



CITY OF SPRINGFIELD, MISSOURI

Comprehensive Annual Financial Report

June 30, 2011

CITY OF SPRINGFIELD, MISSOURI
Comprehensive Annual Financial Report
Fiscal Year July 1, 2010 through June 30, 2011

Mayor

James E. O'Neal

City Council

<i>Nick Ibarra</i>	<i>Zone 1</i>
<i>Cindy Rushefsky</i>	<i>Zone 2</i>
<i>Jerry Compton</i>	<i>Zone 3</i>
<i>Scott Bailes</i>	<i>Zone 4</i>
<i>Robert Stephens</i>	<i>General (A)</i>
<i>John Rush</i>	<i>General (B)</i>
<i>Doug Burlison</i>	<i>General (C)</i>
<i>Thomas Bieker</i>	<i>General (D)</i>

City Officials

<i>Greg Burris</i>	<i>City Manager</i>
<i>Fred Marty</i>	<i>Deputy City Manager</i>
<i>Collin Quigley</i>	<i>Assistant City Manager</i>
<i>Daniel Wichmer</i>	<i>City Attorney</i>
<i>Brenda Cirtin</i>	<i>City Clerk</i>
<i>Phil Broyles</i>	<i>Director of Public Works</i>
<i>Steve Meyer</i>	<i>Director of Environmental Services</i>
<i>Kevin Gipson</i>	<i>Director of Public Health and Welfare</i>
<i>Mary Mannix-Decker</i>	<i>Director of Finance</i>
<i>Paul Williams</i>	<i>Chief of Police</i>
<i>David Hall</i>	<i>Fire Chief</i>
<i>Jodie Adams</i>	<i>Director of Parks and Recreation</i>
<i>Sheila Maerz</i>	<i>Director of Human Resources</i>
<i>Ralph Rognstad</i>	<i>Director of Planning and Development</i>
<i>Mary Lily Smith</i>	<i>Director of Economic Development</i>
<i>Brian Weiler</i>	<i>Director of Aviation</i>
<i>Bill Dowling</i>	<i>Director of Work Force Development</i>
<i>Chris Straw</i>	<i>Director of Building Development</i>
<i>Todd Thornhill</i>	<i>Chief Municipal Judge</i>
<i>Jerry Berger</i>	<i>Director of Art Museum</i>
<i>Becky Jungmann</i>	<i>Director of Emergency Communication</i>
<i>Ryan Nicholls</i>	<i>Director of Emergency Management</i>
<i>Vince Crunk</i>	<i>Interim Director of Public Information</i>
<i>Jeff Coiner</i>	<i>Director of Information Systems</i>
<i>Kristy Bork</i>	<i>Internal Auditor</i>

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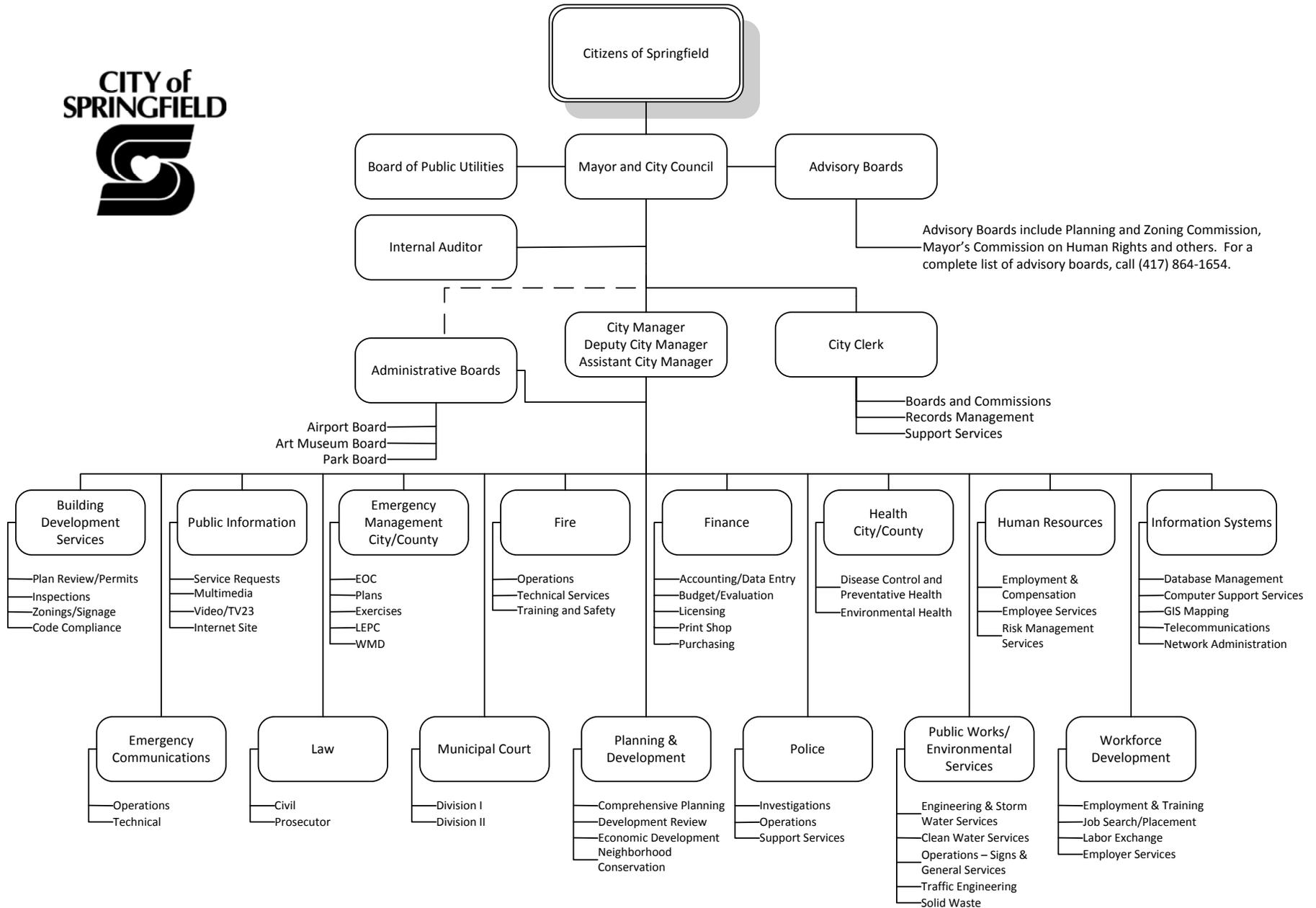
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INTRODUCTORY SECTION



Advisory Boards include Planning and Zoning Commission, Mayor's Commission on Human Rights and others. For a complete list of advisory boards, call (417) 864-1654.

Note: All Departments include an administrative section

City Government's Organization Chart

City of Springfield, Missouri

December 20, 2011

The Honorable Mayor
The Members of the City Council
Citizens of the City of Springfield, Missouri:

The Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of Springfield, Missouri (the City) for the fiscal year ended June 30, 2011. This report is submitted to you in compliance with the City Charter, Section 5.2, which requires an annual report to the City Council on the financial condition of the City.

Responsibility to report financial data that is complete and accurate rests with the City. It is our belief that the information reported in this document fairly presents the financial position of the City, in all material aspects, on a government-wide and a fund basis. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

To provide a reasonable basis for making these representations, the City's management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements. Additionally, the Finance Department staff has prepared this report in conformity with U.S. generally accepted accounting principles (GAAP), which are standard guidelines for financial reporting, further ensuring that the financial position of the City is presented fairly.

The independent auditing firm of KPMG LLP (KPMG) has audited the City's financial statements. The purpose of the audit conducted by KPMG was to provide reasonable assurance that the City's financial statements for the year ended June 30, 2011 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

In addition to the independent audit of the financial statements, a separate, federally mandated "Single Audit" was performed to meet the needs of specific grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements with special emphasis on the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section is designed to introduce the reader to the report and includes this transmittal letter, the City's organizational chart, a list of principal officials, and the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 2010 CAFR.

The Honorable Mayor
The Members of the City Council
December 20, 2011
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The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springfield, Missouri for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the 34th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

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

The financial section begins with the independent auditors' report. The auditors' report discloses the opinion of the independent auditors with regard to the presentation of the financial statements. This section also includes management's discussion and analysis (MD&A), the basic financial statements and notes that provide an overview of the City's financial position and operating results, the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the basic financial statements.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the City and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found in the financial section immediately following the report of the independent auditors.

Profile of the City

The City is a home rule city, which incorporated on February 18, 1838. Springfield is the third largest city in Missouri with approximately 159,498 residents, and it serves as the county seat for Greene County. With an estimated 82 square miles of land, the City is at the center of a rapidly growing region in the southwestern corner of the state. It is approximately 170 miles southeast of Kansas City and 220 miles southwest of St. Louis. The City is empowered to levy property taxes on both real and personal property located within its boundaries and has the authority to extend its corporate limits through annexation when deemed appropriate and as approved by City Council.

The City has operated under the Council-Manager form of government since March 17, 1953. As the legislative body, the City Council is responsible for enacting all ordinances, resolutions, and regulations governing the City as well as for appointing the members of various statutory and ordinance boards, the City Manager, and the City Clerk.

The City Council consists of the Mayor and eight Council members who are elected on a nonpartisan basis. The Mayor serves a two-year term and Council members, four at-large and one from each of four zones within the City, each serve staggered four-year terms. As chief administrator, the City Manager is

responsible for enforcement of the laws and ordinances as well as for the supervision of all offices and departments created by the Council.

The City provides the full range of services normally associated with a municipality including police and fire protection, an emergency communication center, public works services, public health services, parks and other recreational facilities, an art museum, and general administrative services. The City also operates the Springfield-Branson National Airport, the sanitary sewerage and solid waste disposal systems, and the City's municipal golf courses, all of which are accounted for in the financial statements as business-type funds.

This report presents data for the financial reporting entity, which includes all departments, funds, boards, and commissions of the primary government (the City, as legally defined), as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. The two component units of the City include the Public Building Corporation of the City of Springfield, Missouri (PBC), which is a blended component unit, and City Utilities of Springfield, Missouri, which is a discretely presented component unit. The financial reporting entity is discussed further in note 1 to the basic financial statements.

The Springfield R-12 School District and the Springfield Housing Authority do not meet the criteria for inclusion in the financial reporting entity and, accordingly, are not presented in this report.

The annual budget serves as the foundation for the City's financial planning and control. During the budget preparation process, each office, department, and agency of the reporting entity provides detailed estimates of revenue and expenditures for evaluation by the City Manager. The City Manager also reviews estimates of all pending capital projects and those recommended for approval in the next budget year and within the succeeding five years. The City Manager may revise the estimates, as he deems necessary. At least 60 days prior to the beginning of each budget year, the City Manager submits to City Council a final budget. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within their departments; however, transfers between departments require the special approval of the City Council. Budget-to-actual comparisons for the general and special revenue funds are provided in this report.

Factors Affecting Financial Condition

Local Economy – The City is experiencing moderate population growth as is reflected in the 1.9% growth rate for the metropolitan area. Springfield's economy is highly diversified with major medical, manufacturing, and educational institutions keeping the City's unemployment rate below the state and national rates. The June 2011 unemployment rate for the metropolitan area was 8.1% as compared to the state rate of 9.0% and the national rate of 9.3%.

Some well-known companies with operations in Springfield are: Kraft Foods; 3M; Bass Pro Shops (Headquarters); O'Reilly Auto Parts (Headquarters); JPMorgan Chase; Paul Mueller Company (Headquarters); Burlington Northern Santa Fe Railroad; Jack Henry & Associates; BKD (Headquarters); Springfield ReManufacturing Corporation (Headquarters); Reckitt Benckiser; T-Mobile; Dairy Farmers of America; and Prime, Inc. Springfield has what many businesses are looking for – a high quality of life, a well-trained workforce, and a low cost of living.

Missouri State University, with an enrollment of approximately 21,000 students, is located in Springfield along with 14 other colleges and universities including Drury University, Evangel University, Baptist Bible College, Central Bible College, and Ozarks Technical Community College (OTC). OTC provides vocational and technical training services to nearly 14,000 students within the region surrounding the City.

Long-Term Financial Planning – The City utilizes a five-year capital improvement program to prioritize public projects that will be scheduled over a number of years, as financial resources are available. When possible, the City looks for creative funding solutions such as cost sharing with other governmental agencies, public-private cooperative efforts, special purpose taxes, and modifications to development regulations as methods of providing needed capital items. The underlying philosophy of the capital improvements program prioritizes needs into three categories: (1) the protection of life, health, and public safety; (2) improvements to the City’s existing infrastructure; and (3) construction of new infrastructure to keep up with the community’s growth.

The June 30, 2011 Capital Improvements Projects Status Report contains more than 160 funded projects with a total projected cost of \$321,183,383. The report includes projects at the Springfield-Branson National Airport; numerous street, storm water, sanitary sewer, and solid waste improvements; development of new public parks and special facilities and park improvements; and municipal buildings and grounds and traffic management/signal improvements. During the fiscal year, significant capital improvements were completed at the Springfield-Branson National Airport, the Transportation Management Center, Springfield-Greene County Botanical Center, Grant Beach Park, the solid waste facilities, and the Southwest Wastewater Treatment Plant. The City also continued making improvements to streets, the storm sewer system, and streetscapes.

American Recovery and Reinvestment Act (ARRA) – The City has applied for and received ARRA funding for a variety of projects and programs. During the fiscal year ended June 30, 2011, the following departments utilized ARRA funding as indicated:

Planning and Development – Community Development Block Grant, Homelessness Prevention & Rapid Re-Housing Program, and various Brownfields Assessment and Cleanup agreements

Police – Justice Assistance Grant Program and 2011 Internet Cyber Crime Initiative

Public Works – James River Freeway and National Avenue Interchange, Spring Branch Sewer and Ozone projects, Energy Efficiency and Conservation Block Grant Program, and Renewable Energy/Sustainable Food Feasibility Study

Springfield-Branson National Airport – Design and Construct Taxiway “W” as part of the Airport Improvement Program

Workforce Development – Regional Green Job Research; Summer Youth State Parks Program, Temporary Assistance to Needy Families Summer Youth Program; and various Workforce Investment Act adult, youth, and displaced worker programs

Debt Management – Moody’s Investors Services has assigned a rating of Aa1 on the City’s outstanding general obligation bonds. This rating was affirmed in June 2011. Municipal issuers with an Aa rating demonstrate very strong creditworthiness relative to other U.S. municipal or tax-exempt issuers. The City’s rating on leasehold revenue/annual appropriation bonds is one notch below the general obligation rating.

The Honorable Mayor
The Members of the City Council
December 20, 2011
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This small distinction reflects the essentiality of the bonded projects as well as the risk of annual appropriation.

This strong rating is reflective of the City's diverse tax base and role as a regional economic hub. Over the last two years, despite difficult economic conditions, the City has balanced the operating budget. This was achieved by rebalancing the budget quarterly. The City's general fund reserve balance is a solid 20% of the operating revenue.

Acknowledgements

Our appreciation is extended to the various elected officials, agency and department directors, and employees responsible for contributing to the sound financial condition of the City. Furthermore, the preparation of this report would not have been possible without the efficient and dedicated services of several members of the Finance Department. In particular, we would like to express appreciation to David Holtmann, Accounting Manager, and Financial Analysts Glenda Hudson and Jody Vernon for their unfailing efforts in production of this report.

Sincerely,

A handwritten signature in cursive script that reads "Mary Mannix Decker".

Mary Mannix Decker
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Springfield
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION



KPMG LLP
Suite 1000
1000 Walnut Street
Kansas City, MO 64106-2162

Independent Auditors' Report

The Honorable Mayor and Members
of the City Council
City of Springfield, Missouri:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springfield, Missouri (the City), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit or the pension trust fund. The pension trust fund represents 50% and 33%, respectively, of the assets and revenues/additions of the aggregate remaining fund information. These financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the pension trust fund and discretely presented component unit, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the report of the other auditors, provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springfield, Missouri as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in note 1 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report, dated December 16, 2011, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the budgetary comparison schedules, notes to budgetary comparison schedules, and schedules of funding progress on pages 10 through 16 and 90 through 95, respectively, are not a required part of the basic financial statements, but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Springfield, Missouri's basic financial statements. The supplemental information statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements, and accordingly, we express no opinion on them.

KPMG LLP

Kansas City, Missouri
December 16, 2011

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2011

As management of the City of Springfield, Missouri (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with the transmittal letter earlier in this report and the City's financial statements and notes, which follow this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$818 million (net assets). Of this amount, \$226 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors (including the \$39.9 million net pension asset recognized for the pension trust fund).
- The City's total net assets increased approximately \$46.6 million from the City's "governmental activities."
- The City's total debt decreased approximately \$25.4 million during the current fiscal year. The City did not issue any governmental activity bonds. Governmental activity debt decreased approximately \$12.3 million during the year by current year payments. The remaining decrease of \$13.1 million related to business-type activities. The City issued \$4.9 million of special obligation bonds for the sewer system and retired \$8.5 million of notes payable within the airport in addition to the current year payments.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for the City included general government, public works, public safety, parks and recreation, public health, and planning and development. The business-type activities for the City include the airport, sanitary sewerage system, refuse disposal, and golf.

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2011

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

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

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

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

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. 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 contains certain *required supplementary information* regarding budgetary, pension, and post retirement benefits information. The combining statements for the nonmajor funds and internal service funds are presented immediately following the required supplementary information on pensions and post retirement benefits.

Government-Wide Financial Analysis

Net assets may serve as a useful indicator of the City's financial position. As of June 30, 2011, assets exceeded liabilities by \$818 million. The largest portion of the City's net assets, \$530 million (65%), reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CITY OF SPRINGFIELD, MISSOURI
Management's Discussion and Analysis (Unaudited)
June 30, 2011

Net Assets

The following table reflects the condensed schedule of net assets as of June 30, 2011 and 2010 (in thousands):

City of Springfield Net Assets						
	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 264,411	234,266	97,023	113,936	361,434	348,202
Capital assets	384,027	377,023	479,648	478,330	863,675	855,353
Total assets	<u>648,438</u>	<u>611,289</u>	<u>576,671</u>	<u>592,266</u>	<u>1,225,109</u>	<u>1,203,555</u>
Long-term debt outstanding	171,732	182,289	210,163	223,481	381,895	405,770
Other liabilities	18,385	17,252	7,263	11,507	25,648	28,759
Total liabilities	<u>190,117</u>	<u>199,541</u>	<u>217,426</u>	<u>234,988</u>	<u>407,543</u>	<u>434,529</u>
Net assets:						
Invested in capital assets, net of related debt	242,388	225,400	287,230	277,015	529,618	502,415
Restricted	11,202	10,632	51,158	60,829	62,360	71,461
Unrestricted	<u>204,731</u>	<u>175,716</u>	<u>20,857</u>	<u>19,434</u>	<u>225,588</u>	<u>195,150</u>
Total net assets	<u>\$ 458,321</u>	<u>411,748</u>	<u>359,245</u>	<u>357,278</u>	<u>817,566</u>	<u>769,026</u>

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The City's combined net assets increased to \$818 million from \$769 million as a result of the increase in net assets reflected in the next table.

The largest portion of the City' net assets, \$530 million (65%), reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. An additional portion of the City's net assets, \$62 million (8%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's net assets, \$226 million (27%), represents unrestricted net assets that may be used to meet the City's ongoing obligations to citizens and creditors (including the \$39.9 million net pension asset recognized for the pension trust fund).

CITY OF SPRINGFIELD, MISSOURI

Management's Discussion and Analysis (Unaudited)

June 30, 2011

Change in Net Assets

The following table reflects the revenues and expenses from the City's activities for the years ended June 30, 2011 and 2010 (in thousands):

City of Springfield Changes in Net Assets

	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 18,259	16,738	46,441	43,818	64,700	60,556
Operating grants and contributions	23,650	25,336	55	439	23,705	25,775
Capital grants and contributions	15,438	12,119	12,897	11,400	28,335	23,519
General revenues:						
Property taxes	19,806	19,295	—	—	19,806	19,295
Sales and use taxes	110,892	86,626	—	—	110,892	86,626
Other revenues	28,568	46,261	6,642	6,869	35,210	53,130
Total revenues	216,613	206,375	66,035	62,526	282,648	268,901
Expenses:						
Public works	45,401	34,859	—	—	45,401	34,859
Public safety	62,112	46,497	—	—	62,112	46,497
Parks and recreation	22,464	26,248	—	—	22,464	26,248
Planning and development	4,623	4,906	—	—	4,623	4,906
Public health	9,778	9,831	—	—	9,778	9,831
General government	19,856	33,828	—	—	19,856	33,828
Interest on long-term debt	7,078	7,793	—	—	7,078	7,793
Airport	—	—	26,299	24,484	26,299	24,484
Sanitary sewerage system	—	—	28,585	27,947	28,585	27,947
Nonmajor	—	—	7,912	7,925	7,912	7,925
Total expenses	171,312	163,962	62,796	60,356	234,108	224,318
Increase in net assets before transfers	45,301	42,413	3,239	2,170	48,540	44,583
Transfers	1,272	1,307	(1,272)	(1,307)	—	—
Increase in net assets	46,573	43,720	1,967	863	48,540	44,583
Net assets, beginning	411,748	368,028	357,278	356,415	769,026	724,443
Net assets, ending	\$ 458,321	411,748	359,245	357,278	817,566	769,026

Governmental Activities

Governmental activities increased the City's net assets by \$46.6 million. Sales and use tax revenues, the largest governmental category, were \$110.9 million, or 51%, of total revenues. Total revenues from governmental activities total \$216.6 million, or 77%, of the total City revenues. While City revenues increased within the governmental activities as compared to prior year, most of the increase was due to the first full year of collection of the Public Safety Pension Sales Tax (\$26.3 million collected in the current fiscal year compared to \$5.6 million collected during the final three months of the prior fiscal year). Excluding the Public Safety Pension

CITY OF SPRINGFIELD, MISSOURI

Management’s Discussion and Analysis (Unaudited)

June 30, 2011

Sales Tax, sales tax was approximately 3.5% higher for the current year. Other revenues decreased from the prior year as telecommunication settlements totaling \$13.3 million were received in 2010.

Certain revenues are generated that are specific to governmental program activity. These totaled \$57.3 million. The following table shows expenses and program revenues of the governmental activities for the years ended June 30, 2011 and 2010 (in thousands):

Net Cost of City of Springfield’s Governmental Activities

	Total cost of service		Net cost of service	
	2011	2010	2011	2010
Public works	\$ 45,401	34,859	30,671	24,501
Public safety	62,112	46,497	51,985	35,660
Parks and recreation	22,464	26,248	15,336	20,408
Planning and development	4,623	4,906	(1,401)	(4,510)
Public health	9,778	9,831	2,923	3,120
General government	19,856	33,828	7,373	22,799
Interest on long-term debt	7,078	7,793	7,078	7,793
	<u>\$ 171,312</u>	<u>163,962</u>	<u>113,965</u>	<u>109,771</u>

As previously noted, expenses from governmental activities total \$171.3 million. However, net costs of these services were \$114 million. The difference represents direct revenues received from charges for services of \$18.2 million, operating grants and contributions of \$23.6 million, and capital grants and contributions of \$15.4 million. Taxes and other revenues of \$159 million were collected to cover these net costs.

Business-Type Activities

Business-type activities increased the City’s net assets by approximately \$2.0 million. Individual fluctuations are as follows:

- The airport recorded an increase of \$1.1 million in net assets for the year, which is attributed to federal grants received for capital improvement projects totaling \$9.9 million and current year operations with a loss over \$8.6 million.
- The sewer system recorded a decrease of \$695,917 in net assets for the year, which is attributed to the results of federal grants received for capital improvement projects totaling \$2.8 million and current year operations with a loss over \$2.6 million.

Financial Analysis of the City’s Funds

As of the end of the fiscal year, the City’s governmental funds report a combined fund balance of \$175.6 million. The fund balance of the General Fund increased to \$16.8 million as a result of the City Council action to reduce operating expenses, fully funding the pension obligation of the Police Officers’ and Fire Fighters’ Retirement Fund, and increasing its operating reserve (currently set at \$14 million, an increase of approximately \$1.5 million).

CITY OF SPRINGFIELD, MISSOURI

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June 30, 2011

The net assets in the Community Development Fund increased to \$45.3 million. Total revenue exceeded expenditures by approximately \$2.4 million.

The Public Safety Pension Sales Tax Fund collected and remitted \$26.3 million to the Pension Trust Fund in the first full year of collection.

The National Airport Fund's net assets increased \$1.1 million (1%) in the current year as a result of federal grants received for capital improvement projects totaling \$9.9 million and current year activity with a loss over \$8.6 million.

