,472,776)	-
Special assessments	-	9,950,932	-
Changes in accounting and reporting related to the City's pension plans	-	(53,242)	-
Net Position, beginning of year as restated	\$ 5,862,021	\$ 8,849,341	\$ 3,269,604

(12) Subsequent Events

The City evaluated subsequent events through June 15, 2016, the date the financial statements were available to be issued. No subsequent events, other than the event discussed in Note 7A, were identified that required disclosure in the financial statements.

CITY OF PARKVILLE, MISSOURI
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2015

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 2,843,600	\$ 2,843,600	\$ 2,871,357	\$ 27,757
Intergovernmental	65,500	65,500	86,395	20,895
Charges for services	34,200	34,200	36,616	2,416
Fines and forfeitures	261,000	261,000	225,128	(35,872)
Licenses and permits	321,461	321,461	315,764	(5,697)
Grants	-	-	345	345
Charges for sewer	101,500	101,500	101,500	-
Interest	7,000	7,000	7,623	623
Other	34,880	34,880	55,645	20,765
Total Revenues	<u>3,669,141</u>	<u>3,669,141</u>	<u>3,700,373</u>	<u>31,232</u>
Expenditures:				
Current:				
General government	1,053,656	1,053,656	923,911	129,745
Public safety	1,437,797	1,437,797	1,203,442	234,355
Public works	780,326	780,326	618,882	161,444
Parks and recreation	383,156	383,156	349,601	33,555
Community development	401,200	401,200	292,195	109,005
Total Expenditures	<u>4,056,135</u>	<u>4,056,135</u>	<u>3,388,031</u>	<u>668,104</u>
Excess of Revenues Over (Under) Expenditures	<u>(386,994)</u>	<u>(386,994)</u>	<u>312,342</u>	<u>699,336</u>
Other Financing Sources (Uses):				
Transfers in	245,000	245,000	246,751	1,751
Transfers out	(277,500)	(277,500)	(282,077)	(4,577)
Sale of capital assets	10,000	10,000	10,750	750
Total Other Financing Sources (Uses)	<u>(22,500)</u>	<u>(22,500)</u>	<u>(24,576)</u>	<u>(2,076)</u>
Change in fund balance	<u>\$ (409,494)</u>	<u>\$ (409,494)</u>	287,766	<u>\$ 697,260</u>
Fund Balances, Beginning of Year			<u>1,366,577</u>	
Fund Balances, End of Year			<u>\$ 1,654,343</u>	

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

Schedule 2

CITY OF PARKVILLE, MISSOURI
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Transportation Sales Tax Fund
For the Year Ended December 31, 2015

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 435,000	\$ 435,000	\$ 454,581	\$ 19,581
Intergovernmental	437,000	437,000	469,846	32,846
Other	11,500	11,500	2,300	(9,200)
Total Revenues	<u>883,500</u>	<u>883,500</u>	<u>926,727</u>	<u>43,227</u>
Expenditures:				
Capital outlay	<u>855,500</u>	<u>855,500</u>	<u>790,847</u>	<u>64,653</u>
Total Expenditures	<u>855,500</u>	<u>855,500</u>	<u>790,847</u>	<u>64,653</u>
Excess of Revenues Over (Under) Expenditures	<u>28,000</u>	<u>28,000</u>	<u>135,880</u>	<u>107,880</u>
Other Financing Sources (Uses):				
Transfers out	(245,000)	(245,000)	(245,000)	-
Sale of capital assets	-	-	11,075	11,075
Total Other Financing Sources (Uses)	<u>(245,000)</u>	<u>(245,000)</u>	<u>(233,925)</u>	<u>11,075</u>
Change in fund balance	<u>\$ (217,000)</u>	<u>\$ (217,000)</u>	(98,045)	<u>\$ 118,955</u>
Fund Balances, Beginning of Year			<u>418,093</u>	
Fund Balances, End of Year			<u>\$ 320,048</u>	

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

CITY OF PARKVILLE, MISSOURI
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended December 31, 2015

	Lagers 2015
Total Pension Liability	
Service costs	\$ 104,714
Interest on total pension liability	69,352
Changes in benefit terms	226,297
Difference between expected and actual experience of the total pension liability	(47,700)
Benefit payments and refunds	(14,002)
Net change in total pension liability	338,661
Total pension liability - beginning of year	912,014
Total pension liability - end of year (a)	\$ 1,250,675
 Plan Fiduciary Net Position	
Contributions - employer	\$ 73,690
Contributions - employee	60,880
Net investment income	17,409
Benefit payments and refunds	(14,002)
Administrative expenses	(3,356)
Other (net transfer)	38,126
Net change in plan fiduciary net position	172,747
Plan fiduciary net position - beginning of year	828,435
Plan fiduciary net position - end of year (b)	\$ 1,001,182
 Net pension liability (a) - (b)	\$ 249,493
 Plan net position as a percentage of the total pension liability	80.05%
 Covered employee payroll	1,414,512
 Net pension liability/(asset) as a percentage of covered payroll	17.64%

CITY OF PARKVILLE, MISSOURI
Required Supplementary Information
Schedule of Employer Contributions
For the Year Ended December 31, 2015

LAGERS (General and Police)

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Employee Payroll	Contribution as Percentage
2009	\$ 24,347	\$ 24,347	\$ -	\$ 581,934	4.18%
2010	57,324	57,324	-	1,371,930	4.18%
2011	54,185	54,185	-	1,354,526	4.00%
2012	65,702	65,702	-	1,522,146	4.32%
2013	61,194	61,194	-	1,496,050	4.09%
2014	63,625	63,625	-	1,621,236	3.92%
2015	90,692	90,692	-	1,501,816	6.04%

Lagers

Valuation Date February 28, 2015

Notes: The roll-forward of total pension liability from February 28, 2015 to December 31, 2015 reflects expected service cost and interest reduced by actual benefit payments and administrative expenses.

Methods and assumptions used to determine contributions rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Multiple bases from 15 to 24 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation assumption	3.5% wage inflation; 3% price inflation
Salary increases	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experienced-based table of rates that are specific to
Mortality	105% of the 1994 Group Annuity Mortality Table set

CITY OF PARKVILLE, MISSOURI
Combining Balance Sheet - General Fund
December 31, 2015

	General Fund	Reserve Fund	Equipment Reserve	Totals
Assets:				
Cash and investments	\$ 1,570,302	\$ 1,025,767	\$ -	\$ 2,596,069
Receivables:				
Taxes	278,706	-	-	278,706
Due from other governments	6,274	-	-	6,274
Due from other funds	-	244,075	-	244,075
Prepaid, deposits and other assets	74,399	-	-	74,399
Total Assets	<u>\$ 1,929,681</u>	<u>\$ 1,269,842</u>	<u>\$ -</u>	<u>\$ 3,199,523</u>
Liabilities:				
Accounts payable	\$ 99,578	\$ -	\$ -	\$ 99,578
Accrued payroll and benefits	61,278	-	-	61,278
Total Liabilities	<u>160,856</u>	<u>-</u>	<u>-</u>	<u>160,856</u>
Deferred inflows of resources:				
Unavailable revenues	114,482	-	-	114,482
Fund balances:				
Nonspendable:				
Prepaid items	74,399	-	-	74,399
Committed:				
Emergency reserve	-	1,269,842	-	1,269,842
Unassigned	1,579,944	-	-	1,579,944
Total fund balances	<u>1,654,343</u>	<u>1,269,842</u>	<u>-</u>	<u>2,924,185</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,929,681</u>	<u>\$ 1,269,842</u>	<u>\$ -</u>	<u>\$ 3,199,523</u>

CITY OF PARKVILLE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the Year Ended December 31, 2015

	<u>General Fund</u>	<u>Reserve Fund</u>	<u>Equipment Reserve</u>	<u>Eliminations</u>	<u>Totals</u>
Revenues:					
Taxes	\$ 2,871,357	\$ -	\$ -	\$ -	\$ 2,871,357
Intergovernmental	95,222	-	-	-	95,222
Charges for services	36,616	-	-	-	36,616
Fines and forfeitures	225,128	-	-	-	225,128
Licenses and permits	315,764	-	-	-	315,764
Charges for sewer	101,500	-	-	-	101,500
Interest	7,623	-	-	-	7,623
Other	47,163	-	-	-	47,163
Total Revenues	<u>3,700,373</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,700,373</u>
Expenditures:					
Current:					
General government	923,911	-	-	-	923,911
Public safety	1,203,442	-	-	-	1,203,442
Public works	618,882	-	-	-	618,882
Parks and recreation	349,601	-	-	-	349,601
Community development	292,195	-	-	-	292,195
	<u>3,388,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,388,031</u>
Excess of Revenues Over (Under) Expenditures	312,342	-	-	-	312,342
Other financing sources (uses):					
Transfers in	246,751	60,000	-	(61,751)	245,000
Transfers out	(282,077)	(178,124)	(1,751)	61,751	(400,201)
Sale of capital assets	10,750	-	-	-	10,750
Total Other Financing Sources	<u>(24,576)</u>	<u>(118,124)</u>	<u>(1,751)</u>	<u>-</u>	<u>(144,451)</u>
Change in fund balance	287,766	(118,124)	(1,751)	-	167,891
Fund Balances, Beginning of Year	<u>1,366,577</u>	<u>1,387,966</u>	<u>1,751</u>	<u>-</u>	<u>2,756,294</u>
Fund Balances, End of Year	<u>\$ 1,654,343</u>	<u>\$ 1,269,842</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,924,185</u>

CITY OF PARKVILLE, MISSOURI
Combining Balance Sheet - Debt Service Fund
December 31, 2015

	<u>River Park</u>	<u>Certificates of Participation</u>	<u>Brush Creek</u>	<u>Brink Meyer</u>	<u>Totals</u>
Assets:					
Receivables:					
Special assessments	\$ 1,314,445	\$ -	\$ 3,934,156	\$ -	\$ 5,248,601
Restricted cash and investments	165,555	40,270	431,458	289,687	926,970
Total Assets	<u>\$ 1,480,000</u>	<u>\$ 40,270</u>	<u>\$ 4,365,614</u>	<u>\$ 289,687</u>	<u>\$ 6,175,571</u>
Liabilities:					
Accounts payable	\$ 424	\$ 250	\$ -	\$ -	\$ 674
Due to other funds	-	244,075	-	-	244,075
Total Liabilities	<u>424</u>	<u>244,325</u>	<u>-</u>	<u>-</u>	<u>244,749</u>
Deferred inflows of resources:					
Unavailable revenues	<u>1,314,445</u>	<u>40,012</u>	<u>3,934,156</u>	<u>-</u>	<u>5,288,613</u>
Fund balances:					
Restricted:					
Debt service (deficit)	165,131	(244,067)	431,458	289,687	642,209
Total fund balances	<u>165,131</u>	<u>(244,067)</u>	<u>431,458</u>	<u>289,687</u>	<u>642,209</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,480,000</u>	<u>\$ 40,270</u>	<u>\$ 4,365,614</u>	<u>\$ 289,687</u>	<u>\$ 6,175,571</u>

CITY OF PARKVILLE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service Fund
For the Year Ended December 31, 2015

	River Park	Certificates of Participation	Brush Creek	Brink Meyer	Totals
Revenues:					
Taxes	\$ -	\$ 338,662	\$ -	\$ -	\$ 338,662
Special assessments	332,806	-	256,198	91	589,095
Interest	178	11,179	3,755	2,743	17,855
Total Revenues	<u>332,984</u>	<u>349,841</u>	<u>259,953</u>	<u>2,834</u>	<u>945,612</u>
Expenditures:					
Debt service:					
Principal	275,000	270,000	-	-	545,000
Interest and fiscal charges	46,680	257,320	230,663	182,874	717,537
Advance refunding payment	-	1,346,056	-	-	1,346,056
	<u>321,680</u>	<u>1,873,376</u>	<u>230,663</u>	<u>182,874</u>	<u>2,608,593</u>
Excess of Revenues Over (Under) Expenditures	11,304	(1,523,535)	29,290	(180,040)	(1,662,981)
Other financing sources (uses):					
Transfers in	-	217,500	-	178,124	395,624
Proceeds from certificates of participation	-	3,383,722	-	-	3,383,722
Payment to escrow agent	-	(3,383,722)	-	-	(3,383,722)
Total Other Financing Sources	<u>-</u>	<u>217,500</u>	<u>-</u>	<u>178,124</u>	<u>395,624</u>
Change in fund balance	11,304	(1,306,035)	29,290	(1,916)	(1,267,357)
Fund Balances, Beginning of Year	<u>153,827</u>	<u>1,061,968</u>	<u>402,168</u>	<u>291,603</u>	<u>1,909,566</u>
Fund Balances (deficit), End of Year	<u>\$ 165,131</u>	<u>\$ (244,067)</u>	<u>\$ 431,458</u>	<u>\$ 289,687</u>	<u>\$ 642,209</u>

CITY OF PARKVILLE, MISSOURI
Combining Balance Sheet - Non-major Governmental Funds
December 31, 2015

	Special Revenue Funds							Permanent Fund	Capital Project Fund	Totals	
	Economic Development	Nature Sanctuary	Parks Donations	Court Recoupment Fees	Police Training Fees LET	Police Shop	TIF Development	Market Place Development	Fewson Project		Capital Projects
	Assets										
Cash and investments	\$ 881	\$ 34,708	\$ 36,377	\$ 38,929	\$ 43,477	\$ 11,550	\$ 12,444	\$ 9,416	\$ -	\$ 58,512	\$ 246,294
Restricted cash and investments	-	-	-	-	-	-	-	-	569,204	-	569,204
Total Assets	\$ 881	\$ 34,708	\$ 36,377	\$ 38,929	\$ 43,477	\$ 11,550	\$ 12,444	\$ 9,416	\$ 569,204	\$ 58,512	\$ 815,498
Liabilities and Fund Balances											
Liabilities:											
Accounts payable	\$ -	\$ -	\$ 11,173	\$ -	\$ 2,015	\$ 2,849	\$ -	\$ -	\$ -	\$ 1,768	\$ 17,805
Total Liabilities	-	-	11,173	-	2,015	2,849	-	-	-	1,768	17,805
Fund balances											
Nonspendable:											
Fewson trust	-	-	-	-	-	-	-	-	566,997	-	566,997
Restricted:											
Capital projects	-	-	-	-	-	-	-	-	2,207	-	2,207
Public safety	-	-	-	38,929	41,462	8,701	-	-	-	-	89,092
Parks and recreation	-	34,708	25,204	-	-	-	-	-	-	-	59,912
Community development	881	-	-	-	-	-	12,444	9,416	-	-	22,741
Assigned:											
Capital projects	-	-	-	-	-	-	-	-	-	56,744	56,744
Total fund balances	881	34,708	25,204	38,929	41,462	8,701	12,444	9,416	569,204	56,744	797,693
Total liabilities and fund balances	\$ 881	\$ 34,708	\$ 36,377	\$ 38,929	\$ 43,477	\$ 11,550	\$ 12,444	\$ 9,416	\$ 569,204	\$ 58,512	\$ 815,498

CITY OF PARKVILLE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2015

	Special Revenue Funds							Permanent	Capital	Totals	
	Economic Development	Nature Sanctuary	Parks Donations	Court Recoupment Fees	Police Training Fees LET	Police Shop	TIF Development	Market Place Development	Fewson Project		Capital Projects
Revenues:											
Taxes	\$ 3,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,527	\$ -	\$ -	\$ -	\$ 273,781
Intergovernmental	-	-	-	-	-	-	160,125	-	-	50,000	210,125
Charges for services	-	-	-	2,189	2,767	-	-	-	-	-	4,956
Interest	-	-	-	-	-	-	12	9	11,313	-	11,334
Grants	-	-	-	-	-	-	-	-	-	58,540	58,540
Other	-	6,377	7,761	-	-	8,559	-	-	-	-	22,697
Total Revenues	3,254	6,377	7,761	2,189	2,767	8,559	430,664	9	11,313	108,540	581,433
Expenditures:											
Current:											
Public safety	-	-	-	2,138	5,522	3,828	-	-	-	-	11,488
Parks and recreation	-	14,450	28,351	-	-	-	-	-	-	-	42,801
Community development	2,777	-	-	-	-	-	436,024	-	-	-	438,801
Capital outlay	-	-	-	-	-	-	-	-	-	73,295	73,295
	<u>2,777</u>	<u>14,450</u>	<u>28,351</u>	<u>2,138</u>	<u>5,522</u>	<u>3,828</u>	<u>436,024</u>	<u>-</u>	<u>-</u>	<u>73,295</u>	<u>566,385</u>
Excess of Revenues Over (Under) Expenditures	477	(8,073)	(20,590)	51	(2,755)	4,731	(5,360)	9	11,313	35,245	15,048
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	-	-	4,577	4,577
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	4,577	4,577
Change in fund balance	477	(8,073)	(20,590)	51	(2,755)	4,731	(5,360)	9	11,313	39,822	19,625
Fund Balances, Beginning of Year	404	42,781	45,794	38,878	44,217	3,970	17,804	9,407	557,891	16,922	778,068
Fund Balances, End of Year	<u>\$ 881</u>	<u>\$ 34,708</u>	<u>\$ 25,204</u>	<u>\$ 38,929</u>	<u>\$ 41,462</u>	<u>\$ 8,701</u>	<u>\$ 12,444</u>	<u>\$ 9,416</u>	<u>\$ 569,204</u>	<u>\$ 56,744</u>	<u>\$ 797,693</u>

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Reserve Fund
For the Year Ended December 31, 2015

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Total Revenues	\$ -	\$ -	\$ -	\$ -
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	-	-
Other financing sources (uses):				
Transfers in	60,000	60,000	60,000	-
Transfers out	-	-	(178,124)	(178,124)
Total Other Financing Sources (Uses)	60,000	60,000	(118,124)	(178,124)
Change in fund balance	<u>\$ 60,000</u>	<u>\$ 60,000</u>	(118,124)	<u>\$ (178,124)</u>
Fund Balance, Beginning of Year			<u>1,387,966</u>	
Fund Balance, End of Year			<u>\$ 1,269,842</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Funds
For the Year Ended December 31, 2015