The Sanitary Sewerage System Fund's net assets decreased \$695,917 in the current year attributed to the result of federal grants received for capital improvements projects totaling \$2.8 million and current year activity with a loss over \$2.6 million.

General Fund Budgetary Highlights

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

- The original revenue budget of \$64.4 million was increased to \$66.2 million as a result of higher revenue collections.
- The total original expenditure budget of \$62 million increased to \$64.6 million (an increase of \$2.5 million).

Actual revenues were \$2.9 million more than originally budgeted. Sales tax revenue exceeded the original estimate by \$1.8 million. Payments in lieu of taxes exceeded the original estimate by over \$900,000.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2011 amounts to \$864 million (net of accumulated depreciation and the related outstanding debt). This investment in capital assets includes land, buildings, improvements, collections systems, machinery and equipment, and infrastructure. Capital assets increased \$8.3 million during the period.

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

- Fassnigh and Sequiota Park channel improvements totaling \$5.7 million
- Transportation Management Center operations compound and equipment totaling \$1.6 million
- Botanical Center project totaling \$1.6 million
- Intelligent Transportation System integration and deployment project totaling \$1.5 million
- National Street and James River Freeway interchange projects totaling \$1.3 million

CITY OF SPRINGFIELD, MISSOURI
Management's Discussion and Analysis (Unaudited)
June 30, 2011

City of Springfield Capital Assets (amounts expressed in thousands, net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 52,996	52,844	17,017	16,113	70,013	68,957
Construction in progress	30,804	22,354	16,657	23,178	47,461	45,532
Buildings	67,513	69,487	116,067	115,495	183,580	184,982
Improvements	46,512	47,959	99,392	87,089	145,904	135,048
Machinery and equipment	5,155	5,927	11,496	12,224	16,651	18,151
Infrastructure/sewer collection system	181,047	178,452	219,019	224,231	400,066	402,683
Total	\$ 384,027	377,023	479,648	478,330	863,675	855,353

For additional information on capital assets, see note 2(c) to financial statements.

Debt Administration

The City, at the end of fiscal year 2011, had a total of \$350 million of outstanding long-term debt. This was a decrease of \$25.4 million from the previous year. The City did not issue any governmental activity bonds. The City issued \$4.9 million of special obligation bonds for the sewer system and retired \$8.5 million of notes payable within the airport relating to business-type activities during the year ended June 30, 2011.

City of Springfield Outstanding Debt (amounts expressed in thousands)

	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2009
General obligation bonds **	\$ 151,770	163,965	—	—	151,770	163,965
Revenue bonds	—	—	161,728	164,111	161,728	164,111
Notes payable	—	—	35,927	46,686	35,927	46,686
Capital lease obligations	327	436	256	230	583	666
Total	\$ 152,097	164,401	197,911	211,027	350,008	375,428

** Including Public Building Corporation bonds, certificates of participation, and bond premium

For additional information on debt administration, see note 2(d) to the financial statements.

Requests for Information

This financial report is designed to provide the reader a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to David Holtmann, Accounting Manager, Finance Department, City of Springfield, P.O. Box 8368, 840 Boonville Avenue, Springfield, MO 65801.

CITY OF SPRINGFIELD, MISSOURI

Statement of Net Assets

June 30, 2011

Assets	Primary government			Component unit
	Governmental activities	Business-type activities	Total	City Utilities
Cash and investments	\$ 108,376,640	26,388,714	134,765,354	80,002,000
Property taxes receivable, net	18,309,819	—	18,309,819	—
Special assessments receivable, net	3,956,092	—	3,956,092	—
Accounts receivable, net	20,490,205	3,163,971	23,654,176	21,526,000
Unbilled revenue	—	1,054,073	1,054,073	15,355,000
Accrued interest receivable	476,697	154,903	631,600	—
Inventories	2,584,524	2,260,862	4,845,386	30,737,000
Notes and loans receivable, net	40,964,809	—	40,964,809	—
Net pension asset	39,904,669	—	39,904,669	3,161,000
Internal balances	201,224	(201,224)	—	—
Due from other government agencies	10,221,506	49,360	10,270,866	—
Restricted assets:				
Cash and investments	16,273,335	60,449,099	76,722,434	228,685,000
Other	—	1,458,451	1,458,451	—
Deferred charges and other	2,651,138	2,245,726	4,896,864	17,713,000
Capital assets:				
Nondepreciable	83,799,614	33,673,933	117,473,547	623,186,000
Depreciable, net	300,227,809	445,973,572	746,201,381	769,971,000
Total assets	648,438,081	576,671,440	1,225,109,521	1,790,336,000
Liabilities				
Accounts payable and other current liabilities	9,216,225	1,533,692	10,749,917	41,421,000
Unearned revenue	1,307,944	254,307	1,562,251	—
Estimated liability for incurred but unreported claims	2,165,000	—	2,165,000	—
Other liabilities	—	—	—	27,189,000
Due to other governments	1,480,129	—	1,480,129	1,012,000
Due to pension fund	4,215,756	—	4,215,756	—
Utility customer deposits	—	—	—	3,745,000
Current liabilities payable from restricted assets	—	5,475,625	5,475,625	—
Long-term liabilities:				
Due within one year	13,638,910	6,640,894	20,279,804	12,411,000
Due in more than one year	158,092,889	203,521,892	361,614,781	816,494,000
Total liabilities	190,116,853	217,426,410	407,543,263	902,272,000
Net Assets				
Invested in capital assets, net of related debt	242,388,274	287,230,156	529,618,430	686,846,000
Restricted for:				
Debt service	9,939,147	51,157,918	61,097,065	8,976,000
Perpetual care – nonexpendable	1,262,386	—	1,262,386	—
Unrestricted	204,731,421	20,856,957	225,588,378	192,242,000
Total net assets	\$ 458,321,228	359,245,031	817,566,259	888,064,000

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Statement of Activities

Year ended June 30, 2011

Functions/programs	Net revenue (expense) and changes in net assets							Component unit City Utilities
	Expenses	Program revenues			Primary government			
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total	
Primary government:								
Governmental activities:								
Public works	\$ 45,400,527	2,063,706	300,110	12,365,301	(30,671,410)	—	(30,671,410)	—
Public safety	62,112,431	2,967,779	6,947,482	211,857	(51,985,313)	—	(51,985,313)	—
Parks and recreation	22,464,529	5,992,855	795,522	340,615	(15,335,537)	—	(15,335,537)	—
Planning and development	4,622,684	34,479	3,894,883	2,094,439	1,401,117	—	1,401,117	—
Public health	9,777,957	1,446,226	5,336,013	73,016	(2,922,702)	—	(2,922,702)	—
General government	19,855,484	5,754,324	6,375,875	352,643	(7,372,642)	—	(7,372,642)	—
Interest on long-term debt	7,078,207	—	—	—	(7,078,207)	—	(7,078,207)	—
Total governmental activities	<u>171,311,819</u>	<u>18,259,369</u>	<u>23,649,885</u>	<u>15,437,871</u>	<u>(113,964,694)</u>	<u>—</u>	<u>(113,964,694)</u>	<u>—</u>
Business-type activities:								
National Airport	26,299,309	13,905,661	16,812	9,903,598	—	(2,473,238)	(2,473,238)	—
Sanitary sewerage system	28,584,451	23,774,979	—	2,845,164	—	(1,964,308)	(1,964,308)	—
Refuse disposal	4,956,859	5,974,016	38,265	148,022	—	1,203,444	1,203,444	—
Golf	2,954,961	2,785,881	—	—	—	(169,080)	(169,080)	—
Total business-type activities	<u>62,795,580</u>	<u>46,440,537</u>	<u>55,077</u>	<u>12,896,784</u>	<u>—</u>	<u>(3,403,182)</u>	<u>(3,403,182)</u>	<u>—</u>
Total primary government	<u>\$ 234,107,399</u>	<u>64,699,906</u>	<u>23,704,962</u>	<u>28,334,655</u>	<u>(113,964,694)</u>	<u>(3,403,182)</u>	<u>(117,367,876)</u>	<u>—</u>
Component unit:								
City Utilities	<u>\$ 351,314,000</u>	<u>359,507,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>8,193,000</u>
General revenues:								
Property taxes					\$ 19,805,808	—	19,805,808	—
Sales and use taxes					110,891,582	—	110,891,582	—
Franchise taxes					6,484,584	—	6,484,584	—
Room taxes					3,541,560	—	3,541,560	—
Payment in lieu of taxes					12,482,703	—	12,482,703	—
Revenues from use of money and property					1,756,765	3,467,004	5,223,769	16,512,000
Other revenue					4,302,874	3,175,411	7,478,285	4,007,000
Transfers					1,272,226	(1,272,226)	—	—
Total general revenues and transfers					<u>160,538,102</u>	<u>5,370,189</u>	<u>165,908,291</u>	<u>20,519,000</u>
Change in net assets					<u>46,573,408</u>	<u>1,967,007</u>	<u>48,540,415</u>	<u>28,712,000</u>
Net assets – beginning					<u>411,747,820</u>	<u>357,278,024</u>	<u>769,025,844</u>	<u>859,352,000</u>
Net assets – ending					<u>\$ 458,321,228</u>	<u>359,245,031</u>	<u>817,566,259</u>	<u>888,064,000</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Governmental Funds Balance Sheet

June 30, 2011

Assets	General	Community development	Public Safety Pension Sales Tax	Nonmajor governmental funds	Total governmental funds
Cash and investments	\$ 7,927,390	3,762,194	—	93,029,823	104,719,407
Property taxes receivable (net uncollectible amounts)	—	—	—	18,309,819	18,309,819
Special assessments receivable, net	—	—	—	3,956,092	3,956,092
Restricted cash and investments	—	—	—	16,273,335	16,273,335
Accrued interest receivable	91,062	14,089	—	346,152	451,303
Sales tax and other receivables, net	8,092,306	154,462	4,215,756	8,027,681	20,490,205
Inventories	17,309	631,194	—	1,571,189	2,219,692
Notes and loans receivable, net	—	40,964,809	—	—	40,964,809
Due from other funds	2,901,734	—	—	102,522	3,004,256
Due from other governments	334,751	588,763	—	9,297,992	10,221,506
Total assets	<u>\$ 19,364,552</u>	<u>46,115,511</u>	<u>4,215,756</u>	<u>150,914,605</u>	<u>220,610,424</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and other current liabilities	\$ 2,136,282	246,603	—	5,645,062	8,027,947
Unearned revenue	87,544	510,046	—	710,354	1,307,944
Deferred revenue	334,751	96,552	—	27,304,619	27,735,922
Due to other governments	—	—	—	1,480,129	1,480,129
Due to other funds	—	—	4,215,756	2,217,097	6,432,853
Total liabilities	<u>2,558,577</u>	<u>853,201</u>	<u>4,215,756</u>	<u>37,357,261</u>	<u>44,984,795</u>
Fund balances:					
Nonspendable	17,309	41,596,003	—	2,833,575	44,446,887
Restricted	—	3,666,307	—	82,070,522	85,736,829
Committed	14,000,000	—	—	26,103,063	40,103,063
Assigned	2,788,666	—	—	3,051,612	5,840,278
Unassigned	—	—	—	(501,428)	(501,428)
Total fund balances	<u>16,805,975</u>	<u>45,262,310</u>	<u>—</u>	<u>113,557,344</u>	<u>175,625,629</u>
Total liabilities and fund balances	<u>\$ 19,364,552</u>	<u>46,115,511</u>	<u>4,215,756</u>	<u>150,914,605</u>	<u>220,610,424</u>

See accompanying notes basic to financial statements.

CITY OF SPRINGFIELD, MISSOURI

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets

June 30, 2011

Fund balances – total governmental funds	\$ 175,625,629
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	616,636,777
Less accumulated depreciation	<u>(233,348,994)</u>
	383,287,783
Net prepaid pension asset	39,904,669
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due	(1,052,424)
Adjustment of deferred revenue	27,735,922
Internal service funds are used by management to charge the costs of certain activities to individual funds. Certain assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets	1,518,359
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds, net of unamortized premiums/discounts	(171,346,248)
Unamortized issuance costs on bonds	<u>2,647,538</u>
Net assets of governmental activities	<u>\$ 458,321,228</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances

Year ended June 30, 2011

	General	Community development	Public Safety Pension Sales Tax	Nonmajor governmental funds	Total governmental funds
Revenues:					
Taxes:					
Property	\$ —	—	—	19,338,095	19,338,095
Sales	40,246,236	—	26,282,689	43,653,674	110,182,599
Franchise	6,951,168	—	—	—	6,951,168
Room	82,934	—	—	3,458,626	3,541,560
Licenses and permits	3,366,361	—	—	—	3,366,361
Intergovernmental	—	5,224,807	—	29,634,922	34,859,729
Charges for services	2,316,797	—	—	8,085,219	10,402,016
Fines and forfeitures	1,603,992	—	—	—	1,603,992
Special assessments	—	—	—	830,239	830,239
Revenues from use of money and property	373,262	40,198	—	1,343,305	1,756,765
Payments in lieu of taxes	12,388,406	—	—	—	12,388,406
Other	16,128	934,817	—	3,570,540	4,521,485
Total revenues	67,345,284	6,199,822	26,282,689	109,914,620	209,742,415
Expenditures:					
Current:					
Public works	5,898,631	—	—	10,300,407	16,199,038
Public safety	41,635,441	—	26,282,689	13,915,863	81,833,993
Parks and recreation	—	—	—	22,180,338	22,180,338
Planning and development	846,441	3,757,381	—	1,779	4,605,601
Public health	—	—	—	9,710,923	9,710,923
General government	12,126,315	—	—	6,892,233	19,018,548
Debt service:					
Principal	81,105	—	—	12,122,015	12,203,120
Interest and other charges	7,869	—	—	6,898,813	6,906,682
Capital outlay:					
Public works	99,040	—	—	27,567,293	27,666,333
Public safety	183,195	—	—	213,079	396,274
Parks and recreation	—	—	—	7,337,132	7,337,132
Planning and development	—	—	—	1,694,580	1,694,580
General government	77,056	—	—	4,087	81,143
Total expenditures	60,955,093	3,757,381	26,282,689	118,838,542	209,833,705
Excess (deficiency) of revenues over (under) expenditures	6,390,191	2,442,441	—	(8,923,922)	(91,290)
Other financing sources (uses):					
Transfers in	2,538,033	199,513	—	22,434,950	25,172,496
Transfers out	(4,862,619)	(491,148)	—	(18,773,757)	(24,127,524)
Total other financing sources (uses)	(2,324,586)	(291,635)	—	3,661,193	1,044,972
Net change in fund balances	4,065,605	2,150,806	—	(5,262,729)	953,682
Fund balances – beginning	12,740,370	43,111,504	—	118,820,073	174,671,947
Fund balances – ending	\$ 16,805,975	45,262,310	—	113,557,344	175,625,629

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Reconciliation of the Change in Fund Balances
of Governmental Funds to the Statement of Activities

Year ended June 30, 2011

Net change in fund balances – total governmental funds	\$ 953,682
Amounts reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (in excess of the capitalization threshold) is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays (in excess of the capitalization threshold) exceeded depreciation in the current period:	
Capital outlay	31,108,770
Depreciation	<u>(22,651,555)</u>
	<u>8,457,215</u>
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net assets	(1,384,934)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	5,007,366
The issuance of long-term debt (e.g., bonds, loan, leases) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:	
Repayment of principal (bonds and capitalized lease obligations)	12,203,120
Premiums (discounts) amortization	73,479
Issuance cost amortization	(231,997)
Loss on refundings amortization	(243,942)
Accrued interest	<u>230,935</u>
	<u>12,031,595</u>
Some expenses/revenues reported in the statement of activities (pension, other postemployment benefits, claims, and judgments, and compensated absences) do not require the use of current financial resources, and therefore, are not reported as expenditures/revenues in governmental funds	
Increase in net pension asset	20,860,176
Increase in OPEB liability	(593,693)
Increase in claims, judgments and compensated absences liability	<u>(848,473)</u>
	19,418,010
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities	<u>2,090,474</u>
Change in net assets of governmental activities	\$ <u><u>46,573,408</u></u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Proprietary Funds Statement of Net Assets

June 30, 2011

Assets	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current assets:					
Cash and cash equivalents	\$ 7,493	1,002	1,425	9,920	3,657,233
Investments	6,375,541	10,157,796	—	16,533,337	—
Accrued interest receivable	34,541	58,363	61,999	154,903	25,394
Accounts receivable, net	1,218,019	1,925,167	20,785	3,163,971	—
Due from other governments	—	—	49,360	49,360	—
Unbilled revenue	—	1,054,073	—	1,054,073	—
Inventories	871,419	1,179,095	210,348	2,260,862	364,832
Prepaid expenses	101,200	—	—	101,200	—
Restricted assets:					
Cash and cash equivalents	6,081,334	3,178,318	—	9,259,652	—
Investments	6,559,143	353,135	—	6,912,278	—
Other	599,042	859,409	—	1,458,451	—
Total current assets	21,847,732	18,766,358	343,917	40,958,007	4,047,459
Noncurrent assets:					
Restricted assets:					
Investments	7,524,133	36,753,036	—	44,277,169	—
Investments	—	—	9,845,457	9,845,457	—
Unamortized bond issue costs	1,369,908	774,618	—	2,144,526	3,600
Capital assets:					
Land and easements	9,690,862	4,645,812	2,680,080	17,016,754	23,614
Buildings	125,109,451	62,298,653	1,900,065	189,308,169	1,058,097
Collection system	—	335,545,949	—	335,545,949	—
Improvements other than buildings	131,726,164	14,256,840	24,716,246	170,699,250	684,399
Machinery and equipment	17,605,568	7,589,196	8,689,052	33,883,816	259,751
	284,132,045	424,336,450	37,985,443	746,453,938	2,025,861
Less accumulated depreciation	(86,646,434)	(175,522,681)	(21,294,497)	(283,463,612)	(1,286,221)
	197,485,611	248,813,769	16,690,946	462,990,326	739,640
Construction in progress	530,696	15,734,293	392,190	16,657,179	—
Total capital assets, net	198,016,307	264,548,062	17,083,136	479,647,505	739,640
Total noncurrent assets	206,910,348	302,075,716	26,928,593	535,914,657	743,240
Total assets	228,758,080	320,842,074	27,272,510	576,872,664	4,790,699

CITY OF SPRINGFIELD, MISSOURI

Proprietary Funds Statement of Net Assets

June 30, 2011

Liabilities	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Current liabilities:					
Accounts payable	\$ 342,730	798,115	308,845	1,449,690	135,853
Retainages payable	—	60,538	14,935	75,473	—
Accrued compensated absences	82,952	73,121	36,074	192,147	18,032
Due to other funds	—	—	712,694	712,694	74,465
Accrued interest payable	—	—	8,529	8,529	—
Deferred revenue	254,307	—	—	254,307	—
Estimated liability for incurred but unreported claims	—	—	—	—	2,165,000
Payables from restricted assets:	—	—	—	—	—
Current maturities of long-term debt	2,095,000	4,186,244	167,503	6,448,747	29,752
Payables from restricted assets	2,348,276	3,127,349	—	5,475,625	—
Total current liabilities	5,123,265	8,245,367	1,248,580	14,617,212	2,423,102
Long-term liabilities, less current maturities:					
Revenue bonds payable, net	95,691,580	60,867,644	25,404	156,584,628	—
Notes and capitalized lease obligations payable	—	34,515,713	142,268	34,657,981	168,934
Accrued landfill closure/postclosure care costs	—	—	10,068,398	10,068,398	—
Other postemployment benefits	177,613	157,552	106,893	442,058	—
Accrued compensated absences	402,193	840,148	526,486	1,768,827	168,833
Total long-term debt	96,271,386	96,381,057	10,869,449	203,521,892	337,767
Total liabilities	101,394,651	104,626,424	12,118,029	218,139,104	2,760,869
Net Assets					
Net assets:					
Invested in capital assets, net of related debt	105,159,405	165,322,790	16,747,961	287,230,156	739,640
Restricted for debt service	13,485,698	37,672,220	—	51,157,918	—
Unrestricted	8,718,326	13,220,640	(1,593,480)	20,345,486	1,290,190
Total net assets	\$ 127,363,429	216,215,650	15,154,481	358,733,560	2,029,830
Some of the amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities				511,471	
Net assets of business-type activities				\$ 359,245,031	

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Proprietary Funds Statement of Revenues, Expenses, and Changes in Fund Net Assets

Year ended June 30, 2011

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Operating revenues:					
Sewer service charges	\$ —	23,609,568	—	23,609,568	—
Sewer connection charges	—	165,411	—	165,411	—
Sale of fuel and oil	3,943,548	—	—	3,943,548	—
Flight fees, airport facility rental, and other charges	9,893,207	—	—	9,893,207	—
Golf course fees	—	—	2,785,881	2,785,881	—
Landfill charges	—	—	5,609,166	5,609,166	—
Yardwaste recycling sales	—	—	364,850	364,850	—
Billings to departments	—	—	—	—	7,601,542
Contributions – City and employees	—	—	—	—	8,288,944
Other	68,906	—	—	68,906	3,369,794
Total operating revenues	13,905,661	23,774,979	8,759,897	46,440,537	19,260,280
Operating expenses:					
Personnel services	5,217,488	5,876,920	3,691,107	14,785,515	1,382,249
Other services	3,362,500	6,364,061	1,731,217	11,457,778	13,376,124
Supplies	2,918,860	2,720,355	1,003,570	6,642,785	2,374,723
Other expenses	—	63,812	—	63,812	58,980
Depreciation and amortization	9,790,614	10,252,976	1,470,777	21,514,367	64,261
Total operating expenses	21,289,462	25,278,124	7,896,671	54,464,257	17,256,337
Operating income (loss)	(7,383,801)	(1,503,145)	863,226	(8,023,720)	2,003,943
Nonoperating revenues (expenses):					
Interest revenue	633,036	2,253,418	67,864	2,954,318	72,400
Interest on long-term debt	(5,011,604)	(2,902,177)	(61,128)	(7,974,909)	—
Administrative fees and other debt charges	(72,763)	(487,935)	(3,000)	(563,698)	—
Gain (loss) from disposal of capital assets	—	500	44,600	45,100	—
Claims and settlements	(5,839)	3,527	464,059	461,747	—
Rental car customer facility charge revenue	1,177,097	—	—	1,177,097	—
Rental car customer facility fuel sales	528,828	—	—	528,828	—
Passenger facility charge revenue	1,460,955	—	—	1,460,955	—
Other nonoperating income	—	1,873	6,658	8,531	—
Net nonoperating revenues (expenses)	(1,290,290)	(1,130,794)	519,053	(1,902,031)	72,400
Income (loss) before contributions and transfers	(8,674,091)	(2,633,939)	1,382,279	(9,925,751)	2,076,343
Contributions and grants	9,920,410	2,845,164	186,287	12,951,861	—
Transfers in	—	—	—	—	227,254
Transfers out	(125,000)	(907,142)	(240,084)	(1,272,226)	—
Change in net assets	1,121,319	(695,917)	1,328,482	1,753,884	2,303,597
Net assets, beginning of year	126,242,110	216,911,567	13,825,999	356,979,676	(273,767)
Net assets, end of year	\$ <u>127,363,429</u>	<u>216,215,650</u>	<u>15,154,481</u>	<u>358,733,560</u>	<u>2,029,830</u>
Some of the amounts reported for business-type activities in the statement of activities are different because the net revenue of certain internal service funds are reported with business-type activities				213,123	
Change in net assets of business-type activities				<u>\$ 1,967,007</u>	

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Proprietary Funds Statement of Cash Flows
Year ended June 30, 2011