	River Park			Certificates of Participation			Brush Creek			Brink Meyer			Totals		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:															
Taxes	\$ -	\$ -	\$ -	\$ 337,167	\$ 338,662	\$ 1,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,167	\$ 338,662	\$ 1,495
Special assessments	323,800	332,806	9,006	-	-	-	388,030	256,198	(131,832)	275,166	91	(275,075)	986,996	589,095	(397,901)
Interest	200	178	(22)	10,100	11,179	1,079	4,520	3,755	(765)	3,330	2,743	(587)	18,150	17,855	(295)
Total Revenues	324,000	332,984	8,984	347,267	349,841	2,574	392,550	259,953	(132,597)	278,496	2,834	(275,662)	1,342,313	945,612	(396,701)
Expenditures:															
Debt service:															
Principal	275,000	275,000	-	270,000	270,000	-	-	-	-	-	-	-	545,000	545,000	-
Interest and fiscal charges	49,000	46,680	2,320	294,517	257,320	37,197	392,550	230,663	161,887	278,496	182,874	95,622	1,014,563	717,537	297,026
Refunding payment	-	-	-	-	1,346,056	(1,346,056)	-	-	-	-	-	-	-	1,346,056	(1,346,056)
Total Expenditures	324,000	321,680	2,320	564,517	1,873,376	(1,308,859)	392,550	230,663	161,887	278,496	182,874	95,622	1,559,563	2,608,593	(1,049,030)
Excess of Revenues Over															
(Under) Expenditures	-	11,304	11,304	(217,250)	(1,523,535)	(1,306,285)	-	29,290	29,290	-	(180,040)	(180,040)	(217,250)	(1,662,981)	(1,445,731)
Other financing sources (uses):															
Transfers in	-	-	-	217,250	217,500	(250)	-	-	-	-	178,124	(178,124)	217,250	395,624	(178,374)
Proceeds from certificates of participation	-	-	-	-	3,383,722	(3,383,722)	-	-	-	-	-	-	-	3,383,722	(3,383,722)
Payment to escrow agent	-	-	-	-	(3,383,722)	3,383,722	-	-	-	-	-	-	-	(3,383,722)	3,383,722
Total Other Financing Sources (Uses)	-	-	-	217,250	217,500	(4,692,831)	-	-	-	-	178,124	(178,124)	217,250	395,624	(178,374)
Change in fund balance	<u>\$ -</u>	<u>11,304</u>	<u>\$ 11,304</u>	<u>\$ -</u>	<u>(1,306,035)</u>	<u>\$ (5,999,116)</u>	<u>\$ -</u>	<u>29,290</u>	<u>\$ 29,290</u>	<u>\$ -</u>	<u>(1,916)</u>	<u>\$ (358,164)</u>	<u>\$ -</u>	<u>(1,267,357)</u>	<u>\$ (1,624,105)</u>
Fund Balance, Beginning of Year		<u>153,827</u>			<u>1,061,968</u>			<u>402,168</u>		<u>291,603</u>				<u>1,909,566</u>	
Fund Balance (deficit), End of Year		<u>\$ 165,131</u>			<u>\$ (244,067)</u>			<u>\$ 431,458</u>		<u>\$ 289,687</u>				<u>\$ 642,209</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Economic Development
For the Year Ended December 31, 2015

	2015		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 1,500	\$ 1,500	\$ 3,254	\$ 1,754
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>3,254</u>	<u>1,754</u>
Expenditures:				
Community development	-	-	2,777	(2,777)
Total Expenditures	<u>-</u>	<u>-</u>	<u>2,777</u>	<u>(2,777)</u>
Change in fund balance	<u>\$ 1,500</u>	<u>\$ 1,500</u>	477	<u>\$ (1,023)</u>
Fund Balance, Beginning of Year			<u>404</u>	
Fund Balance, End of Year			<u>\$ 881</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Nature Sanctuary
For the Year Ended December 31, 2015

	2015		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Other	\$ 3,500	\$ 3,500	\$ 6,377	\$ 2,877
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>6,377</u>	<u>2,877</u>
Expenditures:				
Parks and recreation	4,000	4,000	14,450	(10,450)
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>14,450</u>	<u>(10,450)</u>
Change in fund balance	<u>\$ (500)</u>	<u>\$ (500)</u>	(8,073)	<u>\$ (7,573)</u>
Fund Balance, Beginning of Year			<u>42,781</u>	
Fund Balance, End of Year			<u>\$ 34,708</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Parks Donations
For the Year Ended December 31, 2015

	2015		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Other	\$ -	\$ -	\$ 7,761	\$ 7,761
Total Revenues	<u>-</u>	<u>-</u>	<u>7,761</u>	<u>7,761</u>
Expenditures:				
Parks and recreation	15,000	15,000	28,351	(13,351)
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>28,351</u>	<u>(13,351)</u>
Change in fund balance	<u>\$ (15,000)</u>	<u>\$ (15,000)</u>	(20,590)	<u>\$ (5,590)</u>
Fund Balance, Beginning of Year			<u>45,794</u>	
Fund Balance, End of Year			<u>\$ 25,204</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Fewson Fund
For the Year Ended December 31, 2015

	2015		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Interest	\$ 4,914	\$ 4,914	\$ 11,313	\$ 6,399
Total Revenues	<u>4,914</u>	<u>4,914</u>	<u>11,313</u>	<u>6,399</u>
Expenditures:				
Capital outlay	157,982	157,982	-	157,982
Total Expenditures	<u>157,982</u>	<u>157,982</u>	<u>-</u>	<u>157,982</u>
Change in fund balance	<u>\$ (153,068)</u>	<u>\$ (153,068)</u>	11,313	<u>\$ 164,381</u>
Fund Balance, Beginning of Year			<u>557,891</u>	
Fund Balance, End of Year			<u>\$ 569,204</u>	

CITY OF PARKVILLE, MISSOURI
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Projects
For the Year Ended December 31, 2015

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 30,000	\$ 30,000	\$ 50,000	\$ 20,000
Grants	183,585	183,585	58,540	(125,045)
Total Revenues	<u>213,585</u>	<u>213,585</u>	<u>108,540</u>	<u>(105,045)</u>
Expenditures:				
Capital outlay	213,585	213,585	73,295	140,290
Total Expenditures	<u>213,585</u>	<u>213,585</u>	<u>73,295</u>	<u>140,290</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>35,245</u>	<u>35,245</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>4,577</u>	<u>4,577</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>4,577</u>	<u>4,577</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	39,822	<u>\$ 39,822</u>
Fund Balance, Beginning of Year			<u>16,922</u>	
Fund Balance, End of Year			<u>\$ 56,744</u>	

CITY OF PARKVILLE, MISSOURI

**REQUIRED COMMUNICATIONS
AND MANAGEMENT LETTER**

For the Year Ended December 31, 2015

City of Parkville, Missouri

Required Communications and Compliance Report For the Year Ended December 31, 2015

Table of Contents

	<u>Page Number</u>
Required Communications and Management Letter	1-7
Compliance Report:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	8-9
Schedule of Findings and Responses	10



COCHRAN HEAD VICK & CO., P.C.

Certified Public Accountants

June 15, 2016

1251 NW Briarcliff Pkwy
Suite 125
Kansas City, MO 64116
(816) 584-9955
Fax (816) 584-9958

To the Honorable Mayor and
Board of Aldermen
City of Parkville, Missouri

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Parkville, Missouri (the City) for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you that is incorporated as an exhibit to the professional auditing services agreement dated November 2, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City implemented Government Accounting Standards Board (GASB) Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date* in 2015. In addition, as described in Note 11, management determined that certain adjustments to beginning net position/fund balances were necessary. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Significant accounting estimates used by the City's management include determining the allowance for doubtful accounts, the estimated historical cost of infrastructure and the related estimated useful lives used in recording depreciation and accumulated depreciation for capital assets, and the estimated obligation relating to pension benefits. We evaluated the key factors and assumptions used in developing the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the disclosure of certain special assessments in Note 7 to the financial statements and adjustments to beginning net position/fund balances disclosed in Note 11 to the financial statements.

The financial statement disclosures are neutral, consistent and clear.

Other Offices

1333 Meadowlark Lane
Kansas City, KS 66102
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(913) 287-0010 FAX

5700 Broadmoor Street, Suite 202
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(913) 378-1177 FAX

400 Jules Street
Suite 415
St. Joseph, MO 64501
(816) 364-1118
(816) 364-6144 FAX

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of our audit procedures were corrected by management. The adjustments include both current year adjustments and prior period adjustments:

- An adjustment was required to reduce leases payable for principle payments of \$149,350.
- Adjustments to record trust account activity and debt service payments related to the SRF bonds of \$520,906.
- Adjustments to record special assessment receivables related to general obligation debt of \$8,292,395 and additional accrued liabilities of \$4,854.
- An adjustment to record the expiration of prepaid insurance of \$84,969.
- Adjustments to record additional accounts payable of \$17,609.
- Adjustments to correct capital assets of \$640,450 for the proprietary fund.
- Adjustments to correct capital assets of \$1,950,932 for governmental activities.
- Adjustment to properly recognize sales tax revenues of \$103,023.
- Adjustment to eliminate land held for resale of \$8,472,776.
- Adjustment to record allowance for uncollectable sewer receivable \$40,000.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. There was a disagreement regarding the recording of land held for redevelopment. We are pleased to report that the disagreement was satisfactorily resolved.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 15, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to City's management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of employer contributions and comparison of needed-to-actual maintenance/preservation of infrastructure capital assets, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund statements and schedules which accompany the financial statements but are not RSI. With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Parkville, Missouri as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in the City's internal control described under Financial Reporting to be material weaknesses.

As part of our annual audit, we try to identify opportunities for improving the management of financial resources and for improving the internal controls over financial reporting. We are submitting, for your consideration, our observations and recommendations with regard to these matters.

Management's responses to our comments are included with this report. We did not audit the City's responses and, accordingly, we express no opinion on them.

CURRENT YEAR COMMENTS

Financial Reporting – Material Weakness

Management is responsible for establishing, maintaining and monitoring internal controls over financial reporting, and for the fair presentation of the financial statements and related notes in conformity with U.S. generally accepted accounting principles. Under our professional standards, we have to assess the City's controls over preparing the financial statements including assessing the skills and competencies necessary to prevent, detect, and correct a material misstatement.

Our audit procedures identified adjustments that were required to properly report certain transactions of the City in accordance with generally accepted accounting principles. These adjustments were not initially identified by the City's internal controls over financial reporting.

We recommend that management review year-end closing procedures to ensure that transactions are properly recorded in accordance with generally accepted accounting principles. In addition, due to the complexities of financial reporting, we recommend that management explore various alternatives for improving the controls over financial reporting including the use of governmental accounting standards, reference guides and continuing education and training courses.

Management's Response

The audit of the city's 2013 financial statements made a similar recommendation that, "the City would find it beneficial if personnel had some knowledge of future accounting changes and their impact on Parkville's financial statements." Staff and the Board of Aldermen responded to the recommendation and, since that time, has increased the budget and time available for professional development for finance staff. Finance staff attended multiple seminars covering topics such as Long-Term Financial Planning and Fiduciary Facts, Fallacies-How the SEC's Municipal Advisor Rule is Fairing and Why it Matters and Pension Challenges Ahead-GASB Update. Additionally, the City's Finance/Human Resources Director will be attending the Government Finance Officers Association of Missouri's Accounting Academy in May 2016. This intensive four-day workshop combines lecture, discussion and exercise for an overview of governmental accounting, auditing and financial reporting.

With regard to audit adjustments, in the past staff routinely made the adjustments following consultation with the auditor during the audit review process. This was intentional since often there was discussion about the proper application of accounting principles or auditing standards. For example, during the fiscal year 2014 audit, staff challenged the appropriateness of reporting approximately \$8.5 million of land held for resale. This was related to property in the Brush Creek Drainage and Brink Meyer Road Neighborhood Improvement Districts (NIDs). Staff was assured by the previous auditor that this was the best way to account for the asset, even though the City did not own the underlying land. In the future, staff will make the appropriate adjustments during the year-end closings prior to review by the auditor. Staff will use all available reference guides to provide a checklist of tasks to ensure accurate and timely financial reporting. Staff understands that the City is ultimately accountable for the accuracy of the financial statements and will endeavor to increase the in-house knowledge of governmental accounting standards to improve this reporting process in the future.

Capital Assets

During our audit we noted that the City could not provide a detailed listing of governmental infrastructure capital assets. City staff subsequently provided a detail listing of governmental infrastructure after substantial research. We recommend that the City maintain and update the listing as activities occur.

Management Response

Prior to this year, the City did have an inventory of assets but did not associate a value with the assets listed in the inventory. That work is complete and will be updated annually as part of the year-end closing process and as new assets are added to the City's inventory.

Budgeting

For the year ended December 31, 2015, actual expenditures exceeded budgeted appropriations in the following funds:

<u>Fund</u>	<u>Expenditures in Excess of Budget Appropriations</u>
Economic Development	\$ 2,777
Nature Sanctuary	10,450
Parks Donations	13,351
Debt Service Fund (Certificates of Participation)	4,692,581
Reserve Fund	178,124

We recommend that management review its processes and procedures for monitoring and amending the budget.

Management's Response

Management is not aware that the City has ever previously adopted a budget amendment. It has not been done in recent history, since there is no statutory requirement to do so. In each instance of expenditures exceeding budgeted appropriations, adequate funds were available for the purchase, and the purchase was authorized by the appropriate authority in accordance with the City's adopted purchasing policy. Based on the recommendation of the auditor, staff will prepare and present budget amendments as needed in the future. The expense in the Economic Development Fund was a result of the City's participation with the Parkville Economic Development Council in the 2015 Platte County Community Development Day. The expense in the Parkville Nature Sanctuary Fund occurred after funds were expended in 2015 for tree trimming in Sullivan Nature Sanctuary. The City received a Tree Resource Improvement and Maintenance (TRIM) grant that fully funded the tree trimming expense, but the funds were not received until 2016. The expense in the Parks Donation Fund resulted from timing of costs associated with the architectural design of the English Landing Park restroom project that were anticipated to occur in 2016. The Debt Service Fund expense reflects payments of principal and interest made to the escrow agent as part of the refinancing of the 2006 series of Certificates of Participation bonds to more favorable interest rates. This refinancing benefitted the City with lower annual debt payments and a reduction in total debt of \$1,246,278. The Reserve Fund expense was the amount needed to cover the debt service payments due from the Brink Meyer NID Fund. As no assessments were collected for this fund in 2015, reserve funds were used to cover the payments. The City intends on reimbursing the Reserve Fund to the extent that there are available resources should the recovery of delinquent assessments occur.

Sewer Allowance for Doubtful Accounts

During the audit we noted that the City's sewer accounts receivable consisted of several outstanding balances that were deemed to be uncollectible. We recommend that management periodically analyze and review the receivable accounts to identify accounts that are uncollectible. We also suggest that the City review their collection efforts and monitoring of slow paying or past due accounts to improve overall collections.

Management's Response

In 2013-14, following the transition of sewer billing from the water company back to the City, the City did extensive work to create policies and procedures for collecting delinquent sewer payments. The new process included provisions for property liens and water shutoffs for delinquent customers. Within six months, the City collected approximately \$40,000 of delinquent payments. This process worked well until a staff transition in mid-2015. The delinquency process was abandoned for approximately six months, but it has since been reinstated through additional staff training and support. Staff previously identified a batch of account balances deemed to be uncollectible, but at that time staff was researching a possible relationship with a collection company to pursue overdue balances. That work was also abandoned following the staff transition. Staff is working now to revise the listing of uncollectible accounts to make a recommendation to the Board of Aldermen for writing off bad debt. In addition, staff is now better documenting the various tasks for sewer billing and delinquency collections to ensure continuity in the event of future staff changes.

Municipal Court

The Municipal Court collects fines and court costs and deposits those funds into a bank account. The monies collected are to be distributed to the State of Missouri, the City of Parkville or other agencies in accordance with State Statute and City Ordinances. It was noted during the audit that the bank account was not reconciled on a timely basis and carried an account balance of \$12,971 as of December 31, 2015. The Court could not provide a detail of the amounts owed to the entities described above for the amount remaining in the fund. We recommend that the City reconcile the remaining amount in the fund to ensure that fines and court costs collected are appropriately distributed in accordance with state and municipal regulations.

Management's Response

Court and finance staff continue to research the account balance to determine the source and the appropriate distribution of these funds. Court staff currently reconciles bank accounts manually each month and each reconciliation is reviewed by the Finance/Human Resources Director. Future reconciliations will be conducted by City finance staff

Administrative and Support Services

The General Fund provides administrative and support services for the benefit of the Sewer Fund. The administrative and support services fee is based on management's estimate of the administrative and support service costs attributable to the Sewer Fund. We recommend that management implement additional procedures to better document and support the administrative and support services fees paid to the General Fund.

Management's Response

Management agrees with the recommendation and, in fact, previously identified the need during the 2016 budget process. Management engaged the city's financial advisor Springsted, Inc. to perform a Wastewater Administration Charge Allocation Study to review and recommend a wastewater administrative charge allocation for General Fund activities performed for the Sewer Service Fund. The work will be completed well in advance of the 2017 budget process.

Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has recently issued the following statements which may impact the City's financial reporting requirements in the future:

- GASB Statement 72 – *Fair Value Measurement and Application*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, effective for the fiscal year beginning on January 1, 2017.
- GASB Statement 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the fiscal year beginning on January 1, 2018.
- GASB Statement 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 77 – *Tax Abatement Disclosures*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 79 – *Certain External Investment Pools and Pool Participants*, effective for the fiscal year beginning on January 1, 2016.
- GASB Statement 80 – *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, effective for the fiscal year beginning on January 1, 2017.
- GASB Statement 81 – *Irrevocable Split-Interest Agreements*, effective for the fiscal year beginning on January 1, 2017.
- GASB Statement 82 – *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, effective for the fiscal year beginning on January 1, 2017.

We recommend management review these standards to determine the impact they may have on the City's financial reporting.

Management's Response

City staff will review all recent and upcoming GASB statements and ensure that any required changes are incorporated in future financial reporting.

CONCLUSION

We hope the above comments are beneficial. We would welcome the opportunity to provide additional information or assistance regarding internal controls or enhancement of operational efficiency or to assist in the implementation of suggestions or recommendations made during our audit.

This report is intended solely for the information and use of the Mayor and the Board of Aldermen and the management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

Cochran Hand Vick & Co. P.C.

COMPLIANCE REPORT



COCHRAN HEAD VICK & CO., P.C.

Certified Public Accountants

251 NW Briarcliff Pkwy
Suite 125
Kansas City, MO 64116
(816) 584-9955
Fax (816) 584-9958

Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

To the Honorable Mayor and Board of Aldermen
City of Parkville, Missouri

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Raytown, Missouri (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 15, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2015-01 to be material weaknesses.

Other Offices

1333 Meadowlark Lane
Kansas City, KS 66102
(913) 287-4433
(913) 287-0010 FAX

5700 Broadmoor Street, Suite 202
Merriam, Kansas 66202
(913) 378-1100
(913) 378-1177 FAX

400 Jules Street
Suite 415
St. Joseph, MO 64501
(816) 364-1118
(816) 364-6144 FAX

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The City's Response to the Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kansas City, Missouri
June 15, 2016

Cochran Hard Vick & Co. P.C.

City of Parkville, Missouri
Schedule of Findings and Responses
For the Year December 31, 2015

2015-01 Financial Reporting

Condition

Our audit procedures identified adjustments that were required to properly report certain transactions of the City in accordance with generally accepted accounting principles. These adjustments were not initially identified by the City's internal controls over financial reporting.

Criteria

Internal controls should be in place to ensure year-end balances and external financial reporting conforms to generally accepted accounting principles.