	Enterprise funds				Internal service funds
	National airport	Sanitary sewerage system	Nonmajor	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 14,107,830	23,677,071	8,714,404	46,499,305	19,384,050
Cash paid to suppliers	(6,481,566)	(9,052,347)	(2,979,746)	(18,513,659)	(15,425,207)
Cash paid to employees	(5,284,927)	(5,684,457)	(3,607,584)	(14,576,968)	(1,330,620)
Net cash provided by operating activities	<u>2,341,337</u>	<u>8,940,267</u>	<u>2,127,074</u>	<u>13,408,678</u>	<u>2,628,223</u>
Cash flows from noncapital financing activities:					
Transfers in	—	—	—	—	227,254
Transfers out	(125,000)	(907,142)	(240,084)	(1,272,226)	—
Net cash provided by (used in) noncapital financing activities	<u>(125,000)</u>	<u>(907,142)</u>	<u>(240,084)</u>	<u>(1,272,226)</u>	<u>227,254</u>
Cash flows from capital and related financing activities:					
Principal payments on long-term debt	(10,435,000)	(7,761,142)	(149,057)	(18,345,199)	(28,534)
Proceeds from issuance of long-term debt	—	5,347,783	123,585	5,471,368	—
Debt issuance costs	(33,988)	(567,365)	(3,000)	(604,353)	—
Interest paid on long-term debt obligations	(5,011,604)	(2,902,177)	(25,144)	(7,938,925)	(9,302)
Additions to capital assets	(7,574,315)	(11,716,249)	(3,541,477)	(22,832,041)	3,111
Decrease in other restricted assets	1,994,522	1,199,980	—	3,194,502	—
Increase (decrease) in payables from restricted assets	(4,598,055)	82,471	—	(4,515,584)	—
Capital contributions	9,920,410	2,845,164	186,287	12,951,861	—
Rental car customer facility charge revenue	1,177,097	—	—	1,177,097	—
Rental car customer facility fuel sale revenue	528,828	—	—	528,828	—
Passenger facility charges received	1,460,955	—	—	1,460,955	—
Proceeds from sale of capital assets	—	500	44,600	45,100	—
Net cash used in capital and related financing activities	<u>(12,571,150)</u>	<u>(13,471,035)</u>	<u>(3,364,206)</u>	<u>(29,406,391)</u>	<u>(34,725)</u>
Cash flows from investing activities:					
Sale of investments	19,494,717	24,286,612	5,960,998	49,742,327	—
Purchases of investments	(10,799,550)	(21,239,757)	(4,585,637)	(36,624,944)	—
Interest received	649,076	2,286,781	101,855	3,037,712	82,256
Net cash provided by investing activities	<u>9,344,243</u>	<u>5,333,636</u>	<u>1,477,216</u>	<u>16,155,095</u>	<u>82,256</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,010,570)</u>	<u>(104,274)</u>	<u>—</u>	<u>(1,114,844)</u>	<u>2,903,008</u>
Cash and cash equivalents, beginning of year	7,099,397	3,283,594	1,425	10,384,416	754,225
Cash and cash equivalents, end of year	<u>\$ 6,088,827</u>	<u>3,179,320</u>	<u>1,425</u>	<u>9,269,572</u>	<u>3,657,233</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ (7,383,801)	(1,503,145)	863,226	(8,023,720)	2,003,943
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	9,790,614	10,252,976	1,470,777	21,514,367	64,261
Other nonoperating expenses	(78,602)	5,400	470,717	397,515	—
Decrease (increase) in:					
Inventories	(161,445)	(133,094)	15,795	(278,744)	(17,730)
Accounts receivable	159,991	(8,297)	(12,947)	138,747	24,635
Due from other governments	—	—	(32,546)	(32,546)	—
Unbilled revenue	—	(89,611)	—	(89,611)	—
Prepaid expenses	9,493	—	—	9,493	—
Increase (decrease) in:					
Accounts payable	30,348	238,799	(25,575)	243,572	8,497
Retainage payable	—	(15,224)	4,341	(10,883)	—
Deferred revenues	42,178	—	—	42,178	—
Due to other funds	—	—	(246,178)	(246,178)	(64,195)
Accrued landfill closure/postclosure care costs	—	—	(464,059)	(464,059)	—
Estimated liability for incurred but unreported claims	—	—	—	—	547,000
Other postemployment benefits	40,207	36,357	23,098	99,662	—
Accrued compensated absences	(107,646)	156,106	60,425	108,885	61,812
Total adjustments	<u>9,725,138</u>	<u>10,443,412</u>	<u>1,263,848</u>	<u>21,432,398</u>	<u>624,280</u>
Net cash provided by operating activities	<u>\$ 2,341,337</u>	<u>8,940,267</u>	<u>2,127,074</u>	<u>13,408,678</u>	<u>2,628,223</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Fiduciary Funds Statement of Fiduciary Net Assets
June 30, 2011

Assets	Pension Trust	Agency funds
Cash and short-term investments	\$ 6,409,737	4,884,488
Investments, at fair value:		
U.S. government securities	15,530,687	—
Debt securities	17,418,665	—
Equity securities	147,318,254	—
Due from other funds	4,215,756	—
Accrued interest receivable	286,430	2,685
Total assets	191,179,529	4,887,173
Liabilities		
Accounts payable	11,968	4,654,999
Escrows payable	—	202,049
Municipal court bond deposits	—	30,125
Total liabilities	11,968	4,887,173
Net Assets		
Net assets held in trust for pension benefits	\$ 191,167,561	—

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year ended June 30, 2011

	<u>Pension Trust</u>
Additions:	
Contributions:	
Employer	\$ 7,859,176
Plan members	2,991,273
Public safety sales tax from City of Springfield	26,282,689
Total contributions	<u>37,133,138</u>
Investment earnings:	
Interest and dividends	1,684,796
Net increase in the fair value of investments	30,376,721
Total investment earnings	32,061,517
Less investment expense	<u>(578,074)</u>
Net investment earnings	<u>31,483,443</u>
Total additions	<u>68,616,581</u>
Deductions:	
Benefits	16,603,322
Refunds of contributions	1,322,514
Administrative expenses	157,372
Total deductions	<u>18,083,208</u>
Change in net assets	50,533,373
Net assets – beginning	<u>140,634,188</u>
Net assets – ending	<u>\$ 191,167,561</u>

See accompanying notes to basic financial statements.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The City of Springfield, Missouri (the City), operates under the Council-Manager form of government with the council consisting of the Mayor and eight council members who are elected on a nonpartisan basis. The City provides a variety of general government services to residents including law enforcement, fire protection, community development, recreation, and various social services. Additionally, the City has several business-type operations that offer services associated with the National Airport, sanitary sewerage system, refuse disposal facilities, and municipal golf courses.

The financial reporting entity consists of the primary government and its component units, entities for which the government is considered financially accountable. The determination of financial accountability includes consideration of a number of criteria, including: (1) the appointment of a voting majority of an entity's governing authority and the ability of the primary government to impose its will on the entity; (2) the potential for the entity to provide specific financial benefits to, or impose specific financial burdens on, the primary government; and (3) the entity's fiscal dependency on the primary government. Two types of component units are included within the government-wide financial statements:

Blended Component Unit – The following legally separate entity is a component unit that is, in substance, a part of the City's general operations. This component unit provides services entirely, or almost entirely, to the primary government or provides services that exclusively, or almost exclusively, benefit the primary government. Data from this unit is combined with data of the primary government for financial reporting purposes.

The Public Building Corporation of the City of Springfield, Missouri (PBC) – The PBC, a not-for-profit corporation, was incorporated under the laws of the State of Missouri on October 2, 1989. The PBC was established to promote, acquire, develop, construct, and own facilities within the City, which are approved by the City Council for the purpose of promoting the economic, social, industrial, cultural, and commercial growth and for the general benefit of the City and its residents.

The board of directors of the PBC consists of nine persons appointed by the Mayor with the advice and consent of the City Council. Financial information for the PBC has been included within the governmental activities and governmental funds. Although it is legally separate from the City, the PBC is reported as if it were part of the primary government, because its sole purpose is to finance the construction of various capital projects within the City. No separately issued financial statements are prepared for the PBC.

Discretely Presented Component Unit – The below mentioned discretely presented component unit is reflected separately in the government-wide financial statements to emphasize that it is legally separate from the primary government.

City Utilities of Springfield, Missouri (City Utilities) – City Utilities is a legally separate municipally owned utility controlled by the Board of Public Utilities, which is appointed by the City Council in accordance with the City Charter.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

The City Council approves the rates for user charges, the annual budget plan, and bond issuance authorizations. Financial information for City Utilities is as of and for the year ended September 30, 2010. City Utilities elected to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 for their proprietary operations, unless these pronouncements conflict with applicable Governmental Accounting Standards Board (GASB) guidance or pronouncements. City Utilities is comprised of the Public Utility (including the Electric, Gas, Transportation, and Telecommunications departments) and the Water Utility, which are controlled by the Board of Public Utilities.

As required in Section 16.11 of the City Charter, the City Utilities component unit follows, in all significant respects, accounting policies and procedures established for investor-owned gas and electric utilities by the Federal Energy Regulatory Commission (FERC) and for investor-owned water utilities by the National Association of Regulatory Utility Commissioners. The City Utilities' financial statements are reported using the economic resource measurement focus and the accrual basis of accounting.

Complete financial statements for the City Utilities are available from their general offices:

City Utilities of Springfield, Missouri
301 East Central
P. O. Box 551
Springfield, Missouri 65801-0551

No other entities met the criteria for inclusion as component units of the City.

Joint Venture – Both the City and the City Utilities component unit (along with other participants) participate in a joint venture. The City's cumulative investment in the joint venture has been included in the capital assets of the governmental activities, while City Utilities' equity interest in the joint venture is reported within its discrete component unit presentation.

(b) Government-Wide and Fund Financial Statements

The financial statements include both the government-wide (the statement of net assets and the statement of activities) and fund financial statements.

Government-Wide Financial Statements – The government-wide financial statements display information about the primary government and its component unit, except for fiduciary activities. For the most part, the interfund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide statement of net assets, both the governmental and business-type activities are each consolidated and presented on the full accrual, economic resources basis of accounting. The consolidated presentation incorporates long-term assets and receivables, as well as long-term debt and obligations, and it provides valuable information for greater analysis and comparability.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – Separate fund financial statements report information on the City's governmental, proprietary, and fiduciary funds, though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Consequently, the emphasis on near-term inflows and outflows of resources do not present the long-term impact of transactions. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pension costs, are recorded only when payment is due. Conversely, the proprietary and pension trust fund statements incorporate the accrual basis of accounting and focus on the change in total economic resources. Agency funds adhere to the accrual basis of accounting and do not have a measurement focus. This presentation records long-term assets and liabilities and recognizes revenues and expenses when transactions occur, regardless of their impact on the flow of cash. Since the accounting differs significantly between the governmental funds and the proprietary funds, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the governmental funds balance sheet and the statement of revenues, expenditures, and changes in fund balance identifying categories that required conversion from the fund financial statements.

Property taxes, sales taxes, franchise taxes, grants, payments in lieu of taxes, and interest associated with the current fiscal period are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the government.

Operating activities of the proprietary funds include all transactions and other events that are not defined as capital and related financing, noncapital financing, or investing activities. More specifically, operating revenues consist of sales and charges for service. Operating expenses of the proprietary funds include personnel services, operating supplies, and services incurred in conducting daily business.

Nonoperating revenues consist of passenger facility charges and customer facility charges. In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a passenger facility charge (PFC) on enplaning passengers. PFC's may be used for

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

airport projects that meet at least one of the following criteria: preserve or enhance safety, security or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport or provide opportunities for enhanced competition between and/or among carriers. On September 1, 2008, a customer facility charge user fee of \$4.50 per rental day was imposed on each rental of a passenger vehicle by a customer from a rental car agency. The airport also charges a fee related to rental car customer facility fuel sales. These fees are for the purpose of paying a portion of the cost of constructing, equipping and financing a consolidated rental car facility and for the payment of debt service on revenue bonds issued for this project.

The City reports the following major governmental funds:

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

Community Development – This fund accounts for grants received from the Department of Housing and Urban Development (HUD) along with various revolving loans. The purpose of this fund is to improve neighborhoods in low to moderate income areas.

Public Safety Pension Sales Tax – This fund accounts for the proceeds from the ¾ cent public safety pension sales tax revenue.

The City reports the following major proprietary funds:

National Airport – This fund accounts for all operations and developmental improvements relating to the Springfield-Branson National Airport and the Ozark Airport site.

Sanitary Sewerage System – This fund accounts for the maintenance activities of the existing collection system and capital improvements pertaining to the Southwest Treatment Plant, Northwest Treatment Plant, lift stations, and phosphorus treatment facilities.

The City reports the following fund types:

Internal Service Funds – These funds account for the costs of the Service Center Garage, the Print Shop, and the Self-Insurance Funds on a cost-reimbursement basis.

Pension Trust Funds – These funds account for moneys held in trust by the City for pension benefits.

Agency Funds – These funds account for moneys held on behalf of the Cooper Tennis Trust, Municipal Court Bond, and the Revolving Payroll Fund.

The City applies all applicable pronouncements of the FASB issued on or before November 30, 1989 in accounting and reporting for both the government-wide and proprietary fund financial statements, unless these pronouncements conflict with applicable GASB guidance as prescribed by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. No pronouncements of the FASB issued after November 30, 1989 have been adopted.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(c) *Assets, Liabilities, and Net Assets or Fund Balance*

a. **Deposits and Investments**

The City's investment policies are governed by the City Charter and management policies. City moneys are deposited in Federal Deposit Insurance Corporation (FDIC) – insured banks located within the state. The City is authorized to use demand and time deposits. Permissible investments include obligations of the U.S. government, State of Missouri, or City of Springfield; bonds, bills, or notes guaranteed by the U.S., state, or city governments; certificates of deposit; repurchase agreements; banker's acceptances; and commercial paper. The City purchases investments from Securities and Exchange Commission (SEC)-registered broker-dealers and banks. The City's investments are stated at fair value, which is determined by quoted market prices.

Collateral is pledged to secure the City's demand deposits and certificates of deposit. In accordance with the City Charter, collateral pledged must have a market value of at least 102% of deposits not covered by federal deposit insurance and may consist of the same type of obligations in which the City may invest. Obligations pledged to secure deposits are delivered to the bank's joint custody account at the Federal Reserve Bank. Written custodial agreements are required that provide, among other things, that collateral be held separately from the assets of the custodial bank. At least quarterly, the City determines that the fair value of collateral pledged is adequate to cover deposits. The City also utilizes guaranteed investment contracts that have pledged securities backing the investments in excess of 100% of the investments held in the name of the City's trustee bank. The guaranteed investment contracts also contain voluntary liquidation clauses if the investment ratings fall below certain levels.

The City also maintains The Policemen and Firemen's Retirement Fund (the Pension Trust Fund), which is managed by a board of trustees. The Pension Trust Fund's investing activities are governed by the same state laws applicable to life insurance or casualty companies. The plan agreement specifies that no more than 35% of the Pension Trust Fund's assets may be invested in common stocks, with no more than 2% invested in the common stock of any one corporation nor more than 5% in small capital stocks. Investments are reported at fair value, based on quoted market prices at the valuation date. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

The City Utilities component unit also maintains cash and investment securities, which are carried at fair value plus accrued interest. Bond ordinances permit investments only in direct obligations of the U.S. government, such as bills, notes, or bonds, and any other obligations guaranteed as to payment of principal and interest by the U.S. government or any agency or instrumentality thereof. City Utilities is also authorized to invest in repurchase agreements, for which the underlying securities must be U.S. Treasury notes, bonds, or bills. City Utilities' investment portfolio includes securities that are either insured or registered, or for which the securities are held by City Utilities' agents in City Utilities' name.

For purposes of the statements of cash flows, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

b. Receivables and Payables

Activity between funds that are representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either “due to/due from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All receivables are shown net of an allowance for doubtful accounts.

Property taxes are assessed on January 1 and are finalized and levied by September 1 and become delinquent after December 31 each year. The City contracts with Greene County (the County) to have its taxes billed, collected, and remitted each year. A lien attaches to all property on January 1, for which taxes are unpaid. The City pays the County 2% of collections plus \$10,000 per year as a fee for this service.

The City is permitted by state statute to levy taxes up to \$1 per \$100 of assessed valuation for general government services. Specific amounts beyond \$1 may be voted upon by the public to support certain types of operations. The City also has the authority to levy taxes, without limit, to pay the annual principal and interest on general long-term debt as required.

The tax levy, per \$100 assessed valuation, for the City during the fiscal year was as follows:

Parks department	\$	0.1809
Health department		0.1234
Art museum		0.0378
Debt service		0.2595
Total tax levy	\$	<u>0.6016</u>

Special assessments of \$27,359,340 have been issued since 1980 (\$830,239 issued during the year ended June 30, 2011), and collections have totaled 85%, or \$23,136,323. Special assessments receivable of \$3,956,092 is net of delinquent accounts of \$58,174.

The City has issued a variety of loans for residential, rehabilitation, and small businesses projects in low to moderate income areas funded by grants received from the Department of Housing and Urban Development (HUD). These notes and loans receivable have different repayment requirements and have provisions to attach liens to properties that go into default. As of June 30, 2011, the notes and loans receivable of \$40,964,809 is net of a \$28,125 reserve for doubtful accounts.

c. Inventories and Prepaid Items

Inventories are stated at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Materials, supplies inventories, and gas stored underground for the City Utilities component unit are stated at the lower of average cost or market. Coal inventory is stated at the lower of cost using the last-in, first-out (LIFO) method or market. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the applicable balance sheets and statement of net assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

e. Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, excluding land, are defined by the City as assets with a cost of \$5,000 or greater and an estimated useful life of at least one year. All land purchases are capitalized regardless of cost. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

In conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, infrastructure assets, such as streets, intersections, and storm sewers, completed in the current year have been capitalized. Additionally, the City elected to depreciate its infrastructure assets. Infrastructure assets not completed by year-end have been reported as construction in progress.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. Costs for the City Utilities component unit's utility plant additions include the cost of material, labor, vehicle and equipment usage, related overhead items, capitalized interest, and administrative and general expenses.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Property, plant, equipment, and infrastructure are depreciated using the straight-line method over the following estimated lives:

	Years
Primary government (excluding National Airport):	
Buildings	40
Improvements other than buildings	20
Sewer plant and collection system	40
Machinery and equipment	3 – 10
Infrastructure	20
National Airport:	
Buildings	25 – 40
Improvements other than buildings	15 – 40
Machinery and equipment	3 – 20
Infrastructure	15 – 40
City Utilities component unit:	
Electric utility plant	33
Gas utility plant	33
Transportation plant and equipment	15
Water utility plant	50
Common plant and equipment	27

f. Compensated Absences

All vested or accumulated vacation, scheduled holiday leave, and vested accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

g. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and obligations are reported in the statement of net assets as liabilities in the applicable governmental and business-type categories. Bond premiums and discounts, as well as issuance costs and amounts deferred on refundings, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges (other assets) and amortized over the term of the related debt.

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

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

h. Fund Balances

In the fund financial statements, governmental funds report up to five components of fund balance from most restrictive in nature to least restrictive: nonspendable; restricted; committed; assigned; and unassigned.

The City recognizes the important nature of setting aside funds for use in emergency situations or when significant revenue shortages arise. The City Council has formally set its stabilization fund as “Committed” funds at the target range of 15-20% of the City’s operating revenues for the General Fund. As such, stabilization funds can only be used when estimated revenue is expected to be 5% or more below budgeted revenues for a major revenue item, or in emergency situations requiring emergency action by City government. Emergency situations are not expected to occur routinely and should not be readily foreseeable by the City. Any amounts expended from stabilization funds should be replenished within a two- to five-year period of time following the end of the event prompting the need for such funds.

The City Council formally established and adopted the “default” spending policy, spending resources in the following manner when available: restricted, committed, assigned, and unassigned. The default policy is meant to prioritize the flow of resources from most restrictive to least restrictive for normal business activities.

The City Council authorizes and approves the property tax levies annually providing a “committed” balance for property tax revenues. In addition, the City Council must approve any action to modify or rescind a fund-balance commitment.

The City Council authorized the City Manager and the Director of Finance to express assignments on behalf of the City to document the City’s intent to use available resources. The applicable assignments do not require formal City Council approval.

i. Unbilled Revenue

Both the City’s sanitary sewerage system and the City Utilities component unit bill their customers on a cyclical basis and, therefore, record estimated unbilled revenues at year-end less allowance for uncollectible accounts.

j. Electric Fuel and Purchased Gas Adjustments – City Utilities Component Unit

General Ordinance Numbers 5531 and 57805 require City Utilities to adjust monthly customers’ electric and natural gas bills respectively, for changes between estimated and actual costs of electric fuel, purchased power, and purchased natural gas to City Utilities. Such costs includes amounts recognized in connection with financial instruments used to manage the overall costs of natural gas. An over-recovery of \$5,176,000 for electric fuel and an over-recovery of \$372,000 for purchased natural gas adjustment clauses were recorded at September 30, 2010 as a component of other liabilities. An under-recovery of \$225,000 for costs associated with financial instruments was recorded at September 30, 2010.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

k. Capitalization of Interest

Net interest costs related to acquisition or construction are capitalized as part of the cost of the related asset for the business-type and proprietary activities of the City and City Utilities component unit. Total interest costs incurred by the City were \$14,802,933, of which \$43,782 was capitalized. Total interest costs incurred by the City Utilities component unit were \$35,499,000, of which \$21,441,000 was capitalized.

l. Designated Improvement Account Investments and Escrow for Bonded Indebtedness – City Utilities Component Unit

Rates enacted by City Ordinance No. 4125, dated June 4, 1990, establish electric, natural gas, and water revenue adjustment schedules. The revenues generated will contribute to the funding of major capital projects relating to Clean Air Act Amendments of 1990 requirements and natural gas transmission and supply. Other designated funds include funds set aside for self-insurance reserves and long-range plan for major project funding. In addition, in accordance with City Ordinances, City Utilities maintained funds in escrow for bonded indebtedness.

A summary of the designated improvement account and escrow for bonded indebtedness, which consists of U.S. government obligations, U.S. government agency obligations, repurchase agreements, and mortgage-backed securities as of September 30, 2010, is as follows:

Funds for bonded indebtedness	\$ 65,328,000
Designated improvement accounts	<u>163,357,000</u>
Total	<u>\$ 228,685,000</u>

m. Interfund and Related-Party Transactions

Transactions between the City's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government. Certain transactions between City Utilities and the City are also treated in this manner. The operations of City Utilities for the year ended September 30, 2010 reflect payments in lieu of taxes to the City of \$11,428,000.

In addition, City Utilities also provides services such as energy for street lighting and other electric, gas, and water services without charge to the City. The cost of providing such services was approximately \$8,823,000 for the year ended September 30, 2010.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

n. Net Assets

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

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

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

Unrestricted – This consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

o. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

p. Adoption of New Accounting Pronouncements

As described in note 1(c) h. and 2(e), effective July 1, 2010, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*. This statement substantially altered the categories and terminology used to describe fund balance within the governmental funds.

Effective July 1, 2010, the City adopted GASB Statement No. 59, *Financial Instruments Omnibus*. The objective of this statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. Adoption of this statement had no impact on the financial statements.

q. New Accounting Pronouncements Not Yet Adopted

In December 2009, GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (i.e., agent employers). The guidance is effective for the City for the year ended June 30, 2012.

In November 2010, GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The objective of this statement is to improve financial

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. This statement also provides guidance for governments that are operators in an SCA. For revenue sharing arrangements, this statement requires governmental operators to report all revenues and expenses. A transferor reports its portion of the shared revenues. This statement requires disclosures about an SCA including a general description of the arrangement and information about the associated assets, liabilities, and deferred inflows, the rights granted and retained, and guarantees and commitments. The requirements of this statement are effective for the City for the year ending June 30, 2013.

In November 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*. This statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. This statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. The requirements of this statement are effective for the City for the year ending June 30, 2013.

In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and is effective for the City for the year ending June 30, 2013.

In June 2011, GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions, an amendment of GASB Statement No. 53*. The objective of this statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The requirements of this statement are effective for the City for the year ending June 30, 2012.

The City has not completed its assessments of the impact of the adoption of these statements.

r. Works of Art

The Springfield Art Museum is a general museum of fine art. The museum wishes to form and maintain collections of the highest possible aesthetic quality and significance, covering the entire range of the history of art. The collection consists of glass, metalwork, manuscripts, musical instruments, paintings, prints, silver, ceramics, and sculptures. In recognition of the museum's existing collections and limited acquisition funds, acquisitions of new collections generally focus on American art of all periods. It is assumed that all objects that become the

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

property of the Springfield Art Museum, whether donated or purchased, are to remain in the museum's collection on a permanent basis. If an object or group of objects is sold, the moneys derived from the sale shall be added to the museum's acquisition fund and expended in the appropriate fiscal year or deposited in the museum's endowment fund to be utilized at a future date. Since the collection is not held for financial gain, but is protected, preserved, and disposed only in order to acquire other works of art, the collections are excluded from the government-wide financial statements.

(2) Detailed Notes on All Funds

(a) *City Deposits (Excluding Pension Trust and City Utilities)*

The City maintains a cash and investment pool that is available for use by all funds. The pool is comprised of deposits, repurchase agreements, and other investments with maturities of primarily less than one year. At June 30, 2011, the bank balance of the City's deposits was \$16,218,630, which was covered by FDIC or by collateral held by the City's agent in the City's name. A difference exists between bank and book balances of \$1,110,244 due to deposits in transit and other reconciling items.