Cause

Year-end procedures were not sufficient to identify the adjustments noted above in a timely manner.

Effect

Potential exists for material misstatements to the financial statements.

Recommendation

We recommend that management review year-end closing procedures to ensure that transactions are properly recorded in accordance with generally accepted accounting principles. Additionally, due to the complexities of financial reporting, we recommend that management continue exploring various alternatives for improving the controls over financial reporting including the use of governmental accounting standards, reference guides and continuing education and training courses.

Management's Response/Corrective Action

The audit of the city's 2013 financial statements made a similar recommendation that, "the City would find it beneficial if personnel had some knowledge of future accounting changes and their impact on Parkville's financial statements." Staff and the Board of Aldermen responded to the recommendation and, since that time, has increased the budget and time available for professional development for finance staff. Finance staff attended multiple seminars covering topics such as Long-Term Financial Planning and Fiduciary Facts, Fallacies-How the SEC's Municipal Advisor Rule is Fairing and Why it Matters and Pension Challenges Ahead-GASB Update. Additionally, the City's Finance/Human Resources Director will be attending the Government Finance Officers Association of Missouri's Accounting Academy in May 2016. This intensive four-day workshop combines lecture, discussion and exercise for an overview of governmental accounting, auditing and financial reporting.

With regard to audit adjustments, in the past staff routinely made the adjustments following consultation with the auditor during the audit review process. This was intentional since often there was discussion about the proper application of accounting principles or auditing standards. For example, during the fiscal year 2014 audit, staff challenged the appropriateness of reporting approximately \$8.5 million of land held for resale. This was related to property in the Brush Creek Drainage and Brink Meyer Road Neighborhood Improvement Districts (NIDs). Staff was assured by the previous auditor that this was the best way to account for the asset, even though the City did not own the underlying land. In the future, staff will make the appropriate adjustments during the year-end closings prior to review by the auditor. Staff will use all available reference guides to provide a checklist of tasks to ensure accurate and timely financial reporting. Staff understands that the City is ultimately accountable for the accuracy of the financial statements and will endeavor to increase the in-house knowledge of governmental accounting standards to improve this reporting process in the future.



CITY OF PARKVILLE
Memorandum

Date: Wednesday, June 22, 2016

To: Mayor and Board of Aldermen

From: Steve Berg, Treasurer
Matthew Chapman, Finance & Human Resources Director

CC: Lauren Palmer, City Administrator

RE: Comments on Audit Report and Management Letter with responses

Below is a summary of questions or requests for additional information that were raised by Alderman Robert Lock after the presentation of the Draft Audit Report and Management Letter at the Finance Committee meeting on May 9, 2016. Responses are provided with each question for review prior to the Finance Committee meeting on June 27, 2016.

1. Assuming the auditor issues an unmodified opinion, will there be any discussion in the report of the prior period adjustments?

Yes – with respect to change in accounting principles with the implementation of GASB 68.

2. Are there any unique highlights in the Management’s Discussion and Analysis compared to last year?

2015 highlights include:

The City’s governmental funds showed a combined ending balance of \$4,684,135, a decrease of \$1,177,886 from the prior year. Approximately 34 percent of the fund balance, \$1,579,944 is unassigned and available for spending at the City’s discretion.

The City’s total long-term debt decreased \$2,088,833. Debt connected with the City’s government activities decreased \$1,791,564 primarily due to the pay down and refunding of the City’s 2006 Certificate of Participation. Debt connected with the City’s business-type activities decreased \$297,269 as the City paid off a capital lease obligation early.

3. How are unavailable revenues computed?

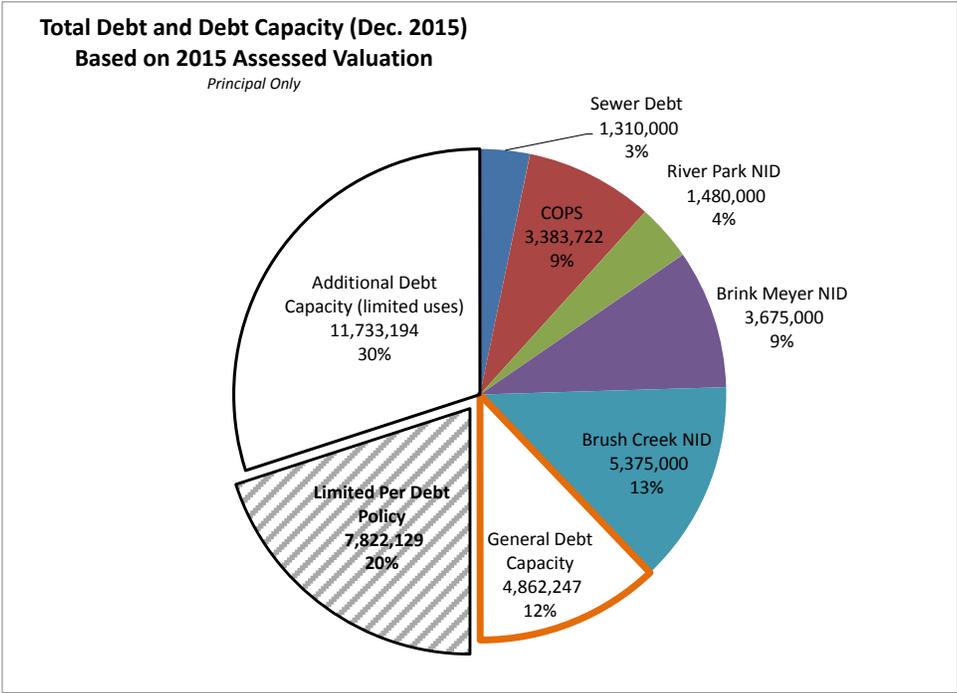
Unavailable revenues are computed as a combination of the following:

1. General Fund - Property taxes received in late 2015 for 2016.
2. Transportation Fund - Money held in escrow for The National’s contribution to Water’s Edge street repairs.
3. Debt Service Fund - Future receivables from future year special assessments.

The large amounts shown as long-term receivables are the result of past and future unpaid Neighborhood Improvement District (NID) special assessments over the 20-year life of the related limited general obligation bonds.

4. As a relative percentage, how is Parkville doing as it pertains to debt service to total governmental funds?

With the most recent general obligation bond issue in 2014, the City was upgraded to an AA rating, which is a good indicator of the city’s financial health and solid debt position. The City’s Debt Management Policy (Resolution No. 09-01-14) states that the City’s total general obligation indebtedness should not exceed 80% of the limit prescribed by state law. The chart below demonstrates that the City is well within this self-imposed limit.



Additionally, staff prepared the chart below detailing the debt status of the city based on the Standard & Poor methodology for assessing the debt and contingent liabilities for credit ratings.

Ratio	S&P Benchmark	Parkville
1. Total net governmental fund debt as a percentage of assessed value (12/31/15)	Less than 10%	7.90%
2. Total net governmental fund debt as a percentage of estimated market value (estimated as 4 times assessed value) (12/31/15)	Less than 10%	1.99%
3. Total net governmental funds debt service as a percentage of total governmental funds expenditures (2015)	Less than 60%	20%
4. Total net governmental debt amortization within 10 years (June 30, 2016 to June 30, 2026)	Greater than 65%	65.40%

Notes:

- *The first two calculations are based on debt totals from the 2015 audit and the 2015 assessed valuation.*
- *#3 uses data from pages 15 and 17 of the 2015 audit, and SRF debt data from the SRF debt payment schedule.*
- *#4 uses data from debt payment schedules for the various debt issues.*
- *All of the above combine all debt of the City, including NIDs and the Sewer proprietary fund (SRF).*

5. Was the negative net change in fund balance expected?

The (\$1,267,357) net change in Fund Balance-Debt Service was a reduction in debt due to certificates of participation refinancing and was not anticipated until mid-2015 when the city began exploring refinancing options.

6. Should the balance of the Emergency Reserve Fund be categorized as “assigned” based on the policy limiting uses adopted by the Board of Aldermen?

After reviewing the Reserve Policy (Resolution No. 12-01-13), the auditors concurred with staff that the Emergency Reserve Fund balance should be reflected as “committed,” which means the funds are constrained by city management’s intent to be used for a specific purpose. The change is reflected in the final version of the audit.

7. Is an ordinance required to amend the budget?

Yes, since the budget is adopted by ordinance, an ordinance is required to amend it. Staff is not aware of a statutory requirement to amend the budget if expenditures exceed budget appropriations, but it is a good management practice recommended by the auditors. In each instance noted in the 2015 audit of expenditures exceeding budgeted appropriations, adequate funds were available for the purchase, and the purchase was authorized by the appropriate authority in accordance with the City’s adopted purchasing policy. Based on the recommendation of the auditor, staff will prepare and present budget amendments as needed in the future.

8. Is the Transportation Sales Tax dedicated to a particular activity or can it be used as General Revenue?

Transportation Sales Tax proceeds must be used for transportation related activities/expenses. However this definition is pretty broad. Until fairly recently the City included these taxes in the General Fund and only transferred amounts to the transportation fund as needed to cover actual street repaving and repair expenses (capital type expenses). Now all capital and non-personnel operating costs associated with transportation maintenance are accounted for in the Transportation Fund. Over the past several years the Board has implemented a strategy to incrementally reduce the transfer from the Transportation Fund to the General Fund for personnel expenses for street maintenance. This is intended to preserve more funding for capital maintenance expenses. Putting all the transportation-specific revenue in a separate fund has the advantage of making it easy to ensure that transportation revenues are dedicated to transportation expenses.