(b) *Investments*

i) *City Investments (Excluding Pension Trust and City Utilities)*

Statutes authorize the City to invest in investments that are:

- a. Obligations of the U.S. government, the State of Missouri, this city;
- b. In bonds, bills, notes, debentures, or other obligations guaranteed as to payment of principal and interest by the government of the United States or any agency or instrumentality thereof, the State of Missouri, or this city;
- c. In revenue bonds of the City;
- d. In certificates of deposit; savings accounts as defined in Chapter 369, Revised Missouri Statutes; or in interest-bearing time deposits when such funds are held in U.S. banks; state banks; savings and loan associations operating under Chapter 369, Revised Missouri Statutes; or savings and loan associations authorized by the U.S. government so long as such deposits, savings accounts, and interest-bearing deposits are secured by one or more of the types of securities described in subparagraphs (a), (b), or (c) of this section;
- e. Banker's acceptances issued by domestic commercial banks possessing the highest rating issued by a nationally recognized rating agency;
- f. Commercial paper issued by domestic corporations that has received the highest rating issued by a nationally recognized rating agency; or
- g. Investments permitted by the City Council that are authorized in the model investment policy prepared by the State of Missouri for political subdivisions.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

As of June 30, 2011, the City holds the following investments:

Investment type	Fair value	Investment maturities			
		Less than 6 months	6 – 12 months	12 – 24 months	More than 24 months
U.S. Treasury securities	\$ 60,489,918	15,897,304	17,443,689	19,838,802	7,310,123
U.S. agency:					
FHLB	13,151,868	10,128,285	—	3,023,583	—
FHLMC	426,063	—	426,063	—	—
FFCB	17,048,463	—	10,049,240	6,999,223	—
FNMA	36,399,557	—	9,342,999	27,056,558	—
Collateralized deposits:					
AIG Mat Fund Corp Inv. Ag.	1,653,926	—	—	—	1,653,926
AIG MFC I/C	37,083	—	—	—	37,083
AIG MFC Res I/A	322,700	—	—	—	322,700
AIGFMC	1,097,500	—	—	—	1,097,500
CDC Funding Corp	30,179,171	—	—	—	30,179,171
FSA Cap Management Repo	5,445,837	—	—	—	5,445,837
Societe Generale Repo	7,524,133	—	—	—	7,524,133
West Deutsche Landmark	540,232	—	—	—	540,232
Trinity Plus Funding	59,985	—	—	—	59,985
Total	\$ 174,376,436	26,025,589	37,261,991	56,918,166	54,170,690

The following is a listing of cash and investments held by the City as of June 30, 2011, excluding pension trusts and City Utilities:

Deposits and money market funds	\$ 39,810,734
Investments	174,376,436
Trustee accounts	1,980,189
Imprest funds	204,917
Total	\$ 216,372,276

The deposits and investments of the City at June 30, 2011 excluding pension trust funds and City Utilities are reflected in the financial statements as follows:

	Government-wide statement of net assets	Fiduciary funds statement of net assets (excluding pension trusts)	Total
Cash and investments	\$ 134,765,354	4,884,488	139,649,842
Restricted cash and investments	76,722,434	—	76,722,434
	\$ 211,487,788	4,884,488	216,372,276

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. According to the City's policy, all trades, where applicable, will be executed by delivery vs. payment to ensure that fixed income securities are deposited in eligible financial institutions prior to the release of funds. In addition, all fixed income securities shall be perfected in the name or for the account of the City and shall be held by a third-party custodian as evidenced by safekeeping receipts. At June 30, 2011, approximately \$53.8 million of underlying securities were held by the investments' counterparty, not in the name of the City.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the City's investments will decrease as a result of increase in interest rates. The City will minimize the risk that the market value of fixed income securities in the portfolio will fall due to changes in the general interest rates by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for ongoing operations and by investing operating funds primarily in shorter term fixed income securities. The City does not have a formal policy relating to a specific investment-related risk.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The City does not have a formal policy relating to foreign currency risk.

Credit Risk

Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill their obligations. The City will minimize credit risk by prequalifying the financial institutions, broker-dealers, intermediaries, and advisors with which the City will do business and by diversifying the portfolio so that potential losses on individual fixed income securities will be minimized. As of June 30, 2011, the City's investments were rated by Moody's Investment Service (Moody's) or Standard & Poor's as follows:

<u>Investment type</u>	<u>Rating</u>
U.S. agency securities	AAA
Collateralized deposits	Baa1 or Higher
Money market mutual funds	AAA

The City does not have a specific credit risk policy and there is no limit on the amount that may be invested in one issuer.

ii) *Police Officers' and Fire Fighters' Retirement Fund – Pension Trust*

Cash and Investments

The board of trustees of the Police Officers' and Fire Fighters' Retirement Fund (Retirement Fund or the Plan) recommend the appropriate asset types to the City Council for their approval. The board of

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

trustees may add, delete, or change asset classes within those asset types at their discretion at any time within the parameters established by City Council. In selecting asset classes, the trustees will choose asset classes reasonably designed to further the purpose of the Plan, taking into account the risk of loss and opportunity for gain associated with the asset classes, the composition of the available asset classes with regard to the Plan's opportunity to meet its objectives without exceeding the risk tolerance permitted and still achieving diversification of the Plan's portfolio. Also, the trustees will take into account the liquidity, current, and projected return with respect to the asset classes, relative to the objectives of the Plan.

The asset classes, target asset allocation and ranges to be used in the Plan are shown below. The trustees may change asset classes and target at any time within the parameters established by City Council. All percentages are based on market values. The portfolios will be rebalanced any time they are not within the appropriate ranges. Each investment manager may hold cash under the guidelines set out below, but that cash shall be considered invested in the asset class assigned. The asset classes and targets established are as follows:

Asset type and class	Range	Target
Equities:	45% – 75%	
Large cap		30.00%
Small cap		10.00
International equities		15.00
Emerging markets		5.00
Fixed-income:	25% – 40%	
Domestic		21.75%
International		10.75
Alternatives:	0% – 15%	
Real estate		7.50%
Hedge funds		—

At June 30, 2011, the bank balances of the Retirement Fund's deposits totaled \$6,409,737. Of this amount, \$500,000 was covered by FDIC insurance and \$5,909,737 was supported by collateral held by banks in the Plan's name that do not hold the collateralized deposit.

The Plan's investment policies are governed by the City Charter and management policies. Permissible investments include obligations of the U.S. government, State of Missouri, or City of Springfield; bonds, bills, or notes guaranteed by the U.S., state, or city governments; certificates of deposit; repurchase agreements; bankers' acceptances; and commercial paper. The Plan purchases investments from SEC-registered broker-dealers and banks. Plan investments also include investments in external investment pools and mutual funds that cannot be categorized because the entity is not issued securities but rather is a registered shareholder.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

The Plan's investments at June 30, 2011 mature as follows:

Investment type	Fair value	Investment maturities			More than 10 years
		1 year	Less than 5 years	10 years	
U.S. Treasury securities	\$ 13,590,855	—	—	5,847,872	7,742,983
Domestic:					
Corporate debt obligations	16,399,481	—	6,437,632	5,707,198	4,254,651
Municipal debt obligations	1,939,832	—	551,311	976,496	412,025
Foreign:					
Corporate debt obligations	1,019,184	—	819,826	199,358	—
Index funds:					
Domestic:					
U.S. Total Market Index:					
SL Fund	83,457,322	83,457,322	—	—	—
Prudential – PRISA	9,312,256	9,312,256	—	—	—
Foreign:					
Pictet International Equity	36,009,238	36,009,238	—	—	—
Brandywine	18,539,438	18,539,438	—	—	—
Total	\$ 180,267,606	147,318,254	7,808,769	12,730,924	12,409,659

Interest Rate Risk

Interest rate risk is the risk that the fair value of the Plan's investments will decrease as a result of increase in interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The Plan coordinates its investment maturities to match cash flow needs closely.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Credit Risk

Credit risk is the risk that the Plan will not recover its investments due to the inability of the counterparties to fulfill their obligation. The Plan policy limits investments to those authorized by state statutes for purchase by life insurance or casualty companies in the state so that no more than 2% of the admitted assets of the Plan may be invested in the common stock of any one corporation. The Plan also limits the amount available for investment in small capital stocks. In addition, the Plan mandates that no less than 30% of the admitted assets of the Plan be invested in direct obligations of the U.S. government.

<u>Investment type</u>	<u>Rating</u>	<u>Percentage</u>
Domestic:		
Corporate debt obligations	BBB or higher	9%
Municipal debt obligations	AA or higher	1
Foreign:		
Corporate debt obligations	BBB or higher	Less than 1%
Index:		
Russell 2000 Fund	N/A	13%
S&P 500 Flagship NI Fund	N/A	30
Dow Jones Usb Commodity Fund	N/A	3
Prudential – PRISA	N/A	5
Pictet International Equity	N/A	20
Brandywine	BBB or higher	10

All investments shown in the preceding schedule have a rating as shown or higher for each given category. The Plan avoids a concentration of credit risk by diversifying its investments by security type and institution. In addition, as of June 30, 2011, the Plan had not invested over 5% of its assets in any one entity.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan does not have a formal policy relating to foreign currency risk.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

The Plan's exposure to foreign currency risk in U.S. dollars as of June 30, 2011 is highlighted in the table below:

Currency	Debt	Equities	Total
Australian dollar	\$ 27,809	488,614	516,423
British pound sterling	3,587,381	—	3,587,381
Bulgarian lev	—	560,160	560,160
Canadian dollar	1,135,636	—	1,135,636
Chinese yuan renminbi	765,679	172,903	938,582
Denmark	—	538,525	538,525
Euro	1,458,935	—	1,458,935
France	95,457	1,302,821	1,398,278
Germany	85,249	2,954,719	3,039,968
Hong Kong dollar	—	2,150,508	2,150,508
Italy	—	2,973,893	2,973,893
Japanese yen	—	7,267,087	7,267,087
Kazakhstan tenge	—	238,999	238,999
Malaysian ringgit	938,096	207,356	1,145,452
Mexican peso	889,893	—	889,893
Netherlands antilles	—	1,409,272	1,409,272
New Zealand dollar	46,349	—	46,349
Norwegian krone	1,082,703	—	1,082,703
Philippines	—	335,951	335,951
Poland	1,477,593	—	1,477,593
Portugal	—	554,997	554,997
Singapore dollar	387,474	925,253	1,312,727
South African rand	585,846	—	585,846
South Korean won	941,803	252,751	1,194,554
Spain	—	2,578,144	2,578,144
Swedish krona	—	1,116,111	1,116,111
Swiss franc	—	4,470,950	4,470,950
United Kingdom	—	5,244,741	5,244,741
United States currency	6,052,719	265,483	6,318,202
	\$ 19,558,622	36,009,238	55,567,860

iii) City Utilities Component Unit

City Utilities maintains cash and investment securities. The Public Utility and Water Utility bond ordinances permit investments only in direct obligations of the U.S. government, such as bills, notes, or bonds and any other obligations guaranteed as to payment of principal and interest by the U.S. government or any agency or instrumentality thereof. City Utilities is also authorized to invest in interest-earning investment contracts for which the underlying securities must be U.S. Treasury

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

notes, bonds, bills, or other obligations guaranteed by the U.S. government or any agency or instrumentality thereof. Funds in the form of overnight bank deposits and cash on deposit are required to be insured by the FDIC or collateralized by permitted investments held by the City Utilities' agents in the City Utilities' name.

City Utilities' investment portfolio includes securities that are either insured or registered, or for which the securities are held by the City Utilities' agents in City Utilities' name.

City Utilities investments are all held at market value with readily determinable quoted prices.

Interest Rate Risk

Interest rate risk is the risk that the fair value of City Utilities' fixed-income investments will decrease as a result of increases in interest rates. As a means of limiting its exposure to interest rate risk, City Utilities' investment policy prohibits investments that are highly sensitive to interest rate changes. As of September 30, 2010, City Utilities investment portfolio matures as follows (in thousands):

	Recorded value	Investment maturities			
		Less than 1 year	2 – 3 years	4 – 5 years	More than 5 years
U.S. government	\$ 74,587	38,987	10,078	12,511	13,011
U.S. government agencies	74,979	13,353	31,560	20,720	9,346
Mortgage-backed securities	68,706	15,324	14,985	8,992	29,405
Money market investments					
Interest-earning investment contracts:					
Forward delivery agreement	52,813	—	—	—	52,813
Accrued interest	1,680	1,680	—	—	—
Total investments	272,765	69,344	56,623	42,223	104,575
Cash	35,922	35,922	—	—	—
Total cash and investments	\$ 308,687	105,266	56,623	42,223	104,575

The cost of interest-earning investment contracts approximates fair value as of September 30, 2010. Interest-earning investment contracts earn a fixed rate of interest ranging from 4.9% to 5.2%.

Credit Risk

Credit risk is the risk that City Utilities will not recover its investment due to the inability of the counterparty to fulfill their obligations. As a means of limiting credit risk, City Utilities' investment policy permits investments in U.S. government-backed securities or in investment contracts collateralized by U.S. government-backed securities. As of September 30, 2010, City Utilities' investments in U.S. government agencies and mortgage-backed securities were all assigned

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

long-term ratings of AAA and Aaa by Standard & Poor's and Moody's, respectively. Interest-earning investment contracts were unrated as of September 30, 2010.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of City Utilities' investment in a single issuer. As a means of limiting concentration of credit risk, City Utilities' investment policy prohibits concentration of more than 40% in any one U.S. government security. No securities held by City Utilities exceeded this threshold at September 30, 2010.

As of September 30, 2010, City Utilities was invested in a forward delivery agreement with The Bank of New York Trust Company, N.A., comprising approximately 19% of City Utilities' total investment. Earnings resulting from investments acquired with the proceeds of the Series 2006 Public Utility Revenue bonds are limited to the tax-exempt interest rate of such bonds, as defined within the related tax declaration dated September 27, 2006. Any excess investment earnings must be related to the federal government. A rebate of \$10.2 million is included in other liabilities in the Statement of Net Assets.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(c) **Capital Assets**

Capital asset activity for the year ended June 30, 2011 was as follows:

Governmental Activities

	Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
Nondepreciable capital assets:				
Land	\$ 52,844,190	167,000	(15,084)	52,996,106
Construction in progress	<u>22,354,258</u>	<u>28,910,665</u>	<u>(20,461,415)</u>	<u>30,803,508</u>
Total nondepreciable capital assets	<u>75,198,448</u>	<u>29,077,665</u>	<u>(20,476,499)</u>	<u>83,799,614</u>
Depreciable capital assets:				
Buildings	88,563,452	162,266	—	88,725,718
Improvement other than buildings	75,448,761	2,991,370	(1,688,712)	76,751,419
Machinery and equipment	39,495,466	1,894,475	(2,280,574)	39,109,367
Infrastructure	<u>312,882,291</u>	<u>17,444,409</u>	<u>(50,180)</u>	<u>330,276,520</u>
Total depreciable capital assets	<u>516,389,970</u>	<u>22,492,520</u>	<u>(4,019,466)</u>	<u>534,863,024</u>
Less accumulated depreciation:				
Buildings	(19,076,469)	(2,135,266)	—	(21,211,735)
Improvement other than buildings	(27,490,111)	(3,300,943)	552,292	(30,238,762)
Machinery and equipment	(33,568,737)	(2,462,405)	2,076,650	(33,954,492)
Infrastructure	<u>(134,430,587)</u>	<u>(14,817,202)</u>	<u>17,563</u>	<u>(149,230,226)</u>
Total accumulated depreciation	<u>(214,565,904)</u>	<u>(22,715,816)</u>	<u>2,646,505</u>	<u>(234,635,215)</u>
Total depreciable capital assets, net	<u>301,824,066</u>	<u>(223,296)</u>	<u>(1,372,961)</u>	<u>300,227,809</u>
Total governmental activities, capital assets	<u>\$ 377,022,514</u>	<u>28,854,369</u>	<u>(21,849,460)</u>	<u>384,027,423</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Depreciation expense was charged to functions as follows:

General government	\$ 1,240,727
Public safety	1,593,332
Public works	16,438,187
Parks and recreation	3,161,744
Planning and development	77,288
Public health	140,277
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>64,261</u>
Total depreciation expense – governmental activities	\$ <u><u>22,715,816</u></u>

Business-Type Activities

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
Nondepreciable capital assets:				
Land and easements	\$ 16,112,901	903,853	—	17,016,754
Construction in progress	<u>23,178,258</u>	<u>20,976,021</u>	<u>(27,497,100)</u>	<u>16,657,179</u>
Total nondepreciable capital assets	<u>39,291,159</u>	<u>21,879,874</u>	<u>(27,497,100)</u>	<u>33,673,933</u>
Depreciable capital assets:				
Buildings	183,499,614	5,808,555	—	189,308,169
Sewer collection system	333,073,070	2,472,879	—	335,545,949
Improvements other than buildings	152,244,188	18,552,415	(97,353)	170,699,250
Machinery and equipment	<u>32,705,322</u>	<u>1,615,419</u>	<u>(436,925)</u>	<u>33,883,816</u>
Total depreciable capital assets	<u>701,522,194</u>	<u>28,449,268</u>	<u>(534,278)</u>	<u>729,437,184</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
Less accumulated depreciation:				
Buildings	\$ (68,004,343)	(5,236,588)	—	(73,240,931)
Sewer collection system	(108,842,327)	(7,684,889)	—	(116,527,216)
Improvements other than buildings	(65,155,557)	(6,249,273)	97,352	(71,307,478)
Machinery and equipment	<u>(20,481,295)</u>	<u>(2,343,617)</u>	<u>436,925</u>	<u>(22,387,987)</u>
Total accumulated depreciation	<u>(262,483,522)</u>	<u>(21,514,367)</u>	<u>534,277</u>	<u>(283,463,612)</u>
Total depreciable capital assets, net	<u>439,038,672</u>	<u>6,934,901</u>	<u>(1)</u>	<u>445,973,572</u>
Total business-type capital assets	\$ <u><u>478,329,831</u></u>	<u><u>28,814,775</u></u>	<u><u>(27,497,101)</u></u>	<u><u>479,647,505</u></u>

Depreciation expense was charged to functions as follows:

National Airport	\$ 9,790,614
Sanitary sewerage system	10,252,976
Nonmajor enterprise funds	<u>1,470,777</u>
Total depreciation expense – business-type activities	\$ <u><u>21,514,367</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Component Unit – City Utilities

	<u>September 30, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>September 30, 2010</u>
Public utility:				
Nondepreciable assets:				
Land	\$ 39,444,000			39,444,000
Construction work in progress	402,993,000	209,594,000	(28,845,000)	583,742,000
Depreciable assets:				
Electric	795,375,000	20,845,000	(8,164,000)	808,056,000
Natural gas	181,834,000	4,758,000	(1,043,000)	185,549,000
Transportation	3,440,000	—	—	3,440,000
Water	13,712,000	5,051,000	(933,000)	17,830,000
Customer service	241,121,000	17,000	(112,000)	241,026,000
Telecommunication	52,158,000	664,000	(144,000)	52,678,000
Common	55,743,000	1,280,000	(758,000)	56,265,000
Total capital assets	<u>1,785,820,000</u>	<u>242,209,000</u>	<u>(39,999,000)</u>	<u>1,988,030,000</u>
Less accumulated depreciation	<u>(561,453,000)</u>	<u>(40,770,000)</u>	<u>7,350,000</u>	<u>(594,873,000)</u>
Net capital assets	<u>\$ 1,224,367,000</u>	<u>201,439,000</u>	<u>(32,649,000)</u>	<u>1,393,157,000</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(d) Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended June 30, 2011:

<u>Governmental activities</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Amounts due within one year</u>
Bonds payable	\$ 163,071,730	—	(12,122,015)	150,949,715	10,973,698
Plus bond premium (discount)	893,618	—	(73,479)	820,139	—
Less deferred amount on refunding	<u>(2,427,178)</u>	<u>—</u>	<u>243,942</u>	<u>(2,183,236)</u>	<u>—</u>
Total bonds payable	161,538,170	—	(11,951,552)	149,586,618	10,973,698
Capital lease obligations	436,358	—	(109,639)	326,719	114,234
Accrued claims and judgments	615,000	390,000	(212,000)	793,000	793,000
OPEB	2,089,140	1,455,771	(862,078)	2,682,833	—
Accrued compensated absences	<u>17,610,344</u>	<u>2,444,529</u>	<u>(1,712,244)</u>	<u>18,342,629</u>	<u>1,757,978</u>
Total governmental activities long-term liabilities	<u>\$ 182,289,012</u>	<u>4,290,300</u>	<u>(14,847,513)</u>	<u>171,731,799</u>	<u>13,638,910</u>

The general fund and certain special revenue funds have typically been used in prior years to liquidate the compensated absences, pension, and OPEB obligation liabilities for the governmental activities.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$186,865 for compensated absences and \$198,686 for capital lease obligations of internal service funds are included in the above governmental activities amounts.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Business-type activities	Beginning balance	Additions	Reductions	Ending balance	Amounts due within one year
National airport fund:					
Revenue bonds	\$ 97,420,000	—	(1,940,000)	95,480,000	2,095,000
Plus bond premium (discount)	2,396,273	8,030	(97,723)	2,306,580	—
Total revenue bonds	99,816,273	8,030	(2,037,723)	97,786,580	2,095,000
Notes payable	8,495,000	—	(8,495,000)	—	—
OPEB	137,406	98,590	(58,383)	177,613	—
Compensated absences	592,791	86,067	(193,713)	485,145	82,952
Total National airport fund	109,041,470	192,687	(10,784,819)	98,449,338	2,177,952
Sanitary sewerage system fund:					
Revenue bonds	61,952,963	4,886,506	(5,035,758)	61,803,711	2,775,047
Plus bond premium	2,058,023	—	(153,658)	1,904,365	—
Less deferred amount on refunding	(81,731)	—	16,346	(65,385)	—
Total revenue bonds	63,929,255	4,886,506	(5,173,070)	63,642,691	2,775,047
Notes payable	38,191,017	461,277	(2,725,384)	35,926,910	1,411,197
OPEB	121,195	89,150	(52,793)	157,552	—
Compensated absences	757,163	223,425	(67,319)	913,269	73,121
Total sanitary sewerage system fund	102,998,630	5,660,358	(8,018,566)	100,640,422	4,259,365
Nonmajor enterprise fund:					
Revenue bonds	284,075	—	(51,227)	232,848	53,556
Less deferred amount on refunding	(192,360)	—	38,472	(153,888)	—
Total revenue bonds	91,715	—	(12,755)	78,960	53,556
Accrued landfill closure/postclosure care costs	10,532,457	—	(464,059)	10,068,398	—
Capital lease obligation	230,460	123,585	(97,830)	256,215	113,947
OPEB	83,795	56,637	(33,539)	106,893	—
Compensated absences	502,135	93,104	(32,679)	562,560	36,074
Total nonmajor enterprise fund	11,440,562	273,326	(640,862)	11,073,026	203,577
Total business-type activities long-term liabilities	\$ 223,480,662	6,126,371	(19,444,247)	210,162,786	6,640,894

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Debt service requirements on long-term debt at June 30, 2011 are as follows:

		Governmental activities	
		Bonds	
		<u>Principal</u>	<u>Interest</u>
2012	\$	10,973,698	6,750,114
2013		9,102,063	6,354,086
2014		9,510,428	5,966,030
2015		10,097,059	5,577,678
2016		11,320,000	5,142,323
2017 – 2021		50,800,000	18,278,992
2022 – 2026		37,040,004	7,660,403
2027 – 2031		12,106,463	691,483
	\$	<u>150,949,715</u>	<u>56,421,109</u>
		Enterprise funds	
		National airport	
		Revenue bonds	
		<u>Principal</u>	<u>Interest</u>
2012	\$	2,095,000	4,578,955
2013		2,265,000	4,473,195
2014		2,425,000	4,358,595
2015		2,585,000	4,235,220
2016		2,750,000	4,103,395
2017 – 2021		16,690,000	18,191,975
2022 – 2026		20,825,000	13,359,791
2027 – 2031		15,510,000	8,998,764
2032 – 2036		18,645,000	5,065,575
2037		11,690,000	282,250
	\$	<u>95,480,000</u>	<u>67,647,715</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

	Sanitary sewerage system			
	Revenue bonds		Notes payable	
	Principal	Interest	Principal	Interest
2012	\$ 2,775,047	2,978,540	1,411,197	—
2013	4,836,925	2,916,410	2,974,448	—
2014	5,014,803	2,664,844	3,099,782	—
2015	5,465,325	2,394,454	3,184,170	—
2016	4,800,100	2,140,601	2,861,432	—
2017 – 2021	24,596,511	6,994,445	14,695,142	—
2022 – 2021	12,650,000	1,414,343	7,150,286	—
2022 – 2031	1,665,000	85,850	550,453	—
	<u>\$ 61,803,711</u>	<u>21,589,487</u>	<u>35,926,910</u>	<u>—</u>