9. Is the total of grants (federal, state, local) recorded in 2015 correct? The value of \$65,803 seems low.

This value is slightly low with the following explanations:

\$50,000 – non major funds – The amount includes a portion of the partner contributions for the Route 9 Corridor Study (\$20,000 MODOT, \$15,000 City of Riverside, and \$15,000 Platte County). The Park University contribution of \$10,000 was omitted but is included in the revised audit.

\$15,803 – General Fund – this amount only includes a FEMA flood reimbursement. A \$345 bulletproof vest grant and an \$8,137 Tree Resource Improvement and Maintenance (TRIM) grant were added to the grant total in the final version of the audit.

Depending on how a grant is awarded and managed, it may not be reflected in the City's financial statements. For example, in 2015 the City received a grant from the Mid-America Regional Council (MARC) for \$113,586 for the Route 9 Corridor Study. Since MARC handled the grant administration, it made payments to the contractor on the city's behalf.

10. Is the 0 year set back for males and females reference in the Actuarial Assumptions section correct?

Yes. Based on the actuarial calculations performed for the purpose of satisfying the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 68, this is correct. A copy of the General Division Notes to Schedule of Contributions page from the GASB Accounting Schedule is provided in Attachment A.

11. Should Note 11 include a dollar amount? Should the prior period be restated?

The dollar amounts associated to each of the adjustments described in note 11 were reported on the following page in tabular format. Prior period amounts were restated in the City's MD&A.

	Governmental Funds	Governmental Activities	Sewer Fund/Business- type Activities
Net position/fund balance, beginning of year as previously reported	\$ 5,758,998	\$ 5,587,140	\$ 3,400,421
Revenue recognition - sales taxes	103,023	103,023	-
Debt service activity	-	-	(51,957)
Capital assets	-	1,583,834	(78,860)
Land held for resale	-	(8,472,776)	-
Special assessments	-	9,950,932	-
Changes in accounting and reporting related to the City's pension plans	-	(53,242)	-
Net Position, beginning of year as restated	<u>\$ 5,862,021</u>	<u>\$ 8,698,911</u>	<u>\$ 3,269,604</u>

**Attachment A:
General Division Notes to Schedule of Contributions page from the GASB Accounting
Schedule**

Missouri LAGERS – The City of Parkville

Section B

**General Division
Notes to Schedule of Contributions**

Valuation Date:	February 28, 2015
Notes:	The roll-forward of total pension liability from February 28, 2015 to June 30, 2015 reflects expected service cost and interest reduced by actual benefit payments and administrative expenses.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Multiple bases from 15 to 24 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	3.5% wage inflation; 3.0% price inflation
Salary Increases	3.5% to 6.8% including wage inflation
Investment Rate of Return	7.25%, net of investment and administrative expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.
Other Information:	None

**Report to
The Honorable Mayor
and Members of the Board of Aldermen**

City of Parkville, Missouri



**Financial and Compliance Audit
For the year ended December 31, 2015**

CHV

Certified Public Accountants

CHV

Certified Public Accountants

- Serving Missouri and Kansas since 1975.
- Peer Review – We have been awarded the highest rating given as a result of our peer review.
- Member of-
 - AICPA
 - AICPA Government Audit Quality Center
 - AICPA Employee Benefit Plan Audit Quality Center
 - BDO Alliance USA
 - Three (3) members of our governmental services audit team are members of the GFOA Special Review Committee
 - Licensed in Missouri, Kansas, and Nebraska

ENGAGEMENT TEAM



David Cochran, CPA
Engagement Partner



Michael Keenan, CPA
Senior Manager



Ray Miller, CPA
Senior Associate



Bethany Zimbleman, CPA
Staff Associate

Scope of Audit

- We were engaged to perform an audit of the City's basic Financial Statements.

Our Responsibilities

- Conduct our audit in accordance with Generally Accepted Auditing Standards and Government Auditing Standards.
- Plan and perform our audit to obtain reasonable, not absolute, assurance that the basic financial statements are free of material misstatement.
- Report on internal controls over financial reporting and compliance with laws and regulations.

The Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA) recommends that we communicate the following matters to the Governing Board:

City of Parkville, Missouri	
Illegal Acts – None came to our attention as a result of performing our audit procedures.	
<p>Changes in Significant Accounting Policies –</p> <ul style="list-style-type: none"> ➤ In 2015, the City changed accounting policies related to its pension plan by adopting Government Accounting Standards Board (GASB) Statement No. 68 – <i>Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.</i> ➤ Management determined that certain adjustments to beginning net position/fund balances were necessary. 	
No difficulties or disagreements with management that were not satisfactorily resolved.	
Cooperation – Full access to books and records.	

Financial and Compliance Audit addresses three basic questions:

Question	Answers
Are the financial statements free of material misstatement?	We have issued an unmodified opinion that the financial statements are fairly presented in all material respects.
Are internal controls over financial reporting adequately designed and operating effectively?	<p>We identified certain deficiencies in internal control that we consider to be material weaknesses.</p> <ul style="list-style-type: none"> ➤ Financial Reporting ➤ Capital Assets
Did the City of Parkville, Missouri comply, in all material respects, with the finance-related laws and regulations?	No material noncompliance was noted with the finance-related laws and regulations that govern the City's operations.

Other Management Letter Comments

Other Management Letter Comments – Contains suggestions for best practices and possible improvements in internal control noted in the conduct of the audit.

- Budgeting
- Sewer Allowance for Doubtful Accounts
- Municipal Court
- Administrative and Support Services
- Future Accounting Pronouncements

CHV

Certified Public Accountants

**We appreciate the opportunity to serve as the auditor
for
the City of Parkville, Missouri**

CITY OF PARKVILLE

Policy Report

DATE: Wednesday, June 29, 2016

PREPARED BY:
Stephen Lachky
Community Development Director

REVIEWED BY:
Lauren Palmer
City Administrator

ISSUE:

Approve a Resolution of Support for an Application for the Missouri Moves Cost Share Program for state fiscal year (FY) 2017 transportation funding.

BACKGROUND:

The Missouri Department of Transportation (MoDOT) is seeking projects that could be funded with the Missouri Moves Cost Share Program. This program provides financial assistance to public and private applicants for state and local projects satisfying a transportation need. Eligible projects include roads, bridges, bicycle/pedestrian accommodations and multimodal facilities. This includes costs for preliminary engineering, environmental services, right-of-way services and acquisitions, utilities, construction, construction inspections and other costs.

A total of \$20 million is available for state fiscal year 2017 (through June 30, 2017). The funding is available from General Revenue appropriations from the General Assembly). MoDOT participates up to 50 percent of the total project costs. Applications are due on July 29, 2016. Projects are selected based on the following criteria:

- Project category: Safety, preservation and system expansion
- State system project
- Applicant's level of participation
- Applicant's source of matching funds; and
- Current project status (i.e., ready to advertise for construction bids, design plans in place)

On January 5, 2016, the Board of Aldermen adopted the *Route 9 Corridor Study*. The study generated preliminary engineering designs for multimodal improvements at twelve project segments along Route 9 from Route 45 to Mattox Road in Riverside, Missouri. On March 15, 2016, the Board of Aldermen approved Resolution No. 16-004 to support an application for the Mid-America Regional Council's (MARC) 2016 Call for Projects for Federal Fiscal Year 2019-2020 federal-aid transportation funding – specifically Route 9 corridor improvements from Route 45 to Clark Ave. with a traffic signal. The total cost for these improvements is estimated to be \$1,208,000, requiring a local match commitment from the City of at least 20 percent (\$241,600). The MARC committee selection and recommendation process is currently underway and is anticipated to conclude in September 2016.

Staff reached out to MoDOT and asked if multi-modal and road improvements to Route 9 are eligible under the Missouri Moves Cost Share Program; and if so, what project costs can be counted towards an agency's project cost contributions. MoDOT stated that any federal-aid transportation funding awarded by MARC — in addition, any costs for preliminary engineering, environmental services, right-of-way services and acquisitions, utilities, construction, construction inspections and other costs — can be included as part of an agency's total project cost contribution. Additionally, MoDOT encouraged Parkville staff to submit an application.

Staff proposes submitting an application to the Missouri Moves Cost Share Program for multimodal and road improvements to the Route 9 corridor. The City's 50% local match would be provided by previously-committed funding through MARC's 2016 Call for Projects. If Parkville is not awarded federal-aid transportation funding through MARC in September 2016, then the City can withdraw its Missouri Moves Cost Share Program application.

Staff considered the project prioritization matrix tool (Attachment 2) and recommendations made by the Route 9 Steering Committee, consultant team, and Board of Aldermen to develop project application scenarios that could be submitted to the Missouri Moves Cost Share Program. Due to the commitment of anticipated funding from the proposed 9 Highway Community Improvement District (CID), staff recommends applying for eligible projects along Route 9 within the district boundary (Route 45 to Lakeview Dr.). Staff proposes using any funding awarded through the Cost Share Program in state FY 2017 on final engineering design & inspection and construction costs associated with Route 9 improvements.

BUDGET IMPACT:

Staff's recommendation is to submit an application to the Missouri Moves Cost Share Program for multimodal and road improvements to the Route 9 corridor. The City of Parkville will commit its total project cost contribution from its "Route 9 Corridor Complete Streets Improvements – Route 45 to Clark Ave." project through MARC, to its Missouri Moves Cost Share Program application. This amounts to:

- \$966,400 in MARC federal-aid transportation funding
- \$241,600 in local match (required 20 percent)
- **\$1,208,000 Total Parkville contribution (MARC application)**

MoDOT participates up to 50 percent of the total project costs. This amounts to \$1,208,000 (total project of \$2,416,000), based on the previously committed funds for the MARC application. This level of funding would be sufficient to complete project segments 1 & 2 (to the Parkville Athletic Complex) and approximately half of project segment 3 (between the Parkville Athletic Complex and Lakeview Dr.). In order to apply for adequate funds to design and construct all three project segments within the 9 Highway CID (to Lakeview Dr.), the City could commit future anticipated revenues from the CID to increase the 50 percent participation amount from MODOT. Based on the current proposed CID boundary, staff estimates annual CID revenues of \$73,500*.