	Nonmajor enterprise funds	
	Revenue bonds	
	Principal	Interest
2012	\$ 53,556	11,945
2013	58,213	9,267
2014	62,870	6,211
2015	58,209	2,911
	<u>\$ 232,848</u>	<u>30,334</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Governmental activities bonds payable at June 30, 2011 are comprised of the following individual issues:

3.85% to 5.00% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 1998 (Civic Park Recreation Project) due through June 1, 2018, callable in inverse order of maturity on or after June 1, 2008, at premiums beginning at 102% of the principal amount decreasing ratably over the term of the bonds to 100% on June 1, 2012	\$ 5,775,000
5.30% to 5.85% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 2000A (Jordan Valley Park Projects) due through June 1, 2021, callable in inverse order of maturity on or after June 1, 2015, at 100% of the principal amount	5,756,467
4.1% to 5.0% General Obligation Sewer Improvement Bonds Series 2001B callable in inverse order of maturity on or after May 1, 2011, at premiums beginning at 101% of the principal amount decreasing ratably over the term of the bonds to 100% on May 1, 2013	1,865,000
3.25% to 4.25% City of Springfield, Missouri, Certificates of Participation Series 2001, (Partnership Industrial Center West Project), due through September 1, 2011, callable in reverse order of maturity on or after September 1, 2007, at 100% of the principal amount	845,000
2.95% to 5.00% Springfield Center City Development Corporation Leasehold Revenue Bonds, Series 2002A, (Jordan Valley Park – Exposition Center Project), due through June 1, 2027 callable on or after June 1, 2012, at par	18,550,000
7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002B, (Jordan Valley Park – Baseball Stadium Project), due through June 1, 2028 callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	5,270,000
7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002C, (Jordan Valley Park Project), due through June 1, 2028 callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	4,630,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

1.6% to 3.8% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series 2002, (Capital Improvement LPT Projects), due through June 1, 2017, callable on or after June 1, 2012, at par	3,880,000
Variable Rate Land Clearance for Redevelopment Authority of the City of Springfield, Missouri, Taxable Variable Rate Demand Revenue Bonds, Series 2003 (University Plaza Hotel Redevelopment Project), due through October 1, 2020	5,640,000
Variable Rate Public Building Corporation of the City of Springfield, Missouri, Taxable Variable Rate Demand Revenue Bonds, Series 2003, (Jordan Valley Ice Park Refunding), due through June 1, 2025	8,800,000
3.0% to 5.0% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series 2004 (Capital Improvement Program), due through March 1, 2024, callable on or after March 1, 2014, at par	18,378,248
2.500% to 4.125% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2003, due through January 1, 2019, callable on or after January 1, 2013, at par	1,820,000
3.0% to 4.0% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2005, due through January 1, 2020, callable on or after January 1, 2014, at par	2,625,000
3.35% City of Springfield, Missouri, Lone Pine Greenspace Neighborhood Improvement District Bonds, Series 2003, due through March 1, 2024, callable in inverse order of maturity beginning March 1, 2005 at 100% of the principal amount	485,000
1.7% to 6.5% Land Clearance for Redevelopment Authority (LCRA) of the City of Springfield, Missouri, Taxable Revenue Bonds, Series 2004 (SBD Loan Pool Funding Program), due through October 1, 2022, callable on or after October 1, 2014, at par	1,940,000
3.0% to 4.0% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2005A (LPT Capital Improvement Projects), due through May 1, 2020, callable on or after May 1, 2015, at par	3,855,000
3.000% to 4.375% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2005B (Park Facilities Project) due through May 1, 2025, callable on or after May 1, 2015, at par	2,200,000
3.5% to 4.0% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2005B, due through March 1, 2020, callable after March 1, 2016, at par	2,745,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

4.0% to 4.5% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2006 (Stormwater Improvement Projects) due through May 1, 2026, callable on or after May 1, 2016 at par	6,020,000
4.00% to 4.75% City of Springfield, Missouri, Special Obligation Bonds, College Station Garage Project, Series 2007A, due through November 1, 2027, callable on or after November 1, 2016, at par	10,280,000
4.00% to 4.75% City of Springfield, Missouri, Special Obligation Bonds, Heers Garage Project, Series 2007B, due through November 1, 2027, callable on or after November 1, 2016, at par	5,735,000
Variable Rate City of Springfield, Missouri, Special Obligation Bonds, Crime Lab Project, Series 2007A, due April 28, 2012	1,700,000
4.0% to 5.0% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2007 (Stormwater Improvement Projects) due through May 1, 2027, callable on or after May 1, 2017 at par	7,625,000
2.25% to 4.75% Public Building Corporation of the City of Springfield, Missouri, Municipal Facilities Revenue Bonds, Series 2009 (Stormwater Improvement Projects) due through May 1, 2029, callable on or after May 1, 2017 at par	4,635,000
2.0% to 3.5% City of Springfield, Missouri, General Obligation Sewer Improvement Bonds, Series 2010, due through March 1, 2025, callable after March 1, 2020, at par	3,145,000
2.0% to 4.0% Special Obligation Refunding Bonds of the City of Springfield, Missouri, Series 2010, due through June 1, 2021	<u>16,750,000</u>
Total governmental activities bonds	<u>\$ 150,949,715</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Revenue bonds payable at June 30, 2011 are comprised of the following individual issues:

National airport fund:

4.0% to 5.0% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Improvement Bonds, Series 2006A&B (Springfield Branson National Airport Terminal Project), due through June 1, 2036, callable on or after July 1, 2016, at par	\$ 88,925,000
2.51% to 6.85% Public Building Corporation of the City of Springfield, MO Taxable Leasehold Revenue Improvement Bonds, Series 2009 (Springfield Branson National Airport Consolidated Rental Car Facility Project) due through March 1, 2029, callable on or after March 1, 2019, at par	6,555,000

Sanitary sewerage system fund:

3.80% to 5.01% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 2004 (Sanitary Sewer Improvement Refunding) due through March 1, 2024, callable on or after March 1, 2014, at par	98,900
4.90% to 6.55% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Program – Multiple Participant Series), Series 1992A, due through July 1, 2014	2,835,000
5.25% to 7.20% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Program – Multiple Participant Series), Series 1994B, due through July 1, 2018	461,000
3.45% to 5.00% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Master Trust Series 1998B, due through January 1, 2022	710,000
2.375% to 5.000% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Master Trust Series 2002B, due through July 1, 2022	38,940,000
3.00% to 5.00% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Series 2005A, due through July 1, 2026	6,710,000
4.00% to 4.75% State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control and Drinking Water Revenue Bonds State Revolving Fund – Series 2007A, due through Jan 1, 2028	7,045,000

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

1.49% Special Obligation Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010, City of Springfield, Not to Exceed \$13 Million, due through June 1, 2030	5,003,811
Nonmajor enterprise fund:	
3.8% to 5.0% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 2004, (Golf Course Improvements Refunding) due through March 1, 2024, callable on or after March 1, 2014, at par	<u>232,848</u>
Total revenue bonds payable	<u>\$ 157,516,559</u>

Notes Payable

Notes payable at June 30, 2011 consisted of the following obligations:

Sanitary sewerage system fund:	
Noninterest-bearing State of Missouri Wastewater Revolving Fund Program intergovernmental notes	\$ <u>35,926,910</u>
Total notes payable	\$ <u>35,926,910</u>

Capital Lease Obligations

The City entered into a capital lease through June 1, 2017 for the replacement of the fuel tanks at the service center with an interest rate of 4.23%. Capital assets under lease obligations were \$335,509 at June 30, 2011. In addition, the City entered into a capital lease through December 2, 2012 to purchase police and fire vehicles with an interest rate of 4.11%. Capital assets under lease obligations were \$106,764 at June 30, 2011. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2011 were as follows:

	<u>Governmental activities</u>
Year ending June 30:	
2012	\$ 126,279
2013	82,057
2014	37,836
2015	37,836
2016	37,836
2017	<u>37,835</u>
Total minimum lease payments	359,679
Less amounts representing interest	<u>(32,960)</u>
Present value of minimum lease payments	\$ <u>326,719</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

The City entered into a capital lease through December 2, 2012 to purchase a tub grinder for the City's landfill with an interest rate of 4.11%. Capital assets under lease obligations were \$228,085 at June 30, 2011. The City entered into two capital leases through November 21, 2015 to purchase mowers for the City's golf courses with an interest rate of 4.37% and 2.29%. Capital assets under lease obligations were \$161,009 at June 30, 2011. The future minimum lease obligations and net present value of the minimum lease payments as of June 30, 2011 were as follows:

	Nonmajor enterprise fund
	<u> </u>
Year ending June 30:	
2012	\$ 120,926
2013	81,938
2014	26,479
2015	26,480
2016	<u>12,190</u>
Total minimum lease payments	268,013
Less amounts representing interest	<u>(11,798)</u>
Present value of minimum lease payments	<u><u>\$ 256,215</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Other Debt Information

The City has issued two series of variable-rate bonds: LCRA Series 2003 University Plaza Hotel and Public Building Corporation (Jordan Valley Ice Park) Series 2003. The variable-rate bonds bear interest at a weekly rate. They are subject to purchase at the option of the owner and are required to be purchased in certain events. The principal and interest payments for the LCRA Series 2003 bonds are by an irrevocable direct pay letter of credit issued by Bank of America and the PBC Series 2003 bonds are supported by an irrevocable direct pay letter of credit issued by U.S. Bank.

<u>Issuer</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
BOKF, NA	Principal balance plus 35 days accrued interest	BOKF national prime rate minus 100 basis points	10/01/2012*
U.S. Bank	\$ 10,446,577	Prime plus 1.50% Maximum rate = 10%	10/15/2012

*Automatically extended for 12 months unless the bank provides notice.

In addition to the above outstanding debt, \$17.9 million of bonds for the solid waste system have been approved by voters but not yet been issued.

Under current state statutes, the City's general obligation bonded debt issuances are subject to legal limitation based on total assessed value of real and personal property. General obligation debt issues are secured by the full faith and credit of the City. As of June 30, 2011, the City's net general obligation bonded debt of \$2,920,314 represents .04% of the legal debt limit of \$781,749,888.

The PBC Leasehold Revenue Bonds (Busch Building Improvement Project and Civic Park Recreation Project) and the PBC Leasehold Improvement Revenue Bonds (Tennis Facility) are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued. These issues were used to finance various capital projects within the City.

At June 30, 2011, a total of \$9,764,686 was available in the debt service funds for retirement of general obligation debt issues. The remainder of these obligations will be repaid from future property tax levies and other general revenue sources.

Principal and interest on the PBC Leasehold Revenue Refunding and Improvement Bonds, Series 1998 (Airport Project) are to be paid from the revenues of the National Airport fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Golf Course Improvements are to be paid from revenues of the golf fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Sewer Improvements are

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

to be paid from revenues of the sanitary sewer fund and are recorded therein. The PBC bonds are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued.

The 1989 Series Sewer Improvement issue is payable, as to both principal and interest, first from interest-bearing special assessments levied and assessed against property benefited by sanitary sewer improvements financed with proceeds of the bonds and second from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. At June 30, 2011, \$6,982,935 was available in the debt service funds for retirement of these obligations.

Conduit Debt

The City authorized the issuance of \$21,500,000 Industrial Development Revenue Bonds to provide economic financial assistance to private entities. These bonds are secured by the improvements that are to be made. The debt service of these issues are paid solely from the private entities through lease agreements; therefore, the issues do not constitute a debt of the City and, accordingly, are not included in the City's statement of net assets. The total principal balance for the Industrial Development Revenue Bonds as of June 30, 2011 is \$17,492,523.

LCRA Industrial Development Revenue Bonds of \$5,017,548 were outstanding at June 30, 2011. The debt service on this issue is paid solely from a third party through a lease agreement; therefore, the issue does not constitute a debt of the City and, accordingly, is not included in the City's statement of net assets.

Debt Defeasance

In prior years, the City's PBC issued bonds to defease the 1995 PBC Leasehold Improvement Revenue Bonds (golf, sewer, and parks component), the 2000B PBC Leasehold Revenue Bonds, and the 2002 SCCDC Parking Garage Revenue Bonds. The outstanding balances on the bonds and certificates of participation totaled \$19,890,000 as of June 30, 2011. Securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. Therefore, these issues are considered defeased, and the liability has been removed from long-term debt.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Pledged Revenues

The City has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of pledged revenue collected during the current fiscal year, and the approximate percentage of the revenue stream that has been committed if estimable:

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2011</u>	<u>Revenue recognized for the year ended June 30, 2011</u>
SCCDC Taxable Revenue Bonds Series 2002B Jordan Valley Park-Baseball Stadium Project	Rental payment from developer	\$ 9,509,024	Acquisition of real estate for baseball stadium	Through 2028	100%	\$ 557,584	542,860
SCCDC Taxable Revenue Bonds Series 2002C Jordan Valley Park Project	Hotel/motel tax	8,352,400	Jordan Valley Park Projects	Through 2028	30	493,328	1,667,112
LCRA Taxable Variable Rate Demand Revenue Bonds, Series 2003, University Plaza Hotel Redevelopment Project	Rental payment from developer	7,188,823	University Plaza Hotel redevelopment	Through 2021	100	531,551	519,905
Lone Pine Greenspace Neighborhood Improvement District Series 2003	NID payments	605,934	Acquisition of greenspace	Through 2024	100	47,253	46,710
LCRA Taxable Revenue Bonds Series 2004 SBD Loan Pool Funding Program	Loan program revenue	2,564,095	Provide proceeds for SBD loan program	Through 2023	92	362,190	393,478

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2011</u>	<u>Revenue recognized for the year ended June 30, 2011</u>
Special Obligation Bonds Series 2007A College Station Garage Project	Sales tax levied by the College Station Transportation Development District and by the College Station Community Improvement District	\$ 15,121,775	College Station Parking Garage	Through 2028	100%	\$ 792,875	60,514
Special Obligation Bonds Series 2007B Heers Garage Project	Heers Tower Redevelopment Project Revenues	8,729,925	Heers Parking Garage	Through 2028	100	269,975	762
Special Obligation Bonds Series 2007 Crime Lab Project	County reimbursement of one-half interest expense	50,000	Construction of the Crime Lab	Through 2012	100	5,175	1,415
PBC Leasehold/Municipal Facilities Revenue Bonds – Level Property Tax Program Series 2002, 2004, 2005A, 2006, 2007, and 2009	Level property tax	58,229,261	Level property tax program – capital improvement and stormwater projects	Through 2027	58	4,451,286	7,641,807
PBC Leasehold Revenue Bonds Series 2001B and 2004	Law enforcement sales tax	2,349,969	Police department expansion and renovation	Through 2024	2	179,850	6,441,278
PBC Municipal Facility Revenue Bond Series 2005B Park Facilities Project	Park property tax	2,978,418	Cooper Park Indoor Tennis Facility expansion	Through 2025	4	212,362	5,327,252

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

<u>Issue</u>	<u>Type of revenue pledged</u>	<u>Amount of revenue pledged</u>	<u>General purpose for debt</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended June 30, 2011</u>	<u>Revenue recognized for the year ended June 30, 2011</u>
PBC Leasehold Revenue Improvement Bonds, Series 2006A&B and 2009, Springfield Branson National Airport Projects	National airport revenues	\$ 163,127,715	Construction of Midfield Terminal	Through 2037	48%	\$ 6,615,205	13,905,661
State Environmental Improvement and Energy Resources (State of Missouri) Water Pollution Control and Drinking Water Revenue bonds State Revolving Fund – Series 1990A, 1992A, 1994B, 1998B, 2002B, 2005A, and 2007A	Sanitary sewerage system revenues	76,986,305	Finance and construction of sanitary sewerage system	Through 2028	34	8,134,125	23,774,979

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

City Utilities Component Unit

The following is a summary of long-term obligations outstanding for the City Utilities component unit (in thousands):

	Balance September 30, 2010
	<u> </u>
Public Utility obligation under the February 1, 2001 financing agreement; 3.75% to 4.85%; due January 1, 2002 to 2016	\$ 5,135
Public Utility Revenue Bonds, Series 2006; 4.01% to 5.01%; due August 1, 2012 to 2036	615,000
Public Utility obligation under the February 2006 lease financing agreement; 3.25% to 5.01%; due December 1, 2007 to 2021	53,300
Public Utility obligation under the 2006 Master Lease financing agreement; 3.60% to 3.81%; due October 6, 2008 to October 6, 2021	3,899
Public Utility obligation under the Master Lease financing agreement; 3.60% to 3.80%; due February 22, 2009 to February 22, 2022	<u>53,517</u>
Total Public Utility	<u>730,851</u>
Waterworks Refunding and Improvement Revenue Bonds, Series of 2003; 2.00% to 5.00%; due May 1, 2018	21,720
Water Utility obligation under the Master Lease financing agreement; 3.80% due February 22, 2022	12,715
Water utility obligation under the 2008 Master Lease financing agreement; 4.63% to 4.67%; due June 17, 2028	<u>8,285</u>
Total Water Utility	<u>42,720</u>
Total City Utilities	773,571
Less current maturities of long-term obligations	<u>(12,411)</u>
Total City Utilities component unit	<u><u>\$ 761,160</u></u>

The Public Utility revenue bonds are collateralized by the revenues of the Public Utility. The Public Utility obligations under the financing agreements are subordinated to the Public Utility revenue bonds as to revenues. The Waterworks Refunding and Improvement Revenue Bonds, Series 2003 are collateralized by the revenues of the Water Utility. Assets financed by the financing agreements are pledged as collateral for those agreements.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Long-term debt activity for the year ended September 30, 2010 was as follows (in thousands):

<u>City Utilities</u>	<u>Bonds and obligations payable September 30, 2009</u>	<u>Additions</u>	<u>Principal payments</u>	<u>Bonds and obligations payable September 30, 2010</u>	<u>Principal due in one year</u>
Revenue bonds	\$ 639,195	—	(2,475)	636,720	2,580
Unamortized debt premium net of discount – lease	14,908	—	(727)	14,181	—
Other obligations	146,702	—	(9,851)	136,851	9,831
Compensated absences	21,674	11,237	(11,034)	21,877	—
Other	13,845	5,431	—	19,276	—
Total City Utilities	\$ <u>836,324</u>	<u>16,668</u>	<u>(24,087)</u>	<u>828,905</u>	<u>12,411</u>

The debt service to maturity on outstanding bonds and obligations as of September 30, 2010 is summarized in the following table (in thousands):

	<u>Bonds and other obligations</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 12,411	35,204
2012	18,152	34,749
2013	18,905	33,987
2014	20,412	33,101
2015	21,957	32,210
2016 – 2020	125,298	144,876
2021 – 2025	114,959	117,012
2026 – 2030	139,507	89,906
2031 – 2035	198,500	52,315
2036	103,470	4,656
	\$ <u>773,571</u>	<u>578,016</u>

The Public Utility obligation under the February 1, 2001 financing agreement is callable on January 1, 2011 at par. City Utilities' long-term debt is publicly traded infrequently; therefore, a current market price is not readily available for these bonds and leases. The fair value of long-term debt is estimated based upon market prices for similar issues or on the current rates offered for instruments of the same remaining maturities. The estimated fair value of long-term debt at September 30, 2010 is \$875,964,000.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

City Utilities has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount and term of pledge remaining, the current year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year, and the approximate percentage of the revenue stream that has been committed if estimable (dollars in thousands):

<u>Issue</u>	<u>Type revenue pledged</u>	<u>Amount of pledge</u>	<u>Term of commitment</u>	<u>Percentage of revenue pledged</u>	<u>Principal and interest for the year ended September 30, 2010</u>
City Utilities debt obligations	Operating revenue	\$ 1,351,587	Through 2036	13%	\$ 47,609

Certain of City Utilities' long-term obligations contain restrictions that require the maintenance of coverage ratios as defined in the related agreements. City Utilities' calculations of these ratios are performed in accordance with the long-term obligation agreements and are used solely to determine compliance with such covenants. City Utilities was in compliance with these covenants as of September 30, 2010.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(e) Components of Fund Balance

The following presents the various components of fund balance within the governmental funds:

	<u>General</u>	<u>Community development</u>	<u>Public Safety Pension Sales Tax</u>	<u>Nonmajor governmental funds</u>	<u>Total governmental funds</u>
Fund balances:					
Nonspendable:					
Inventory	\$ 17,309	631,194	—	1,571,189	2,219,692
Long-term loans	—	40,964,809	—	—	40,964,809
Permanent fund principal	—	—	—	1,262,386	1,262,386
Restricted:					
Public works	—	—	—	56,863,363	56,863,363
Public safety	—	—	—	1,212,539	1,212,539
Parks and recreation	—	—	—	5,301,781	5,301,781
Planning and development	—	3,666,307	—	1,307,531	4,973,838
Public health	—	—	—	2,428	2,428
General government	—	—	—	1,109,545	1,109,545
Debt service reserve	—	—	—	16,273,335	16,273,335
Committed:					
Public works	—	—	—	3,740,563	3,740,563
Parks and recreation	—	—	—	1,505,472	1,505,472
General government	—	—	—	3,581,351	3,581,351
Economic stabilization	14,000,000	—	—	—	14,000,000
Debt service	—	—	—	17,275,677	17,275,677
Assigned:					
Parks and recreation	—	—	—	1,007,235	1,007,235
Public health	—	—	—	1,356,819	1,356,819
Prior service credit	300,000	—	—	—	300,000
Future projects	1,624,766	—	—	—	1,624,766
Debt service	—	—	—	687,558	687,558
Encumbrances	863,900	—	—	—	863,900
Unassigned	—	—	—	(501,428)	(501,428)
Total fund balances	\$ <u>16,805,975</u>	<u>45,262,310</u>	<u>—</u>	<u>113,557,344</u>	<u>175,625,629</u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(f) ***Encumbrances and Construction Commitments***

City of Springfield

A summary of the City's encumbrances and commitments on uncompleted construction contracts and the amount, which is expected to be funded by federal and state grants, follows:

Fund	Encumbrances excluding construction	Construction contract amounts	Amount funded by grants
General	\$ 671,916	191,984	—
Community development	333,423	—	—
National airport	657,086	8,062,276	7,216,389
Sanitary sewerage system	448,045	5,794,538	5,151,806
Nonmajor governmental	4,300,564	20,757,569	4,066,449
Nonmajor enterprise	505,782	779,479	—
Internal service	261,493	—	—
Total	\$ <u>7,178,309</u>	<u>35,585,846</u>	<u>16,434,644</u>

City Utilities Component Unit

Planned Construction

As of September 30, 2010, anticipated capital expenditures for improvements during the 2011 fiscal year are estimated to be approximately \$45.3 million excluding expenditures for Southwest Power Station Unit 2 (SW2). Expenditures for SW2 are anticipated at \$17.9 million for the 2011 fiscal year.

Obligations to Purchase Electric Power and Energy

Southwestern Power Administration – City Utilities has a purchased power agreement with the Southwestern Power Administration (SWPA) effective through June 30, 2015. Under this agreement, City Utilities purchases 50 MW of capacity and must take a minimum of 3,000 MWh of peaking energy each month. City Utilities must also purchase a minimum of 60,000 MWh for the year plus transmission service. For the fiscal year ended September 30, 2010, the cost of peaking capacity each month was \$203,000 and the monthly minimum for peaking energy was \$46,000 per month. The peaking rate is periodically adjusted.

Kansas City Power and Light Company – City Utilities has a purchased power agreement with Kansas City Power and Light Company (KCPL) that runs through May 31, 2013. Under this agreement, City Utilities purchases 17 MW of capacity from three of KCPL's Montrose Power Station turbines (51 MW total). The capacity charge is \$75 per kW per year, which equals \$319,000 per month. The contract provides that KCPL will furnish City Utilities with 380,000 kWh hours of electricity annually (using an 85% availability factor) with the energy charge based on the actual production costs of the Montrose units.

Smoky Hills Wind Project 11 – City Utilities has a purchased power agreement with Smoky Hills Wind Project 11 (Smoky Hills) to receive power from January 1, 2009 through December 31, 2028.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

City Utilities will purchase 33.67% of the total energy output of phase 11 of the Smoky Hills wind energy project at an average costs during the fiscal year 2010 of \$680,000 per month.

Obligations to Purchase Coal

Arch Coal Sales Company – On December 17, 2008, City Utilities entered into a new agreement with Arch Coal Sales Company, Inc. effective until terminated by either party. Under the terms of the extended agreement, City Utilities’ coal purchase obligation is \$15,451,200, \$12,950,000, and \$12,000,000 for calendar years 2010, 2011, 2012, respectively. As of September 30, 2010, City Utilities had purchased \$10,210,040 of coal for the contract period ended December 31, 2010. Management believes the minimum tonnage requirement will be met for calendar year 2010.

Cloud Peak Energy Resources LLC – On October 18, 2004, City Utilities entered into an agreement with Kennecott Coal Sales Company. On January 12, 2010, the agreement was amended with Cloud Peak Energy Resources LLC, as successor to Kennecott Coal Sales Company. On July 19, 2010, the agreement was extended through December 31, 2014. Under the terms of the agreement, City Utilities’ coal purchase obligation is \$7,298,000, \$6,906,000, \$3,600,000, \$3,780,000, and \$4,005,000 for calendar years 2010, 2011, 2012, 2013, and 2014, respectively. As of September 30, 2010, City Utilities had purchased \$5,881,234 of coal for the contract period ended December 31, 2010. Management believes the minimum tonnage requirement will be met for calendar year 2010.

Obligations to Purchase Rail Services

Burlington Northern & Santa Fe Railway Co. – City Utilities has entered into an agreement with Burlington Northern & Santa Fe Railway Co. to purchase rail services to transport coal to both City Utilities’ power stations. Under the terms of a new contract, no minimum nomination applied to calendar year 2010. As of September 30, 2010, City Utilities had tendered coal tonnage of 1,070,543 tons.

Obligations for Transportation and Storage Services of Natural Gas – City Utilities has signed agreements with Southern Star Central Gas Pipeline, Inc. (formerly, Williams Gas Pipelines Central) and Centerpoint Energy Gas Transmission Company (formerly, Reliant Energy Gas Transmission Company) for transportation and/or storage services of natural gas, with various terms expiring in 1 to 20 years.

(g) **Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2011 is as follows:

Receivable fund	Payable fund		
General fund	Nonmajor governmental	\$	2,217,097
General fund	Internal service		74,465
Nonmajor governmental	Nonmajor enterprise		102,522
Fiduciary fund	Public Safety Pension Sales Tax		4,215,756
General fund	Nonmajor enterprise		610,172
Total		\$	7,220,012

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

Interfund payables and receivables are made for specific purposes for each fund and for overdraws of cash, both of which are made in the ordinary course of business. Interfund payables and receivables are intended to be repaid in future years.

Interfund transfers for the year ended June 30, 2011 are as follows:

	Transfers to				Total
	General fund	Community development	Nonmajor governmental	Internal service	
Transfers from:					
General fund	\$ 257,000	64,045	4,314,320	227,254	4,862,619
Community development	—	135,468	355,680	—	491,148
Nonmajor governmental	1,008,807	—	17,764,950	—	18,773,757
Sanitary sewerage system	907,142	—	—	—	907,142
National Airport	125,000	—	—	—	125,000
Nonmajor enterprise	240,084	—	—	—	240,084
Total transfers in	\$ <u>2,538,033</u>	<u>199,513</u>	<u>22,434,950</u>	<u>227,254</u>	<u>25,399,750</u>

All interfund transfers provided funding for general operations of each fund. These transfers are permanent in nature and are not intended to be repaid in future years.

(3) Other Information

(a) Employee Retirement Systems and Plans

The City maintains the Pension Trust Fund, which covers substantially all employees of the City's police and fire departments that were hired on or before June 1, 2006. Employees of the City's police and fire departments hired after June 1, 2006 participate in the Missouri Local Government Employees Retirement System (LAGERS), a statewide local government retirement system. LAGERS covers substantially all of the City's employees (not covered under the Pension Trust Fund) and the employees of the City Utilities component unit.

I. The Policemen and Firemen's Retirement System

Plan Description

All of the City's police officers and firefighters hired before June 1, 2006, became members in the Pension Trust Fund, a single employer defined benefit pension plan, as a condition of their employment. The Pension Trust Fund provides retirement, disability, and death benefits to plan members and beneficiaries. The City closed the Pension Trust Fund on January 31, 2010 to new entrants. Members hired on or after June 1, 2006 through January 31, 2010 (the plan closing date), have voluntarily left the Pension Trust Fund and are participants in the LAGERS.

A separate publicly available financial report is issued that includes financial statements and required supplementary information. The financial report may be obtained by writing to the

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

City of Springfield, Finance Department, P.O. Box 8368, Springfield, Missouri 65801-8368 or by calling (417) 864-1625.

Summary of Significant Accounting Policies

Basis of Accounting – The Pension Trust Fund’s financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments – Investments are valued at fair value using quoted market prices at the valuation date. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. There were no individual investments in excess of 5% of net assets as of June 30, 2011.

Funding Policy

The City’s funding policy provides employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. Operation of the Pension Trust Fund is governed by City ordinance and is administered by the plan’s board of trustees. The Pension Trust Fund is not subject to the provisions of the Employee Retirement Income Security Act of 1974. Members are required to contribute 10.0% of their annual salary to the plan. The City is required to contribute the remaining amounts necessary to fund the plan. In accordance with the contribution requirements determined by an actuarial valuation, employer contributions were 35% of current year covered payroll.

Annual Pension Cost and Net Pension Asset

For 2011, the Plan’s annual pension cost was \$13,281,689. The City contributed \$34,141,865, which did meet the required contribution.

The annual pension cost and net pension asset as of June 30, 2011 is as follows:

Annual required contribution (ARC)	\$ (12,972,229)
Interest on net pension asset	1,428,337
ARC adjustment	<u>(1,737,797)</u>
Annual pension cost (APC)	(13,281,689)
Contributions made	<u>34,141,865</u>
Change in net pension asset	20,860,176
Net pension asset, beginning of year	<u>19,044,493</u>
Net pension asset, end of year	<u><u>\$ 39,904,669</u></u>

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Historical trend information:

	<u>APC</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation (asset)</u>
Fiscal year ended:			
June 30, 2009	\$ 13,493,506	178%	(260,948)
June 30, 2010	13,133,307	243	(19,044,493)
June 30, 2011	13,281,689	257	(39,904,669)
Retirees and beneficiaries receiving benefits and terminated vested members			497
Active plan members:			
Fully vested			394
Nonvested			—
			<hr/>
Total			891 <hr/> <hr/>

Plan Assumptions

The following summarizes the actuarial assumptions of the plan:

Actuarial cost method	Entry age
Amortization method	Level percent closed
Remaining amortization period	19 years
Asset valuation method	4-year smoothed market
Investment rate of return	7.5%
Projected salary increases, depending on age, attributable to seniority/merit	7.5% per year, decreasing to 4.5% after 6 years for fire and 8 years for police, then 3% after ten years for fire and twelve years for police.
Projected salary increases, attributable to inflation	3%
Increase in benefits per year after retirement	3%

CITY OF SPRINGFIELD, MISSOURI

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Funding status of the plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
June 30, 2011	\$ 183,459,812	340,162,627	156,702,815	54%	\$ 20,498,113	765%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

II. Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

The City and City Utilities participate in the LAGERS, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

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

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

Funding Policy

The City's and City Utilities' full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate. The rate for City Utilities was 19.0% for the year ended September 30, 2010. The rate for the City was 18.8% for the year ended June 30, 2011. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost

The City Utilities' and the City's APC of \$12,917,000 and \$8,049,413, respectively, was equal to the required and actual contributions.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

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Prepaid Pension Asset

To reduce future fixed costs, City Utilities made two payments of \$18 million and \$3.4 million to LAGERS in November 1997 and September 1998, respectively. These payments reduced the past unfunded pension liability. The payments will be amortized to pension expense over 15 years. Giving effect to this payment in the actuarial studies that set the pension contribution rate will lower pension costs in future years, with savings currently estimated in excess of \$1.5 million per year.

Historical trend information:

	City of Springfield three-year trend information		
	APC	Percentage of APC contributed	Net pension obligation
Fiscal year ended:			
June 30, 2009	\$ 8,206,953	100%	\$ —
June 30, 2010	8,248,738	100	—
June 30, 2011	8,049,413	100	—

Funding status of the City plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) UAL	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2011	\$ 84,166,038	122,998,859	38,832,821	68%	\$ 47,674,292	81%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Assumptions – City of Springfield

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

CITY OF SPRINGFIELD, MISSOURI

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2009 was 19 years for the General division, 30 years for the Police division and 30 years for the Fire division.

Historical trend information:

	City Utilities three-year trend information		
	APC	Percentage of APC contributed	Net pension obligation (asset)
Fiscal year ended:			
September 30, 2008	\$ 13,823,000	100%	\$ (6,014,000)
September 30, 2009	13,611,000	100	(4,588,000)
September 30, 2010	12,917,000	100	(3,161,000)

Funding status of the City Utilities plan:

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) UAL	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2010	\$ 126,709,000	218,282,000	91,573,000	58%	\$ 65,637,000	140%

See Schedule of Funding Progress contained in the Required Supplementary Information. This schedule presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Assumptions – City Utilities

The required contribution was determined as part of the February 28, 2009 annual actuarial contributions. The actuarial assumptions as of February 28, 2009 and February 29, 2010 included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit; (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women; and (e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back 1 year for men and 7 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability (UALL) is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2009 was 15 years.

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III. Postretirement Benefits Other than Pensions

The City of Springfield, Missouri applies GASB Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension, (OPEB)*. This statement requires the accounting for the annual cost of other post employment benefits and the related outstanding liability using an actuarial approach similar to pensions. The City implemented prospectively (zero net obligation at transition).

Plan Description

The City sponsored a single-employer, defined benefit healthcare plan that provided healthcare benefits to retirees and their dependents, including medical and pharmacy coverage from July 1, 2007 through December 31, 2007. During that period, the City required retirees to pay the same medical premium charged to active participants unless they were covered under Medicare in which case they paid a reduced premium. The rates paid by retirees for benefits were lower than the costs of providing coverage. The difference between these amounts is the implicit rate subsidy, which is considered OPEB under GASB 45.

Beginning January 1, 2008, the City sponsored a high-deductible healthcare plan for non-Medicare eligible retirees, spouses, and dependents. Premiums for this plan are based on total costs of the plan. The City subsidizes the monthly premium by \$300 for the retirees and makes a \$1,000 annual contribution to their health savings account.

Beginning January 1, 2008, the City offered the single-employer, defined healthcare plan for Medicare eligible retirees, spouse, and dependents. As an alternative option, the City acted as a paying agent for a Medicare supplement plan offered to this group of retirees at no cost to the City. Effective January 1, 2009, retirees eligible for Medicare are no longer eligible for coverage under the City's health insurance plan.

The plans do not issue stand-alone financial statements.

Funding Policy

GASB 45 does not require funding of the OPEB liability, and at this time, the liability for the City is unfunded. Contributions are made to the plan on a pay-as-you-go basis.

For the year ended June 30, 2011, retirees receiving benefits contributed approximately \$1.0 million for current premiums (approximately 58% of total premiums) through the City for the plan offered. Total premiums paid for the year were approximately \$1.8 million. The City also contributed approximately \$269,000 toward the health savings accounts.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost is calculated on the ARC of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the

CITY OF SPRINGFIELD, MISSOURI

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year, the amount actually contributed to the plan, and change in the City's net OPEB obligation.

Normal cost	\$	1,743,502
Interest on net OPEB obligation		97,261
Adjustment to ARC		<u>(140,616)</u>
Annual OPEB cost		1,700,147
Contributions made (employer)		<u>(1,006,792)</u>
Change in net OPEB obligation		693,355
Net OPEB obligation, beginning of year		<u>2,431,536</u>
Net OPEB obligation, end of year	\$	<u><u>3,124,891</u></u>

The City's annual OPEB cost (AOC), the percentage of AOC contributed to the plan, and the net OPEB obligation for the fiscal years 2009, 2010, and 2011 were as follows:

	<u>AOC</u>	<u>Percentage of AOC contributed</u>	<u>Net OPEB obligation</u>
Fiscal year ended:			
June 30, 2009	\$ 1,846,105	61%	\$ 1,788,279
June 30, 2010	1,711,617	62	2,431,536
June 30, 2011	1,700,147	59	3,124,891

Funded Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$16.1 million, and the actuarial value of assets was \$0, resulting in an UAAL of \$16.1 million. The covered payroll (annual payroll of active employees covered by the plan) was \$71.5 million, and the ratio of the UAAL to covered payroll was 23%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information over time relative to the actuarial accrued liabilities for benefits.

CITY OF SPRINGFIELD, MISSOURI

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Actuarial Methods and Assumptions

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

In the June 30, 2010 actuarial valuation, the individual entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets (of which there are none) and on the employer's own investments calculated based on the funded level of the plan at the valuation date. Premiums for this plan are based on total costs of the plan. The City subsidizes the monthly premium by \$300 for the retirees, hence no health care cost trend rate has been assumed. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2010 was 30 years.

(b) *Litigation and Contingent Liabilities*

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City and the City Utilities component unit expect such amounts, if any, to be immaterial.

In the normal course of business, both the City and the City Utilities component unit are involved in various legal proceedings. Although the outcome of these proceedings is not presently determinable, it is the opinion of the City and City Utilities' legal counsel and management that the resolution of these matters will not have a material adverse effect on the financial position of the City or City Utilities.

(c) *Air Quality Standards – City Utilities Component Unit*

The Clean Air Act Amendments of 1990 (the Act) include requirements for reductions in sulfur dioxide (SO₂) and nitrogen dioxide (NO_x) emissions for electric utility sources. The Act established a market-based compliance program that allows the selling and trading of SO₂ allowances. An "allowance" is the authorization to emit one ton of SO₂ in a given year. City Utilities is in full compliance with the emissions standards under the Act. No allowances were sold during the fiscal year ended September 30, 2010. City Utilities accounts for its allowances under the inventory method.

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In March 2005, the Environmental Protection Agency (EPA) promulgated new regulations that will further restrict emissions of power plant SO₂ and NO_x. The Clean Air Interstate Rule (CAIR) will require 28 eastern states including Missouri, to reduce emissions by nearly 70% in two phases, beginning in 2009 and 2015 for NO_x and 2010 and 2015 for SO₂. In addition, the EPA's new Clean Air Mercury Rule (CAMR) established a phased 70% reduction requirement for power plant emissions of this heavy metal, also beginning in 2010. The Missouri Department of Natural Resources adopted these rules with few changes from their federal counterparts. As recommended by a compliance study, City Utilities successfully installed NO_x controls on two units at JRPS in fiscal year 2007 and on JRPS 5 and SW 1 in fiscal year 2008. City Utilities is now in compliance with all CAIR Phase 1 requirements. These controls would result in full compliance with Phase 1 of the new requirements.

In 2008, a federal appeals court struck down both the CAIR and CAMR regulations. Accordingly, future compliance requirements are now uncertain. In June 2010 EPA proposed the Transport Rule as a replacement measure for CAIR. The industry is expecting a Hazardous Air Pollutant standard for utility boilers in 2012 to replace CAMR. City Utilities will join the rest of the industry in reassessing compliance measures for adequacy at that time.

(d) Closure and Postclosure Care Costs

State and federal laws and regulations require the City's sanitary landfill to place a final cover on each cell of the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions on each cell for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that each cell of the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense of the refuse disposal fund in each period based on landfill capacity used as of each period. As of June 30, 2011, a total of \$10,068,398 is reported as landfill closure and postclosure liability on the statement of net assets, included as a component of long-term liabilities in the business-type activities column. This is a decrease of (\$464,059) in the liability reported as of June 30, 2010. During fiscal year 2003, construction was completed on the North Ravine Area (cell two) and the City received an "authorization to operate" from the MoDNR and began accepting waste in this area. During fiscal year 2007, construction was completed on the Compound Area and the City received an "authorization to operate" from MoDNR and began accepting waste in this area. During fiscal year 2011, construction was completed on the South Ravine Area - Phase One and the City received an "authorization to operate" from MoDNR and began accepting waste in it.

The closure and post-closure liability reported on the statement of net assets represents the cumulative amount reported to date, based on the estimated capacity used of the Noble Hill Area (cell one) (99.5%), the North Ravine Area (cell two) (94.2%), the Compound Area (87.2%), and the new South Ravine Area - Phase One (0.6%) of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$957,342 as the remaining capacity of these four currently approved disposal areas are filled. This amount is based on what it would cost to perform all closure and postclosure care in 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The estimated remaining life of the Noble Hill Area (cell one), the North Ravine Area (cell two), the Compound Area, and the South Ravine Area - Phase One ranges from 3.5 years to 5.6 years based on average daily refuse received of 500 to 800 tons.

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The City is currently under a contract of obligation with the MoDNR executed April 7, 2011 for approximately \$10.8 million related to closure and postclosure costs for the four currently approved disposal areas of the landfill.

The City expects that all closure and postclosure care costs, as well as future inflation costs, will be paid from available operating revenues, reserves, and interest earnings on cash and short-term investments held in the refuse disposal fund when the costs are incurred. However, if these resources are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be recovered through charges to future landfill users. Effective July 1, 2007, the City increased landfill charges by \$1.15 per ton and increased its small vehicle fee for waste loads less than 1,396 pounds from \$15 per load to \$20 per load in order to generate additional funds to be reserved for future closure/post-closure costs of the Compound Area.

(e) ***Risk Management***

The City is exposed to various risks, such as property exposures, automobile liability, workers' compensation claims, equipment losses, general liability claims, and the costs associated with an employee health plan. The City's risk financing plans consist of insurance and self-insurance for the various risks identified. For property exposures, the City purchases an all-risk insurance policy. Current property values total \$624,288,000. This property insurance presently carries a primary deductible of \$50,000. While coverage is purchased for City-owned equipment, the comprehensive or collision exposure to City-owned vehicles is self-insured. Neither liability claims nor property losses have exceeded the limits of coverage that comprise the City's risk financing plans.

The City established a self-insurance program for workers' compensation in fiscal year 1988 and for health insurance in fiscal year 1985. The workers' compensation plan covers all City employees, while the health plan covers retirees and all permanent City employees who work at least 30 hours per week. The self-insurance fund, an internal service fund, was established to account for the premiums received from retirees and employees and the City's share of premiums for both health insurance and workers' compensation. The operating funds are charged a monthly rate per employee for both health insurance coverage and workers' compensation.

The premiums are available to pay claims, claim reserves, and administrative costs of the programs. Stop-loss reinsurance coverages are maintained by the City to eliminate the risk of unlimited claim liability and minimize claim fluctuations due to catastrophic losses. Liabilities of the self-insurance fund include an amount for claims that have been incurred but not reported.

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Changes in the City's estimated liability for incurred but unreported claims in its self-insurance fund for fiscal years 2011 and 2010 were as follows:

	Liability balance, beginning of year	Current year claims, changes in estimates	Claims payments	Liability balance, end of year
Fiscal year ended:				
June 30, 2011	\$ 1,618,000	13,602,125	(13,055,125)	2,165,000
June 30, 2010	1,690,000	11,602,946	(11,674,946)	1,618,000

Changes in the City's estimated liability for general government claims and judgments for fiscal years 2011 and 2010 were as follows:

	Liability balance, beginning of year	Current year claims, changes in estimates	Claims payments	Liability balance, end of year
Fiscal year ended:				
June 30, 2011	\$ 615,000	390,000	(212,000)	793,000
June 30, 2010	1,207,663	215,186	(807,849)	615,000

The estimated liability for general government claims and judgments that are not expected to be liquidated with available expendable financial resources is recorded in the governmental activities column of the statement of net assets when it is probable that a loss has occurred and the amount can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, incremental costs, recent claim settlement trends (including frequency and amount of payouts), and other factors. Other nonincremental costs are not included in the basis of estimating the liability. Liabilities incurred for such losses or claims by a proprietary fund are recorded within the respective fund likewise when it is probable that a loss has occurred and the amount can be reasonably estimated.

(f) Joint Ventures

On June 28, 1993, the City Council approved a partnership agreement among the City, the City Utilities component unit, the Springfield Area Chamber of Commerce, and the Springfield Business and Industrial Development Corporation to form a public/private joint venture for purposes of developing an industrial park.

Under this agreement, the City is to provide appropriate municipal improvements, such as streets, sanitary and storm sewers, and infrastructure engineering. City Utilities is responsible for utility services, such as natural gas, water, electricity, and fiber optic telecommunication. In addition, City Utilities will pay for consulting services to prepare a design and overall concept plan for the industrial park, including parcel division, appropriate land use, transportation access, and all related

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matters. At the request of the City Council, City Utilities has also acquired the land for the industrial center. The Chamber of Commerce, under terms of the agreement, will provide general marketing guidance, services, and expertise. The Springfield Business and Industrial Development Corporation will be responsible for acquiring, from private sources, funds to construct a shell facility or facilities suitable for general manufacturing or industrial purposes.

The net profits or net losses of the partnership, as well as gains and losses realized upon the sale, lease, exchange, or other conversion of any part or all of the real estate controlled by the partnership, are to be allocated based upon each partner's percentage of the partnership's capital accounts.

Financial accountability for the industrial park is vested in a nine-member Administrative Council. The Administrative Council consists of one City Council member appointed by the Mayor, one member from the Board of Public Utilities appointed by the Chairman of its Board, one member of the Springfield Business and Industrial Development Corporation appointed by its president, one member from the board of directors of the Springfield Area Chamber of Commerce appointed by its chairman, the City Manager of the City of Springfield or a designee selected from senior City staff, the General Manager of City Utilities or a designee selected from senior Utility staff officials, the President of the Springfield Area Chamber of Commerce or designee selected from senior Chamber staff, one member of the Greene County Commission appointed by the Presiding Commissioner, and the Chairman of the City Utilities' Citizens' Advisory Council or a designee selected from the membership of the Citizens' Advisory Council.

For the year ended June 30, 2011, the City expended \$17,446 toward development of the industrial park. The City had outstanding encumbrances of \$29,716 at June 30, 2011. These expenditures and encumbrances are included in the financial statements within the public works improvement fund.

The partnership has developed a second industrial park on the west side of Springfield, Missouri. City Utilities' participation in the second industrial park will be in the same capacity as the first industrial park, with the exception that land acquisitions will be made by the Springfield Business and Industrial Development Corporation. As of September 30, 2010, City Utilities had incurred \$2,011,000 for land and improvements and recognized losses of \$202,000, for a net equity balance of \$1,809,000.

The City received a distribution of \$160,318 from the partnership for the year ended June 30, 2004. The City's cumulative investment in the joint venture, net of distributions received or receivable, is included within the capital assets section. City Utilities' equity interest is reported within its discrete component unit presentation.

Separate financial statements for the partnership are prepared and distributed to each partner on a quarterly basis. Copies of the statements are available from the Partnership Industrial Center Administrative Council, 320 North Jefferson Avenue, Springfield, Missouri 65802.

The City and City Utilities agreed to a joint venture to develop a landfill gas project of the City's Noble Hill Landfill. The project included an Electric Generation System (EGS) and a Gas Collection and Condensate Treatment System (GCCTS). City Utilities constructed and owns the EGS that includes power generation equipment with a target capacity of 3.2 MW with a total project cost of \$3.7 million. City Utilities also constructed transmission lines with a total cost of \$1.1 million. City

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Utilities paid the City \$1.5 million for the initial construction of the GCCTS. The City will retain ownership of all assets associated with the GCCTS.

(g) *Equity Interest in the Energy Authority – City Utilities Component Unit*

City Utilities is an equity member of The Energy Authority (TEA), a power marketing joint venture based in Jacksonville, Florida, and incorporated in Georgia. As of September 30, 2010, TEA was comprised of seven municipal utilities with equity interests, including four large partners with ownership interests of 20% each. The large partners are JEA (formerly the Jacksonville Energy Authority) of Florida, the Municipal Energy Authority of Georgia (MEAG Power), the South Carolina Public Service Authority (a.k.a. Santee Cooper), and the Nebraska Public Power District. City Utilities and Gainesville Regional Utilities (Florida), and the Cowlitz County Public Utility District (Washington) (Cowlitz) are medium equity partners with ownership interests of 6.67% each. Cowlitz participates as an electric partner only, leaving the four large partners with natural gas allocation shares of 21.43% each and 7.14% shares for the two other medium partners. As a member of TEA, City Utilities benefits from the risk management strategies maintained by TEA that seek to avoid financial losses by limiting financial exposure as a result of unexpected unit outages and volatile market prices. City Utilities also receives resource management services from TEA. City Utilities uses the equity method of accounting to record its investments in TEA. The investment is recorded within the deferred charges and other assets on the statement of net assets. In accordance with its membership agreement between City Utilities and its joint venture members, City Utilities has provided TEA with guarantees that result in a maximum exposure of \$8.6 million to secure power marketing transactions. City Utilities guarantees are effective until its participation in the joint venture ends.

For the year ended September 30, 2010, total assets of TEA reached approximately \$46 million, an increase of \$10 million from the prior year.

Complete separate financial statements for TEA may be obtained at The Energy Authority, 301 W. Bay St., Suite 2600, Jacksonville, Florida 32202.