Committing additional funding from the CID would bring the total estimated project costs as part of the Missouri Moves Cost Share Program application to:

- \$1,208,000 Parkville contribution (MARC application)
- \$534,000 Commitment of additional CID revenues (years 2021 – 2029)*
- \$1,742,000 MoDOT contribution

- **\$3,484,000 Total**

This level of funding is equal to the preliminary cost estimates for project segments 1 – 3 (see Attachment 2).

If awarded funding through the Missouri Moves Cost Share Program, funding would need to be obligated and/or expended by June 30, 2017. Since the "Route 9 Corridor Complete Streets Improvements – Route 45 to Clark Ave." project only has preliminary engineering completed, construction of improvements in state FY 2017 are unlikely; however, Cost Share Program funding awarded in FY 2017 could be used towards necessary final engineering design costs for

Route 9 corridor improvements throughout the proposed CID boundary (estimated \$240,249) associated with the project.

Since federal-aid transportation funding through MARC cannot be obligated until federal FY 2020 (October 2019-September 20, 2020), the City could pursue financing to cover construction-related costs in state FY 2017. The City would then reimburse the loan with federal-aid transportation funding in federal FY 2020, as well as with annual revenues (estimated at \$73,500 annually*) from the 9 Hwy CID. In addition to traditional financing instruments like a certificate of participation or lease-purchase agreement, the City will evaluate a loan through the Missouri Transportation Finance Corporation (MTFC) — which offers subsidized loans for transportation infrastructure. Staff will prepare and present construction and financing options at a later time if the Cost Share Program grant is awarded.

**Staff does not anticipate using all projected CID revenues for direct costs for improvements. Staff assumed a conservative allowance of approximately \$13,000 per year for administrative and financing costs and other non-project expenses for the 9 Highway CID.*

ALTERNATIVES:

1. Approve Resolution No. 16-011 in support of an application in the amount of \$3,484,000 for the Missouri Moves Cost Share Program for FY 2017 transportation funding to help fund transportation improvements along the Route 9 corridor. (commits additional CID funding)
2. Approve Resolution No. 16-011 in support of an application in the amount of \$2,416,000 for the Missouri Moves Cost Share Program FY 2017 transportation funding to help fund transportation improvements along the Route 9 corridor. (no additional local match commitment required)
3. Do not submit an application to the Missouri Moves Cost Share Program.

STAFF RECOMMENDATION:

Staff recommends alternative #1, that the Board of Aldermen approve Resolution No. 16-011 in support of an application in the amount of \$3,484,000 for the Missouri Moves Cost Share Program for FY 2017 transportation funding to help fund transportation improvements along the Route 9 corridor. If fully funded, the award would allow for completion of all Route 9 project segments from Route 45 to Lakeview Dr., but it would commit 9 Highway CID funding through approximately 2028 (12 years of 20-year sales tax). In order to expend/commit the funds by the deadline of June 30, 2017, the City will likely have to consider upfront financing.

POLICY:

If the grant is awarded, acceptance will bind the City for future local match funds and roadway improvements. Therefore, authorization is required by the Board of Aldermen to support the project application.

SUGGESTED MOTION:

I move to approve Resolution No. 16-011 supporting an application in the amount of \$3,484,000 for the Missouri Moves Cost Share Program for Fiscal Year (FY) 2017 transportation funding to help fund transportation improvements along the Route 9 corridor.

ATTACHMENTS:

1. Resolution No. 16-011
 2. Project Prioritization Matrix
 3. Missouri Moves Cost Share Program Announcement
 4. Letter from MoDOT Director
-

By Reference

5. Route 9 Corridor Study Report – Available online at <http://parkvillemo.gov/route-9-corridor-study/> or on loan from the City Clerk's Office.
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**CITY OF PARKVILLE, MO.
RESOLUTION No. 16-011**

**A RESOLUTION ENDORSING AN APPLICATION TO THE MISSOURI DEPARTMENT OF
TRANSPORTATION FOR THE MISSOURI MOVES COST SHARE PROGRAM**

WHEREAS, the City of Parkville deems it a high priority to improve quality of life for all citizens through its street and transportation system; and

WHEREAS, the Route 9 Corridor Study identifies important transportation concerns of area residents, specifically the need for Complete Street improvements along Missouri Route 9 to improve safety, mobility, stormwater management and multimodal accessibility; and

WHEREAS, the Route 9 Corridor Study builds off several previous planning studies and public engagement efforts including the Parkville Master Plan, Livable Communities Study, and Vision Downtown Parkville; and

WHEREAS, the Board of Aldermen adopted the Route 9 Corridor Study on January 5, 2016, and directed staff to pursue available transportation funding opportunities to complete project segments; and

WHEREAS, the Missouri Moves Cost Share Program of the Missouri Department of Transportation provides financial assistance to public and private applicants for state and local projects satisfying a transportation need; and

WHEREAS, proposed multi-modal and road improvements to Route 9 are eligible for funding through the Missouri Moves Cost Share Program for up to 50 percent of the total project cost.

NOW, THEREFORE, BE IT RESOLVED that the Board of Aldermen approves and endorses an application for the Missouri Moves Cost Share Program to help fund transportation improvements along the Route 9 corridor from Route 45 to Lakeview Drive in Parkville.

BE IT FURTHER RESOLVED that the Board of Aldermen directs city administration to complete and submit the required application documents.

IN TESTIMONY WHEREOF, I have hereunto set my hand, in the City of Parkville this 5th day of July 2016.

Mayor Nanette K. Johnston

ATTESTED:

City Clerk Melissa McChesney

Note: The estimated costs below do NOT include optional mill & overlay improvements since they are a part of the Missouri Department of Transportation's (MoDOT) regular highway maintenance program.

Project Prioritization Matrix			
Ranking #	Segment #	Segment Description	Estimated Cost¹
1	2	62 nd St. to PAC	\$768,994
2	3	PAC to Lakeview Dr.	\$1,946,306
3	1	Route 45 to 62 nd St.	\$768,316
4	8	5 th St. to 2 nd St.	\$251,335
5	7	7 th St. to 5 th St.	\$886,933
6	9	2 nd St. to White Alloe Creek	\$753,470
7	12	Coffey Rd. to Mattox Rd. ²	\$1,807,334
8	10	White Alloe Creek to Park University Entrance Dr.	\$593,825
9	11	Park University Entrance Dr. to Coffey Rd.	\$1,501,731
10	5	13 th St. to 12 th St.	\$1,246,886
11	4	Lakeview Dr. to 13 th St.	\$2,175,131
12	6	12 th St. to 7 th St.	\$913,196
Total			\$13,613,457

¹These costs include a 15% cushion for engineering design and inspection costs, as well as a 30% cushion to account for additional engineering, construction and other contingency costs if needed.

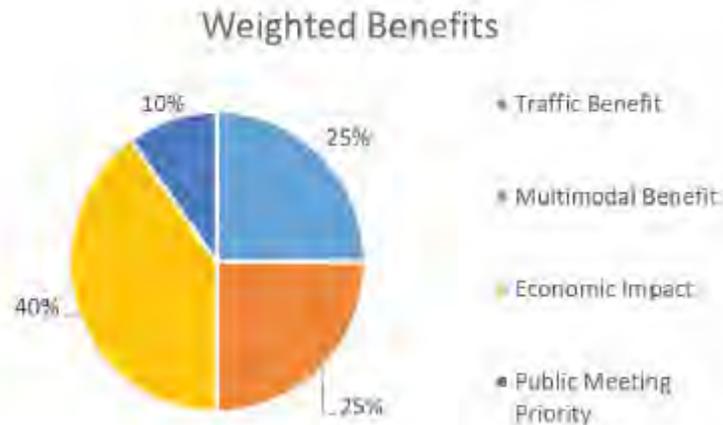
²Estimated costs for Segment 12A: Mattox Road Intersection Only is \$400,000. The City of Riverside, Mo. has submitted an application to MARC's 2016 Call for Projects to improve this intersection.