(h) *Subsequent Events*

The City issued \$9,740,000 Special Obligation Improvement and Refunding Bonds, Series 2011A and 2011B on November 15, 2011. The purpose of the issuance was to provide funding for stormwater improvements and for the redemption and defeasance of the Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds (Civic Park Recreation Project) Series 1998B and Series 2000A.

(i) *Deficits*

The accumulated deficits in nonmajor funds in the amounts of \$46,896 in the Law enforcement fund (special revenue), \$23,847 in the WIC Program fund (special revenue), \$86,327 in the Crime Lab project (capital project), and \$344,358 in the tourism tax community improvement (capital project) fund will be eliminated by future revenues or operating transfers.

CITY OF SPRINGFIELD, MISSOURI

Notes to Basic Financial Statements

June 30, 2011

(j) ***Other Liabilities – City Utilities***

Other liabilities as of September 30, 2010 consist of the following (in thousands):

Accruals:		
Interest	\$	7,103
Salaries and wages		2,010
Pension contributions and other		1,550
Electric purchased power		3,376
Natural gas, coal, and other fuels		7,827
Electric fuel and purchased natural gas adjustment		<u>5,323</u>
	\$	<u><u>27,189</u></u>

CITY OF SPRINGFIELD, MISSOURI
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – General Fund
Year ended June 30, 2011

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales	\$ 38,400,000	38,966,500	40,246,236	1,279,736
Franchise	6,910,000	6,910,000	6,951,168	41,168
Room	80,610	80,610	82,934	2,324
Licenses and permits	3,441,000	3,441,000	3,366,361	(74,639)
Intergovernmental	—	—	—	—
Charges for services	1,996,850	2,181,457	2,316,797	135,340
Fines and forfeitures	1,530,000	1,530,000	1,603,992	73,992
Revenues from use of money and property	300,000	306,600	373,262	66,662
Payments in lieu of taxes	11,485,000	12,485,000	12,388,406	(96,594)
Other	290,000	290,000	16,128	(273,872)
Total revenues	<u>64,433,460</u>	<u>66,191,167</u>	<u>67,345,284</u>	<u>1,154,117</u>
Expenditures:				
Current:				
General government:				
Public records	323,297	358,077	346,330	11,747
Council	139,601	108,401	93,458	14,943
Public information office	364,789	255,637	228,646	26,991
City manager	676,407	847,367	817,024	30,343
Finance	2,129,923	2,098,666	1,998,391	100,275
Counsel, legal advise, and prosecution	1,854,738	2,105,754	1,928,803	176,951
Human resources	828,037	819,480	765,827	53,653
Zoning and subdivision services	482,734	502,734	499,297	3,437
Municipal court operations	1,569,921	1,532,382	1,524,699	7,683
Information systems	2,260,317	2,642,388	2,169,415	472,973
Other – unclassified	2,990,154	2,765,795	1,754,425	1,011,370
Total general government	<u>13,619,918</u>	<u>14,036,681</u>	<u>12,126,315</u>	<u>1,910,366</u>
Public works:				
Engineering	1,662,605	1,362,224	1,053,829	308,395
Maintenance	5,085,718	5,009,769	4,844,802	164,967
Total public works	<u>6,748,323</u>	<u>6,371,993</u>	<u>5,898,631</u>	<u>473,362</u>
Public safety:				
Police	22,714,566	23,675,073	23,694,183	(19,110)
Fire	15,968,565	16,403,655	16,332,572	71,083
Emergency communications	—	—	—	—
Inspection	1,653,607	1,644,870	1,608,686	36,184
Total public safety	<u>40,336,738</u>	<u>41,723,598</u>	<u>41,635,441</u>	<u>88,157</u>
Planning and development services:				
Economic development and assistance	802,040	910,520	819,748	90,772
Housing and redevelopment services	19,824	19,824	26,693	(6,869)
Total planning and development services	<u>821,864</u>	<u>930,344</u>	<u>846,441</u>	<u>83,903</u>
Debt service:				
Principal	81,105	81,105	81,105	—
Interest and other charges	7,338	7,338	7,869	(531)
Total debt service	<u>88,443</u>	<u>88,443</u>	<u>88,974</u>	<u>(531)</u>
Capital outlay:				
Maintenance	108,919	272,747	99,040	173,707
Engineering	18,581	17,381	—	17,381
Fire	—	285,050	23,195	261,855
Police	160,000	471,800	160,000	311,800
General government	133,794	389,639	77,056	312,583
Total capital outlay	<u>421,294</u>	<u>1,436,617</u>	<u>359,291</u>	<u>1,077,326</u>
Total expenditures	<u>62,036,580</u>	<u>64,587,676</u>	<u>60,955,093</u>	<u>3,632,583</u>
Excess of revenues over expenditures	<u>2,396,880</u>	<u>1,603,491</u>	<u>6,390,191</u>	<u>4,786,700</u>
Other financing sources (uses):				
Capital lease proceeds	—	—	—	—
Transfers in	2,570,000	2,591,473	2,538,033	(53,440)
Transfers out	(4,966,880)	(4,989,427)	(4,862,619)	126,808
Total other financing uses	<u>(2,396,880)</u>	<u>(2,397,954)</u>	<u>(2,324,586)</u>	<u>73,368</u>
Net change in fund balances	<u>—</u>	<u>(794,463)</u>	<u>4,065,605</u>	<u>4,860,068</u>
Fund balances – beginning	12,740,370	12,740,370	12,740,370	—
Fund balances – ending	<u>\$ 12,740,370</u>	<u>11,945,907</u>	<u>16,805,975</u>	<u>4,860,068</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Community Development Fund Special Revenue Fund

Year ended June 30, 2011

	Budgeted amounts		Actual	Variance with final budget – positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,794,368	8,048,326	5,224,807	(2,823,519)
Revenues from use of money and property	—	—	40,198	40,198
Other	—	3,189,435	934,817	(2,254,618)
Total revenues	<u>5,794,368</u>	<u>11,237,761</u>	<u>6,199,822</u>	<u>(5,037,939)</u>
Expenditures:				
Planning and development	<u>5,490,413</u>	<u>10,964,871</u>	<u>3,757,381</u>	<u>7,207,490</u>
Excess (deficiency) of revenues over expenditures	303,955	272,890	2,442,441	2,169,551
Other financing sources (uses):				
Transfers in	64,045	64,045	199,513	135,468
Transfers out	<u>(368,000)</u>	<u>(368,000)</u>	<u>(491,148)</u>	<u>(123,148)</u>
Total other financing uses	<u>(303,955)</u>	<u>(303,955)</u>	<u>(291,635)</u>	<u>12,320</u>
Net change in fund balance	—	(31,065)	2,150,806	2,181,871
Fund balances – beginning	<u>43,111,504</u>	<u>43,111,504</u>	<u>43,111,504</u>	—
Fund balances – ending	<u>\$ 43,111,504</u>	<u>43,080,439</u>	<u>45,262,310</u>	<u>2,181,871</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule – Public Safety Pension Sales Tax Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Sales tax	\$ 27,283,842	27,283,842	26,282,689	(1,001,153)
Intergovernmental	—	—	—	—
Revenues from use of money – interest	—	—	—	—
Other	—	—	—	—
Total revenues	<u>27,283,842</u>	<u>27,283,842</u>	<u>26,282,689</u>	<u>(1,001,153)</u>
Expenditures:				
Public safety	<u>27,283,842</u>	<u>27,283,842</u>	<u>26,282,689</u>	<u>1,001,153</u>
Excess of revenues over expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Other financing sources (uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	—	—	—	—
Fund balances – beginning	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances – end	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
Required Supplementary Information (Unaudited)
Note to Budgetary Comparison Schedules
Year ended June 30, 2011

Budgets and Budgetary Accounting

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

1. By May 1 of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditure plans for all fund types (except fiduciary funds, which are not subject to budgetary considerations) and the proposed means of financing them.
2. One public hearing is conducted by the City Council in late May or early June to obtain taxpayers' comments on the proposed budget and tax levy.
3. Prior to July 1, ordinances are passed by City Council that provide for legally adopted budgets in the City's general and special revenue funds. Plans approved for capital projects, debt service, and proprietary fund types provide operating guidance subject to actual activity during the fiscal year.
4. The City operates on a program performance budget system, with legally adopted budgets prepared by fund, program, and department. The legal level of budgetary control is at the department level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council.
5. Formal budgetary integration is employed as a management control device in the general and special revenue funds. Formal budgetary integration is not employed for debt service funds, since budgetary control is achieved through general obligation bond indenture provisions.
6. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are included with expenditures when the annual budget is established. Budgeted amounts may be amended by the City Council on approved budget adjustment forms.

CITY OF SPRINGFIELD, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Funding Progress
 Year ended June 30, 2011

Policemen and Firemen's Retirement Fund

City of Springfield, Missouri

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
June 30, 2006	\$ 133,494,217	263,813,767	130,319,550	51%	\$ 23,746,840	548%
June 30, 2007	138,890,814	277,861,524	138,970,710	50	23,863,923	582
June 30, 2008	140,780,239	295,579,925	154,799,686	48	24,695,779	627
June 30, 2009	147,197,520	316,680,863	169,483,343	47	23,825,564	711
June 30, 2010	160,365,244	328,042,790	167,677,546	49	20,970,392	800
June 30, 2011	183,459,812	340,162,627	156,702,815	54	20,498,113	765

Missouri Local Government Employees Retirement System (LAGERS)

City of Springfield, Missouri

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability UAL	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2006	\$ 79,540,438	106,373,592	26,833,154	75%	\$ 37,665,377	71%
February 28, 2007	84,912,333	112,432,610	27,520,277	76	40,099,585	69
February 28, 2008	89,428,530	114,705,856	25,277,326	78	43,451,637	58
February 28, 2009	75,419,350	118,747,306	43,327,956	64	45,342,284	96
February 28, 2010	81,650,914	119,897,053	38,246,139	68	45,573,139	84
February 28, 2011	84,166,038	122,998,859	38,832,821	68	47,674,292	81

CITY OF SPRINGFIELD, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Funding Progress
 Year ended June 30, 2011

Missouri Local Government Employees Retirement System (LAGERS)

City Utilities

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
February 28, 2005	\$ 118,232,000	179,521,000	61,289,000	66%	\$ 55,532,000	110%
February 28, 2006	117,865,000	189,665,000	71,800,000	62	57,008,000	126
February 28, 2007	127,343,000	203,500,000	76,157,000	63	62,031,000	123
February 28, 2008	141,230,000	207,979,000	66,749,000	68	62,553,000	107
February 28, 2009	116,903,000	213,273,000	96,370,000	55	65,570,000	147
February 28, 2010	126,709,000	218,282,000	91,573,000	58	65,637,000	140

Postretirement Benefits Other than Pensions

Schedule of Funding Progress

Actuarial valuation date	(a) Actuarial value of assets	(b) Actuarial accrued liability	(b-a) Unfunded accrued liability (UAL)	(a/b) Funded ratio	(c) Annual covered payroll	[(b-a)/c] UAL as a percentage of covered payroll
July 1, 2007	\$ —	16,133,538	16,133,538	—%	\$ 72,789,732	22%
June 30, 2010	—	16,097,621	16,097,621	—	71,493,354	23

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the benefit reserve fund.

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2011

Assets	Special revenue	Debt service	Capital projects	Permanent	Total nonmajor governmental funds
Cash and investments	\$ 16,341,919	17,792,230	57,628,940	1,266,734	93,029,823
Accrued interest receivable	24,235	102,969	211,821	7,127	346,152
Special assessments receivable	—	3,956,092	—	—	3,956,092
Property taxes receivable:					
Current	10,027,870	7,606,742	—	—	17,634,612
Delinquent	428,910	325,344	—	—	754,254
	<u>10,456,780</u>	<u>7,932,086</u>	<u>—</u>	<u>—</u>	<u>18,388,866</u>
Less allowance for uncollectible amounts	(44,943)	(34,104)	—	—	(79,047)
Net property taxes receivable	10,411,837	7,897,982	—	—	18,309,819
Restricted cash and investments	—	16,273,335	—	—	16,273,335
Accounts receivable	4,332,464	—	3,695,217	—	8,027,681
Inventories	1,571,189	—	—	—	1,571,189
Due from other funds	—	—	102,522	—	102,522
Due from other governments	2,231,037	—	7,066,955	—	9,297,992
Total assets	<u>\$ 34,912,681</u>	<u>46,022,608</u>	<u>68,705,455</u>	<u>1,273,861</u>	<u>150,914,605</u>
Liabilities					
Accounts payable and other accrued liabilities	\$ 2,210,563	23,229	3,411,270	—	5,645,062
Unearned revenue	710,354	—	—	—	710,354
Deferred revenue	10,843,242	11,762,809	4,698,568	—	27,304,619
Due to other governments	82,785	—	1,397,344	—	1,480,129
Due to other funds	1,666,582	—	550,515	—	2,217,097
Total liabilities	<u>15,513,526</u>	<u>11,786,038</u>	<u>10,057,697</u>	<u>—</u>	<u>37,357,261</u>
Fund Balance					
Nonspendable	1,571,189	—	—	1,262,386	2,833,575
Restricted	10,300,095	16,273,335	55,497,092	—	82,070,522
Committed	5,246,035	17,275,677	3,581,351	—	26,103,063
Assigned	2,352,579	687,558	—	11,475	3,051,612
Unassigned	(70,743)	—	(430,685)	—	(501,428)
Total fund balance	<u>19,399,155</u>	<u>34,236,570</u>	<u>58,647,758</u>	<u>1,273,861</u>	<u>113,557,344</u>
Total liabilities and fund balance	<u>\$ 34,912,681</u>	<u>46,022,608</u>	<u>68,705,455</u>	<u>1,273,861</u>	<u>150,914,605</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – Nonmajor Governmental Funds
Year ended June 30, 2011

	<u>Special revenue</u>	<u>Debt service</u>	<u>Capital projects</u>	<u>Permanent</u>	<u>Total nonmajor governmental funds</u>
Revenues:					
Property taxes	\$ 11,696,288	7,641,807	—	—	19,338,095
Sales taxes	20,180,732	—	23,472,942	—	43,653,674
Room taxes	3,458,626	—	—	—	3,458,626
Intergovernmental	18,762,000	381,370	10,491,552	—	29,634,922
Charges for current services	8,073,745	—	—	11,474	8,085,219
Special assessments	—	830,239	—	—	830,239
Revenues from use of money and property	115,921	787,698	439,686	—	1,343,305
Other	1,621,991	1,377,161	571,388	—	3,570,540
Total revenues	<u>63,909,303</u>	<u>11,018,275</u>	<u>34,975,568</u>	<u>11,474</u>	<u>109,914,620</u>
Expenditures:					
Current:					
Public works	10,300,407	—	—	—	10,300,407
Public safety	13,915,863	—	—	—	13,915,863
Parks and recreation	22,180,338	—	—	—	22,180,338
Planning and development	1,779	—	—	—	1,779
Public health	9,710,923	—	—	—	9,710,923
General government	6,892,233	—	—	—	6,892,233
Debt service:					
Principal	—	12,122,015	—	—	12,122,015
Interest and other charges	—	6,898,813	—	—	6,898,813
Capital outlay:					
Public works	—	—	27,567,293	—	27,567,293
Public safety	—	—	213,079	—	213,079
Parks and recreation	—	—	7,337,132	—	7,337,132
Planning and development	—	—	1,694,580	—	1,694,580
General government	—	—	4,087	—	4,087
Total expenditures	<u>63,001,543</u>	<u>19,020,828</u>	<u>36,816,171</u>	<u>—</u>	<u>118,838,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>907,760</u>	<u>(8,002,553)</u>	<u>(1,840,603)</u>	<u>11,474</u>	<u>(8,923,922)</u>
Other financing sources (uses):					
Transfers in	3,877,628	12,694,649	5,862,673	—	22,434,950
Transfers out	(2,836,958)	(9,311,399)	(6,625,400)	—	(18,773,757)
Total other financing sources (uses)	<u>1,040,670</u>	<u>3,383,250</u>	<u>(762,727)</u>	<u>—</u>	<u>3,661,193</u>
Net change in fund balance	<u>1,948,430</u>	<u>(4,619,303)</u>	<u>(2,603,330)</u>	<u>11,474</u>	<u>(5,262,729)</u>
Fund balance, beginning of year	17,450,725	38,855,873	61,251,088	1,262,387	118,820,073
Fund balance, end of year	<u>\$ 19,399,155</u>	<u>34,236,570</u>	<u>58,647,758</u>	<u>1,273,861</u>	<u>113,557,344</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Special Revenue Funds

Art Museum – The art museum fund was established by City Charter to account for the proceeds of a four-cent ad valorem tax levy and contributions, which represent the primary sources of funding for the activities of the art museum.

Public Parks – The public parks fund was established by City Charter to account for the proceeds of an 18-cent ad valorem tax levy and operating sales tax, which partially funds the activities of the City’s parks system. The parks system also receives substantial revenues from concessions, zoo admissions, swimming, and softball fees.

Public Health Services – The public health services fund was established by City Charter to account for the proceeds of an 11-cent ad valorem tax levy, which partially funds the operation of the Springfield-Greene County Health Department. Substantial revenues are received from the federal, state, and Greene County governments to augment the tax levy to support the varied activities of the Health Department.

Public Works Transportation – The public works transportation fund was established to account for the City’s street maintenance and traffic signalization activities. Operating revenues in this fund come primarily from state gasoline taxes and utility cut charges.

Tourism/Convention Promotion – The tourism/convention promotion fund accounts for the proceeds of the City’s 2% hotel/motel tax. These funds are used exclusively by the tourism/convention board to promote the Springfield area throughout the Midwest as a convention center and family vacation area.

Miscellaneous Special Revenue – This fund was established to account for miscellaneous grants and special activities of the City that are designated for a specific purpose or period of time.

Law Enforcement – This fund accounts for the proceeds from the law enforcement sales tax revenue.

WIC Program – The WIC program fund accounts for federal grants from the U.S. Department of Agriculture for the Women, Infants, and Children’s Supplemental Food Program.

Workforce Development – The workforce development fund accounts for federal grants from the U.S. Department of Labor in support of adult and youth jobs training under the Workforce Investment Act of 1998, as well as miscellaneous state grants.

Road and Bridge Maintenance – The road and bridge maintenance fund accounts for the City’s portion of the Greene County road and bridge tax. The funds are expended for local street repair and resurfacing.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2011

Assets	Art museum	Public parks	Public health services	Public works transportation	Tourism/ convention promotion	Miscellaneous special revenue	Law enforcement	WIC program	Workforce development	Road and bridge maintenance	Total
Cash and investments	\$ 1,508,388	197,844	1,066,233	5,527,983	111,748	2,569,618	—	—	953,943	4,406,162	16,341,919
Accrued interest receivable	5,655	792	—	—	5,324	5,536	—	—	—	6,928	24,235
Property taxes receivable:											
Current	1,109,317	5,303,003	3,615,550	—	—	—	—	—	—	—	10,027,870
Delinquent	47,401	226,806	154,703	—	—	—	—	—	—	—	428,910
	<u>1,156,718</u>	<u>5,529,809</u>	<u>3,770,253</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>10,456,780</u>
Less allowance for uncollectible amounts	(4,976)	(23,749)	(16,218)	—	—	—	—	—	—	—	(44,943)
Net property taxes receivable	<u>1,151,742</u>	<u>5,506,060</u>	<u>3,754,035</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>10,411,837</u>
Accounts receivable	—	728,406	3,321	1,488,742	534,273	132,125	1,403,811	—	41,786	—	4,332,464
Inventories	—	100,266	—	1,470,923	—	—	—	—	—	—	1,571,189
Due from other governments	—	199,448	769,484	66,845	—	221,195	120,593	201,377	652,095	—	2,231,037
Total assets	<u>\$ 2,665,785</u>	<u>6,732,816</u>	<u>5,593,073</u>	<u>8,554,493</u>	<u>651,345</u>	<u>2,928,474</u>	<u>1,524,404</u>	<u>201,377</u>	<u>1,647,824</u>	<u>4,413,090</u>	<u>34,912,681</u>
Liabilities											
Due to other funds	\$ —	—	—	—	—	—	1,473,802	192,780	—	—	1,666,582
Accounts payable	21,865	194,354	239,029	66,103	102,735	64,804	71,209	3,784	774,153	672,527	2,210,563
Due to other governments	—	—	—	—	—	—	—	—	82,785	—	82,785
Unearned revenue	—	—	84,624	—	—	—	—	—	625,730	—	710,354
Deferred revenue	1,138,448	5,442,436	3,912,601	66,845	—	62,807	26,289	28,660	165,156	—	10,843,242
Total liabilities	<u>1,160,313</u>	<u>5,636,790</u>	<u>4,236,254</u>	<u>132,948</u>	<u>102,735</u>	<u>127,611</u>	<u>1,571,300</u>	<u>225,224</u>	<u>1,647,824</u>	<u>672,527</u>	<u>15,513,526</u>
Fund Balance											
Nonspendable	—	100,266	—	1,470,923	—	—	—	—	—	—	1,571,189
Restricted	—	—	—	6,950,622	548,610	2,800,863	—	—	—	—	10,300,095
Committed	1,505,472	—	—	—	—	—	—	—	—	3,740,563	5,246,035
Assigned	—	995,760	1,356,819	—	—	—	—	—	—	—	2,352,579
Unassigned	—	—	—	—	—	—	(46,896)	(23,847)	—	—	(70,743)
Total fund balance	<u>1,505,472</u>	<u>1,096,026</u>	<u>1,356,819</u>	<u>8,421,545</u>	<u>548,610</u>	<u>2,800,863</u>	<u>(46,896)</u>	<u>(23,847)</u>	<u>—</u>	<u>3,740,563</u>	<u>19,399,155</u>
Total liabilities and fund balance	<u>\$ 2,665,785</u>	<u>6,732,816</u>	<u>5,593,073</u>	<u>8,554,493</u>	<u>651,345</u>	<u>2,928,474</u>	<u>1,524,404</u>	<u>201,377</u>	<u>1,647,824</u>	<u>4,413,090</u>	<u>34,912,681</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year ended June 30, 2011

	Art museum	Public parks	Public health services	Public works transportation	Tourism/ convention promotion	Miscellaneous special revenue	Law enforcement	WIC program	Workforce development	Road and bridge maintenance	Total
Revenues:											
Sales taxes	\$ —	4,494,982	—	8,661,070	—	583,402	6,441,278	—	—	—	20,180,732
Property taxes	1,113,278	5,327,252	3,633,796	—	—	—	—	—	—	1,621,962	11,696,288
Room taxes	—	—	—	—	3,458,626	—	—	—	—	—	3,458,626
Interest	16,238	—	2,287	—	12,167	—	4,110	—	—	8,384	43,186
Rent	—	72,735	—	—	—	—	—	—	—	—	72,735
Charges for services	25,355	5,696,510	1,370,687	612,267	—	121,901	150,051	—	—	96,974	8,073,745
Intergovernmental	—	925,215	3,846,454	—	—	576,938	6,136,445	1,182,809	6,094,139	—	18,762,000
Other	66,716	111,023	54,148	22,886	1,197,305	126,848	—	—	—	43,065	1,621,991
Total revenues	1,221,587	16,627,717	8,907,372	9,296,223	4,668,098	1,409,089	12,731,884	1,182,809	6,094,139	1,770,385	63,909,303
Expenditures:											
Current:											
Public works	—	—	—	8,706,065	—	261,617	—	—	—	1,332,725	10,300,407
Public safety	—	—	—	—	—	667,067	13,248,796	—	—	—	13,915,863
Parks and recreation	926,432	18,036,121	—	—	3,217,785	—	—	—	—	—	22,180,338
Planning and development	—	—	—	—	—	1,779	—	—	—	—	1,779
Public health	—	—	8,519,374	—	—	—	—	1,191,549	—	—	9,710,923
General government	—	111,577	76,111	—	—	610,406	—	6,094,139	—	—	6,892,233
Total expenditures	926,432	18,147,698	8,595,485	8,706,065	3,217,785	1,540,869	13,248,796	1,191,549	6,094,139	1,332,725	63,001,543
Excess (deficiency) of revenues over expenditures	295,155	(1,519,981)	311,887	590,158	1,450,313	(131,780)	(516,912)	(8,740)	—	437,660	907,760
Other financing sources (uses):											
Transfers in	—	2,339,424	258,300	—	—	298,504	926,400	—	—	55,000	3,877,628
Transfers out	—	(847,490)	—	(40,000)	(1,214,000)	(61,675)	(560,600)	—	—	(113,193)	(2,836,958)
Total other financing sources (uses)	—	1,491,934	258,300	(40,000)	(1,214,000)	236,829	365,800	—	—	(58,193)	1,040,670
Net change in fund balance	295,155	(28,047)	570,187	550,158	236,313	105,049	(151,112)	(8,740)	—	379,467	1,948,430
Fund balance, beginning of year	1,210,317	1,124,073	786,632	7,871,387	312,297	2,695,814	104,216	(15,107)	—	3,361,096	17,450,725
Fund balance, end of year	\$ 1,505,472	1,096,026	1,356,819	8,421,545	548,610	2,800,863	(46,896)	(23,847)	—	3,740,563	19,399,155