Eligible Projects for 9 Highway Corridor Community Improvement District (CID) Funding Per the Draft District Management Plan

ANTICIPATED IMPROVEMENT	PRELIMINARY ESTIMATED COST
9 Highway Improvements- Segment 2: 62 nd Street to Parkville Athletic Complex – upgrades include curb and gutter; storm sewer; 5 ft sidewalk on the western side of 9 Highway; 10 ft trail on the eastern side of 9 Highway; traffic signal at Clark Avenue; pedestrian crossing at Clark Avenue.	\$768,994
9 Highway Improvements- Segment 3: Parkville Athletic Complex to Lakeview Drive – upgrades include curb and gutter; storm sewer; 5 ft sidewalk on the western side of 9 Highway; 10 ft trail on the eastern side of 9 Highway; retaining wall with fences; parking improvements.	\$1,946,306
9 Highway Improvements- Segment 1: 45 Highway to 62 nd Street – upgrades include curb and gutter; storm sewer; 5 ft sidewalk on the western side of 9 Highway; 10 ft trail on the eastern side of 9 Highway; retaining wall with fence.	\$768,316
Total Estimated Cost of Initial Improvements	\$3,483,616

PROJECT PRIORITIZATION

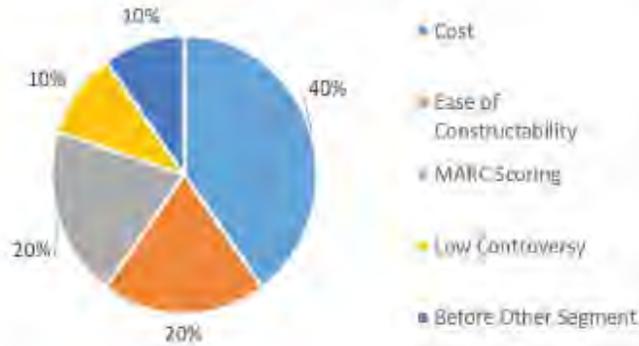
Throughout the process of completing the Route 9 Corridor Study, it was critical that one of the most important outcomes needed to be a project prioritization matrix that would provide specific direction for community decision makers as to what order projects should move forward towards construction. Several categories of criteria were included within this matrix, which were developed over the multiple months of work with the Steering Committee and City leaders. Criteria included within the matrix includes: traffic benefit, multimodal benefit, economic benefit, public meeting priority, construction costs, ease of constructability, MARC scoring, low controversy, and requiring other segments to be built first. The scoring system applies a value of 0, 0.5, or 1 to each of the resultant categories which is multiplied by the weighted factor. Also of importance to have in the matrix is the scoring of every project segment using the Mid-America Regional Council Surface Transportation Program (STP) project scoring criteria. This MARC scoring is a significant category particularly if the City decides to submit Route 9 projects for federal funding. As one can see in the Prioritization Matrix, all of the Route 9 projects score very well within the MARC system, therefore the projects should receive strong consideration if submitted for funding.



Benefits in Addition to Safety

Project Segment	Traffic Benefit	Multimodal Benefit	Economic Benefit	Public Meeting Priority	Score (/50)	Rank
Route 45 to 62nd Street	Good	Best	Med	1	27.5	5
62nd St. to PAC	Better	Best	Med	2	33.75	2
PAC to Lakeview	Best	Best	High	4	50	1
Lakeview Dr to 13th St	Better	Best	Low	5	21.25	8
13th Street to 12th St	Better	Best	Low	8	21.25	8
12th St to 7th St	Good	Better	Low	9	6.25	12
7th St 5th St	Better	Good	High	11	26.25	6
5th St to 2nd St	Good	Good	High	6	22.5	7
2nd St to White Alloe Creek	Best	Good	High	9	32.5	4
White Alloe Creek to Park University Entrance Drive	Better	Better	Low	11	12.5	11
Park University Entrance Dr to Coffey Road	Best	Better	Low	6	21.25	8
Coffey Rd to Mattox Rd	Best	Better	Med	3	33.75	2

Weighted Feasibility



Feasibility

Project Segment	Cost	Ease of Constructability	M&R Scoring	Low Controversy	Require Other Segment	Score (/50)
Route 45 to 62nd Street	\$750,354	Easy	Best	Y	N	40.0
62nd St. to PAC	\$550,077	Easy	Best	N	N	45.0
PAC to Lakeview	\$1,518,451	Hard	Best	Y	N	20.0
Lakeview Dr to 13th St	\$2,031,710	Easy	Good	Y	Y	15.0
13th Street to 12th St	\$908,953	Hard	Good	Y	N	20.0
12th St to 7th St	\$785,360	Easy	Good	Y	Y	25.0
7th St 5th St	\$603,512	Easy	Better	Y	N	35.0
5th St to 2nd St	\$198,543	Easy	Better	N	N	40.0
2nd St to White Alloe Creek	\$537,729	Hard	Better	N	Y	25.0
White Alloe Creek to Park University Entrance Drive	\$414,886	Hard	Better	Y	Y	30.0
Park University Entrance Dr to Coffey Road	\$1,560,161	Hard	Good	Y	N	20.0
Coffey Rd to Mattox Rd	\$1,554,555	Hard	Good	Y	N	20.0

Benefits Ranking

1	PAC to Lakeview Dr	62nd to PAC
2	62nd St to PAC	PAC to Lakeview Dr
3	Coffey Rd to Mattox Rd	Route 45 to 62nd
4	2nd St to White Alloe Creek	5th St to 2nd St
5	Route 45 to 62nd St	7th St to 5th St
6	7th St to 5th St	2nd St to White Alloe Creek
7	5th St to 2nd St	Coffey Rd to Mattox Rd
8	13th St to 12th St	White Alloe Creek to Park University Entrance Drive
8	12th St to 7th St	Park University Entrance Dr to Coffey Rd
8	Park University Entrance Dr to Coffey Rd	13th St to 12 St
11	White Alloe Creek to Park University Entrance Dr	Lakeview Dr to 13th St
12	12th St to 7th St	12th St to 7th St

Feasibility Ranking

1	62nd St to PAC
2	Route 45 to 62nd St
3	5th St to 2nd St
4	7th St to 5th St
5	White Alloe Creek to Park University Entrance Dr
6	2nd St to White Alloe Creek
7	12th St to 7th St
8	PAC to Lakeview Dr
8	13th St to 12th St
8	Park University Entrance Dr to Coffey Rd
8	Coffey Rd to Mattox Rd
12	Lakeview Dr to 13th St

Overall Ranking

1	62nd St to PAC
2	PAC to Lakeview Dr
3	Route 45 to 62nd St
4	5th St to 2nd St
5	7th St to 5th St
6	2nd St to White Alloe Creek
7	Coffey Rd to Mattox Rd
8	White Alloe Creek to Park University Entrance Dr
9	Park University Entrance Dr to Coffey Rd
10	13th St to 12th St
11	Lakeview Dr to 13th St
12	12th St to 7th St

From: jwhitmore@marc.org
To: [Stephen Lachky](#)
Subject: Missouri Moves Cost Share Program Funding
Date: Wednesday, June 15, 2016 1:01:14 PM
Importance: High

Missouri Moves Cost Share Program Funding Now Available

Application Period 6/15/2016 through 7/29/2016.

The Missouri Department of Transportation is seeking projects that could be funded with the Missouri Moves Cost Share Program.

The purpose of the Missouri Moves Cost Share Program is to build partnerships with local entities to pool efforts and resources to deliver transportation projects. The Missouri Department of Transportation (MoDOT) funds this program with General Revenue appropriations from the General Assembly.

The Missouri Moves Cost Share Program provides financial assistance to public and private applicants for state and local projects satisfying a transportation need. Eligible projects include roads, bridges, bicycle/pedestrian accommodations and multimodal facilities. A total of \$20 million is available. MoDOT participates up to 50 percent of the total project costs. One-third of the funds are set aside for multimodal and bicycle/pedestrian projects. Up to 25 percent of the funds may be distributed to projects in any one MoDOT district.

Projects are selected by the Cost Share/Economic Development Committee, which consists of the Chief Engineer, Chief Financial Officer and the Assistant Chief Engineer. They are then recommended for Commission approval via a STIP amendment.

Missouri Moves Cost Share Program guidelines, application, and rating matrix are available on MoDOT's website at <http://www.modot.org/missourimoves/>. Applications are due July 29, 2016.

Please note, there is an informational video conference on this program scheduled for 10:00 a.m. next Monday, June 20, 2016. Please work with your local district office to participate.

For more information contact Carol Kliethermes at 573-526-2561.

Missouri Department of Transportation

Patrick K. McKenna, Director

1.888.ASK MODOT (275.6636)

June 17, 2016

Dear Legislator:

There is widespread agreement that Missouri has a long term insufficient transportation funding challenge. The challenge extends well beyond roads and bridges, yet the funding available to the Department in the State Road Fund is restricted to those types of projects.

The General Revenue infusion of the Missouri Moves fund is a positive development in the transportation budget and MoDOT, and the entire state of Missouri, is grateful for the effort.

In context, this \$20 million adds approximately 3 percent to the 2017 State Transportation Improvement Program. The impact of this funding to the state's system of 34,000 miles of road and 10,400 bridges (estimated replacement cost of \$125 billion) will certainly be felt by any community that receives an unscheduled project, but will not move the needle in terms of overall system condition.

Many of our communities and tax payers are demanding expanded transportation options. They know these options help reduce congestion and improve safety. Multimodal projects that advance freight through rail and port projects, airport development, transit and individual mobility receive significantly less funding, and investments here can have a major impact.

Supporting multimodal transportation is a great investment that also helps our roads and bridges. Whenever freight is moved on our rail and port network, congestion drops, which reduces wear and tear on our roads and bridges. Commuters leaving their vehicle at home and utilizing transit and personal modes of transportation helps relieve congestion and keeps traffic flowing. With that in mind, you can see how investing in all modes of transportation is good for roads and bridges and good for Missouri citizens who pay the bills.

Safety and taking care of the existing system will weigh heavily in any final project decision related to Missouri Moves. Any multimodal project considered will have to score highly in those areas. Since significant local matching funds are required, these will be projects already considered of high value to the communities who choose to participate.

There will be far more project requests than available funds in the Missouri Moves program. Keeping that in mind, we are trying to manage disappointment through an objective set of criteria for project selection. The one-third allocation is in fact a disappointment to advocates of multimodal transportation options. We are seeking a reasonable balance, with the majority of funding dedicated toward road and bridge projects. The list of priorities is long and we appreciate the opportunity to work together toward that balance.

Sincerely,



Patrick K. McKenna
Director



Our mission is to provide a world-class transportation experience that delights our customers and promotes a prosperous Missouri.

www.modot.org