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Art Museum Special Revenue Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Property taxes	\$ 1,058,025	1,058,025	1,113,278	55,253
Interest	1,000	1,000	16,238	15,238
Charges for current services	26,000	26,000	25,355	(645)
Fund balance appropriation	—	315,000	—	(315,000)
Other	<u>24,500</u>	<u>24,500</u>	<u>66,716</u>	<u>42,216</u>
Total revenues	<u>1,109,525</u>	<u>1,424,525</u>	<u>1,221,587</u>	<u>(202,938)</u>
Expenditures:				
Parks and recreation	<u>1,109,525</u>	<u>1,161,811</u>	<u>926,432</u>	<u>235,379</u>
Excess of revenues over expenditures	—	262,714	295,155	32,441
Other financing sources:				
Transfers in	—	—	—	—
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	—	262,714	295,155	32,441
Fund balances – beginning	<u>1,210,317</u>	<u>1,210,317</u>	<u>1,210,317</u>	<u>—</u>
Fund balances – end	<u>\$ 1,210,317</u>	<u>1,473,031</u>	<u>1,505,472</u>	<u>32,441</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Parks Special Revenue Fund

Year ended June 30, 2011

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 4,888,000	4,888,000	4,494,982	(393,018)
Property taxes	5,103,307	5,103,307	5,327,252	223,945
Interest	50,000	50,000	—	(50,000)
Rent	69,400	69,400	72,735	3,335
Charges for current services	5,863,293	5,663,293	5,696,510	33,217
Fund balance appropriation	217,458	217,458	—	(217,458)
Intergovernmental	913,955	1,187,126	925,215	(261,911)
Other	255,033	255,033	111,023	(144,010)
Total revenues	17,360,446	17,433,617	16,627,717	(805,900)
Expenditures:				
Parks and recreation	18,196,340	18,963,758	18,036,121	927,637
General government	106,815	106,815	111,577	(4,762)
Total expenditures	18,303,155	19,070,573	18,147,698	922,875
Deficiency of revenues under expenditures	(942,709)	(1,636,956)	(1,519,981)	116,975
Other financing sources (uses):				
Transfers in	1,796,516	2,166,516	2,339,424	172,908
Transfers out	(853,807)	(853,807)	(847,490)	6,317
Total other financing sources	942,709	1,312,709	1,491,934	179,225
Net change in fund balance	—	(324,247)	(28,047)	296,200
Fund balances – beginning	1,124,073	1,124,073	1,124,073	—
Fund balances – end	\$ 1,124,073	799,826	1,096,026	296,200

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Health Services Special Revenue Fund

Year ended June 30, 2011

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Property taxes	\$ 3,424,114	3,424,114	3,633,796	209,682
Interest	—	—	2,287	2,287
Charges for current services	1,303,200	1,141,000	1,370,687	229,687
Intergovernmental	4,151,945	6,078,362	3,846,454	(2,231,908)
Fund balance appropriation	—	375,000	—	(375,000)
Other	—	30,200	54,148	23,948
Total revenues	8,879,259	11,048,676	8,907,372	(2,141,304)
Expenditures:				
Public health	9,132,996	11,467,103	8,519,374	2,947,729
General government	—	—	76,111	(76,111)
Total expenditures	9,132,996	11,467,103	8,595,485	2,871,618
Excess (deficiency) of revenues over (under) expenditures	(253,737)	(418,427)	311,887	730,314
Other financing sources:				
Transfers in	253,737	258,237	258,300	63
Transfers out	—	—	—	—
Total other financing sources	253,737	258,237	258,300	63
Net change in fund balance	—	(160,190)	570,187	730,377
Fund balances – beginning	786,632	786,632	786,632	—
Fund balances – end	\$ <u>786,632</u>	<u>626,442</u>	<u>1,356,819</u>	<u>730,377</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Public Works Transportation Special Revenue Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance with final budget – positive (negative)</u>
Revenues:				
Sales taxes	\$ 7,735,000	7,735,000	8,661,070	926,070
Charges for current services	565,000	565,000	612,267	47,267
Fund balance appropriation	1,435,000	1,814,000	—	(1,814,000)
Intergovernmental	—	150,000	—	(150,000)
Other	—	—	22,886	22,886
Total revenues	<u>9,735,000</u>	<u>10,264,000</u>	<u>9,296,223</u>	<u>(967,777)</u>
Expenditures:				
Public works	9,845,000	10,366,612	8,706,065	1,660,547
Excess (deficiency) of revenues over (under) expenditures	<u>(110,000)</u>	<u>(102,612)</u>	<u>590,158</u>	<u>692,770</u>
Other financing sources (uses):				
Transfers in	110,000	—	—	—
Transfers out	—	(65,947)	(40,000)	25,947
Total other financing sources (uses)	<u>110,000</u>	<u>(65,947)</u>	<u>(40,000)</u>	<u>25,947</u>
Net change in fund balance	—	(168,559)	550,158	718,717
Fund balances – beginning	<u>7,871,387</u>	<u>7,871,387</u>	<u>7,871,387</u>	—
Fund balances – end	<u><u>\$ 7,871,387</u></u>	<u><u>7,702,828</u></u>	<u><u>8,421,545</u></u>	<u><u>718,717</u></u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Tourism/Convention Promotion Special Revenue Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Rooms taxes	\$ 3,244,500	3,282,000	3,458,626	176,626
Interest	8,500	8,500	12,167	3,667
Other	<u>1,314,765</u>	<u>1,222,065</u>	<u>1,197,305</u>	<u>(24,760)</u>
Total revenues	<u>4,567,765</u>	<u>4,512,565</u>	<u>4,668,098</u>	<u>155,533</u>
Expenditures:				
Parks and recreation	<u>3,454,765</u>	<u>3,399,565</u>	<u>3,217,785</u>	<u>181,780</u>
Excess of revenues over expenditures	1,113,000	1,113,000	1,450,313	337,313
Other financing uses:				
Transfers in	—	—	—	—
Transfers out	<u>(1,113,000)</u>	<u>(1,113,000)</u>	<u>(1,214,000)</u>	<u>(101,000)</u>
Total other financing uses	<u>(1,113,000)</u>	<u>(1,113,000)</u>	<u>(1,214,000)</u>	<u>(101,000)</u>
Net change in fund balance	—	—	236,313	236,313
Fund balances – beginning	<u>247,372</u>	<u>379,482</u>	<u>312,297</u>	<u>(67,185)</u>
Fund balances – end	<u>\$ 247,372</u>	<u>379,482</u>	<u>548,610</u>	<u>169,128</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Miscellaneous Special Revenue Fund

Year ended June 30, 2011

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 550,141	550,141	583,402	33,261
Interest	300	300	—	(300)
Charges for current services	272,513	120,000	121,901	1,901
Intergovernmental	—	132,294	576,938	444,644
Fund balance appropriation	42,944	42,944	24,008	(18,936)
Other	—	159,343	102,840	(56,503)
Total revenues	865,898	1,005,022	1,409,089	404,067
Expenditures:				
Public works	331,662	638,026	261,617	376,409
Public safety	—	1,336,868	667,067	669,801
Parks and recreation	—	—	—	—
Planning and development	—	—	1,779	(1,779)
Public health	—	—	—	—
General government	562,944	722,246	610,406	111,840
Total expenditures	894,606	2,697,140	1,540,869	1,156,271
Deficiency of revenues under expenditures	(28,708)	(1,692,118)	(131,780)	1,560,338
Other financing sources (uses):				
Transfers in	211,662	211,662	298,504	86,842
Transfers out	(182,100)	(182,100)	(61,675)	120,425
Total other financing sources	29,562	29,562	236,829	207,267
Net change in fund balance	854	(1,662,556)	105,049	1,767,605
Fund balances – beginning	2,695,814	2,695,814	2,695,814	—
Fund balances – end	\$ 2,696,668	1,033,258	2,800,863	1,767,605

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Law Enforcement Special Revenue Fund

Year ended June 30, 2011

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Sales taxes	\$ 11,609,929	11,609,929	6,441,278	(5,168,651)
Intergovernmental	1,619,383	5,743,950	6,136,445	392,495
Revenues for use of money – interest	—	—	4,110	4,110
Charges for current services	925,000	83,673	150,051	66,378
Total revenues	<u>14,154,312</u>	<u>17,437,552</u>	<u>12,731,884</u>	<u>(4,705,668)</u>
Expenditures:				
Public safety	14,441,712	17,765,500	13,248,796	4,516,704
Total expenditures	<u>14,441,712</u>	<u>17,765,500</u>	<u>13,248,796</u>	<u>4,516,704</u>
Deficiency of revenues under expenditures	<u>(287,400)</u>	<u>(327,948)</u>	<u>(516,912)</u>	<u>(188,964)</u>
Other financing sources (uses):				
Transfers in	860,400	860,400	926,400	66,000
Transfers out	<u>(573,000)</u>	<u>(573,000)</u>	<u>(560,600)</u>	<u>12,400</u>
Total other financing sources	<u>287,400</u>	<u>287,400</u>	<u>365,800</u>	<u>78,400</u>
Net change in fund balance	—	(40,548)	(151,112)	(110,564)
Fund balances – beginning	104,216	104,216	104,216	—
Fund balances – end	<u>\$ 104,216</u>	<u>63,668</u>	<u>(46,896)</u>	<u>(110,564)</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – WIC Program Special Revenue Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental	\$ 1,343,000	1,698,862	1,182,809	(516,053)
Revenues from use of money – interest	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues	<u>1,343,000</u>	<u>1,698,862</u>	<u>1,182,809</u>	<u>(516,053)</u>
Expenditures:				
Public health	<u>1,343,000</u>	<u>1,687,548</u>	<u>1,191,549</u>	<u>495,999</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>11,314</u>	<u>(8,740)</u>	<u>(20,054)</u>
Other financing uses:				
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	<u>—</u>	<u>11,314</u>	<u>(8,740)</u>	<u>(20,054)</u>
Fund balances – beginning	<u>(15,107)</u>	<u>(15,107)</u>	<u>(15,107)</u>	<u>—</u>
Fund balances – end	\$ <u><u>(15,107)</u></u>	<u><u>(3,793)</u></u>	<u><u>(23,847)</u></u>	<u><u>(20,054)</u></u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Workforce Development Special Revenue Fund

Year ended June 30, 2011

	Original budget	Final budget	Actual	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental	\$ 4,616,389	7,835,691	6,094,139	(1,741,552)
Expenditures:				
General government	4,616,389	8,282,103	6,094,139	2,187,964
Deficiency of revenues under expenditures	—	(446,412)	—	446,412
Fund balances – beginning	—	—	—	—
Fund balances – end	\$ —	(446,412)	—	446,412

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Budgetary Comparison Schedule – Road and Bridge Maintenance Special Revenue Fund

Year ended June 30, 2011

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Property taxes	\$ 1,600,000	1,600,000	1,621,962	21,962
Charges for current services	—	—	96,974	96,974
Interest	30,000	30,000	8,384	(21,616)
Fund balance appropriation	—	35,000	—	(35,000)
Other	—	—	43,065	43,065
	<u>1,630,000</u>	<u>1,665,000</u>	<u>1,770,385</u>	<u>105,385</u>
Total revenues				
Expenditures:				
Public works	<u>1,630,000</u>	<u>3,617,498</u>	<u>1,332,725</u>	<u>2,284,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>(1,952,498)</u>	<u>437,660</u>	<u>2,390,158</u>
Other financing sources (uses):				
Transfers in	—	110,000	55,000	(55,000)
Transfers out	—	—	(113,193)	(113,193)
	<u>—</u>	<u>110,000</u>	<u>(58,193)</u>	<u>(168,193)</u>
Total other financing sources (uses)				
Net change in fund balance	—	(1,842,498)	379,467	2,221,965
Fund balances – beginning	<u>3,361,096</u>	<u>3,361,096</u>	<u>3,361,096</u>	<u>—</u>
Fund balances – end	\$ <u><u>3,361,096</u></u>	<u><u>1,518,598</u></u>	<u><u>3,740,563</u></u>	<u><u>2,221,965</u></u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Debt Service Funds

Jordan Valley Park Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds issued on behalf of the Jordan Valley Park and the Springfield Recreational Ice Project. The park will be owned by the City and operated by its Park Board.

Heers/College Station – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bonds used for the Heers/College Station Projects.

LEST Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the 800 Megahertz Trunked Radio System Project.

Level Property Tax Issues – This fund accounts for the debt service and refunding transactions on the City's level property tax bond issues. Debt service on these issues is funded by general property taxes.

Special Assessment Issues – This fund accounts for the combined activity in the various special assessment districts established from the City's special assessment bond issues, as well as for the City's neighborhood improvement districts. Proceeds from debt issuances are used to construct sanitary sewer districts and neighborhood improvement projects, with the cost of these improvements billed to the benefited property owners upon completion. Proceeds from these special tax bills are then used for debt service purposes.

Busch Building – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bond issues related to the Busch Building Issue. Debt service for the Busch Building Issue is funded by rental charges transferred from various City departments.

Parks Issues – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds used for the Cooper Park Indoor Tennis Facility and park improvements at Cooper Park, Killian Park, and Dickerson Park Zoo. Debt service for this issue is funded by transfers from the Public Parks Fund.

2001 PIC West – This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the Partnership Industrial Center West Project.

SBD Loan Program – This debt service fund accounts for the resources accumulated and payments made for principal and interest on loans that provide funding for small business developments in the community.

Crime Lab – This debt service fund accounts for the resources accumulated and payments made for the principal and interest on the Crime Lab Project.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2011

Assets	Jordan Valley Park issues	Heers/ College station	LEST issues	Level property tax issues	Special assessments issues	Busch Building	Parks issues	2001 PIC West	SBD loan program	Crime Lab	Total
Cash and investments	\$ 540,245	177,245	3,773	9,618,308	6,936,205	16,856	3,757	11,675	71,452	412,714	17,792,230
Accrued interest receivable	198	—	—	55,113	47,069	—	—	—	589	—	102,969
Accounts receivable	—	—	—	—	—	—	—	—	—	—	—
Special assessments receivable	—	—	—	—	3,956,092	—	—	—	—	—	3,956,092
Property taxes receivable:											
Current	—	—	—	7,606,742	—	—	—	—	—	—	7,606,742
Delinquent	—	—	—	325,344	—	—	—	—	—	—	325,344
	—	—	—	7,932,086	—	—	—	—	—	—	7,932,086
Less allowance for uncollectible amounts	—	—	—	(34,104)	—	—	—	—	—	—	(34,104)
Net property taxes receivable	—	—	—	7,897,982	—	—	—	—	—	—	7,897,982
Restricted cash and investments	5,557,488	1,693,622	284,780	7,528,661	—	—	214,964	408,000	585,820	—	16,273,335
Total assets	\$ 6,097,931	1,870,867	288,553	25,100,064	10,939,366	16,856	218,721	419,675	657,861	412,714	46,022,608
Liabilities											
Due to other funds	\$ —	—	—	—	—	—	—	—	—	—	—
Accounts payable	—	—	—	—	339	—	—	—	—	—	339
Accrued interest payable	17,339	2,973	1,690	—	—	—	888	—	—	—	22,890
Deferred revenue	—	—	—	7,806,717	3,956,092	—	—	—	—	—	11,762,809
Total liabilities	17,339	2,973	1,690	7,806,717	3,956,431	—	888	—	—	—	11,786,038
Fund Balance											
Restricted	5,557,488	1,693,622	284,780	7,528,661	—	—	214,964	408,000	585,820	—	16,273,335
Committed	523,104	—	2,083	9,764,686	6,982,935	—	2,869	—	—	—	17,275,677
Assigned	—	174,272	—	—	—	16,856	—	11,675	72,041	412,714	687,558
Total fund balance	6,080,592	1,867,894	286,863	17,293,347	6,982,935	16,856	217,833	419,675	657,861	412,714	34,236,570
Total liabilities and fund balance	\$ 6,097,931	1,870,867	288,553	25,100,064	10,939,366	16,856	218,721	419,675	657,861	412,714	46,022,608

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Debt Service Funds
 Year ended June 30, 2011

	Jordan Valley Park issues	Heers/ College station	LEST issues	Level property tax issues	Special assessments issues	Busch Building	Parks issues	2001 PIC West	SBD loan program	Crime Lab	Total
Revenues:											
Property taxes	\$ —	—	—	7,641,807	—	—	—	—	—	—	7,641,807
Intergovernmental	—	169,513	—	—	—	—	—	—	—	211,857	381,370
Interest	131,785	73,174	—	369,875	199,306	615	738	—	12,200	5	787,698
Special assessments	—	—	—	—	830,239	—	—	—	—	—	830,239
Other	1,212,765	164,396	—	—	—	—	—	—	—	—	1,377,161
Total revenues	1,344,550	407,083	—	8,011,682	1,029,545	615	738	—	12,200	211,862	11,018,275
Expenditures:											
Debt service:											
Principal	2,030,000	335,000	270,000	4,315,000	1,045,000	610,000	152,015	470,000	240,000	2,655,000	12,122,015
Interest and other charges	2,193,485	733,194	204,404	2,848,885	550,963	16,318	109,134	57,893	125,064	59,473	6,898,813
Total expenditures	4,223,485	1,068,194	474,404	7,163,885	1,595,963	626,318	261,149	527,893	365,064	2,714,473	19,020,828
Excess (deficiency) of revenues over (under) expenditures	(2,878,935)	(661,111)	(474,404)	847,797	(566,418)	(625,703)	(260,411)	(527,893)	(352,864)	(2,502,611)	(8,002,553)
Other financing sources (uses):											
Issuance of debt	—	—	—	—	—	—	—	—	—	—	—
Bond premium	—	—	—	—	—	—	—	—	—	—	—
Issuance of refunding bonds	—	—	—	—	—	—	—	—	—	—	—
Payment to bond escrow agent	—	—	—	—	—	—	—	—	—	—	—
Transfers in	2,845,195	806,675	536,779	7,004,635	—	—	260,000	—	355,680	885,685	12,694,649
Transfers out	(176,995)	—	(60,000)	(9,003,719)	—	—	—	—	—	(70,685)	(9,311,399)
Total other financing sources (uses)	2,668,200	806,675	476,779	(1,999,084)	—	—	260,000	—	355,680	815,000	3,383,250
Net change in fund balance	(210,735)	145,564	2,375	(1,151,287)	(566,418)	(625,703)	(411)	(527,893)	2,816	(1,687,611)	(4,619,303)
Fund balance, beginning of year	6,291,327	1,722,330	284,488	18,444,634	7,549,353	642,559	218,244	947,568	655,045	2,100,325	38,855,873
Fund balance, end of year	\$ 6,080,592	1,867,894	286,863	17,293,347	6,982,935	16,856	217,833	419,675	657,861	412,714	34,236,570

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Capital Project Funds

Transportation Sales Tax – This fund accounts for the proceeds of the City’s one-eighth cent transportation sales tax, which was initially approved by voters in November 1996 and took effect April 1, 1997 with a four-year sunset. With voter approval, this tax has been renewed for additional four-year programs in 2001, 2005, and 2009. Proceeds are used to construct transportation improvements.

Public Parks Improvement – This fund accounts for the proceeds of the Parks capital improvement sales tax. Proceeds are used to construct various capital improvement projects throughout the Parks system.

Public Works Improvement – This fund accounts for various public works improvement projects constructed from various federal and state grants and other revenues. This fund also accounts for the City’s joint venture expenditures related to the development of an industrial park.

Capital Improvements Sales Tax – This fund accounts for the proceeds of the City’s one-quarter cent capital improvements sales tax, which was initially approved by voters in August 1989 and first went into effect October 1, 1989. Proceeds are used to construct various capital improvement projects throughout the City.

Property Tax Projects – This fund accounts for the City’s capital improvement projects funded by property tax revenues.

Sanitary and Storm Sewer Projects – This fund accounts for the City’s sanitary and storm sewer construction projects.

Crime Lab Project – This fund accounts for the resources accumulated for the Crime Lab facility.

Heers/College Station – This fund accounts for the resources accumulated for the Heers/College Station Projects.

Miscellaneous Capital Projects – These funds account for the City’s LEST Radios Bond Issues 2000 and 2004 and the proceeds of the capital lease – Construction of an 800 Megahertz Trunked Radio System to provide improved law enforcement and public safety communications that will allow for encryption of messages and facilitate in-building coverage. This project is a combined effort between the City of Springfield, City Utilities, and Greene County. The capital lease proceeds are used to finance various equipment purchases and capital improvement projects.

Tourism Tax Community Improvement – This fund accounts for the proceeds of the tourism (hotel/motel) tax approved by the citizens of Springfield on February 3, 1998, which are to be used to finance community improvements for a Civic Park, the American National Fish and Wildlife Living Museum and Aquarium, Recreational Ice Complex, Dickerson Park Zoo, and not-for-profit local attractions such as Discovery Center and Gillioz and Landers Theaters.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2011

Assets	Transportation sales tax	Public parks improvement	Public works improvement	Capital improvement sales tax	Property tax projects	Sanitary and storm sewer projects	Crime Lab project	Heers/ College station	Miscellaneous capital projects	Tourism tax community improvement	Total
Cash and investments	\$ 16,349,297	8,568,427	939,096	21,612,267	3,581,424	3,644,595	—	326,761	2,607,073	—	57,628,940
Accrued interest receivable	—	62,790	5,554	120,797	—	1,883	—	1,516	1,948	17,333	211,821
Accounts receivable	704,391	1,454,960	102,522	1,433,344	—	—	—	—	—	—	3,695,217
Due from other funds	—	—	—	102,522	—	—	—	—	—	—	102,522
Due from other governments	—	10,240	6,864,452	—	—	—	—	—	192,263	—	7,066,955
Total assets	\$ 17,053,688	10,096,417	7,911,624	23,268,930	3,581,424	3,646,478	—	328,277	2,801,284	17,333	68,705,455
Liabilities											
Due to other funds	\$ —	—	102,522	—	—	—	86,302	—	—	361,691	550,515
Accounts payable	98,251	1,022,147	436,103	445,153	73	111,030	25	—	353,300	—	2,466,082
Retainages payable	69,267	357,176	244,068	141,588	—	9,875	—	—	123,214	—	945,188
Due to other governments	—	—	1,397,344	—	—	—	—	—	—	—	1,397,344
Deferred revenue	—	1,858	4,599,837	—	—	—	—	—	96,873	—	4,698,568
Total liabilities	167,518	1,381,181	6,779,874	586,741	73	120,905	86,327	—	573,387	361,691	10,057,697
Fund Balance											
Restricted	16,886,170	8,715,236	1,131,750	22,682,189	—	3,525,573	—	328,277	2,227,897	—	55,497,092
Committed	—	—	—	—	3,581,351	—	—	—	—	—	3,581,351
Unassigned	—	—	—	—	—	—	(86,327)	—	—	(344,358)	(430,685)
Total fund balance	16,886,170	8,715,236	1,131,750	22,682,189	3,581,351	3,525,573	(86,327)	328,277	2,227,897	(344,358)	58,647,758
Total liabilities and fund balance	\$ 17,053,688	10,096,417	7,911,624	23,268,930	3,581,424	3,646,478	—	328,277	2,801,284	17,333	68,705,455

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 Year ended June 30, 2011

	Transportation sales tax	Public parks improvement	Public works improvement	Capital improvement sales tax	Property tax projects	Sanitary and storm sewer projects	Crime Lab project	Heers/ College station	Miscellaneous capital projects	Tourism tax community improvement	Total
Revenues:											
Sales taxes	\$ 4,403,394	9,223,653	—	8,807,325	—	—	—	—	—	1,038,570	23,472,942
Interest	159,462	34,874	11,657	201,556	688	—	—	2,711	25,669	3,069	439,686
Intergovernmental	232,269	461,640	7,988,590	—	—	—	—	—	1,809,053	—	10,491,552
Other	—	103,440	229,203	7,050	157,320	8,901	—	—	30,081	35,393	571,388
Total revenues	4,795,125	9,823,607	8,229,450	9,015,931	158,008	8,901	—	2,711	1,864,803	1,077,032	34,975,568
Expenditures:											
Capital outlay:											
Public works	4,125,202	5,697,893	7,390,021	7,255,517	—	1,888,401	56,212	—	1,154,047	—	27,567,293
Public safety	—	—	—	210,608	2,471	—	—	—	—	—	213,079
Parks and recreation	—	6,835,593	—	352,083	—	—	—	—	—	149,456	7,337,132
Planning and development	—	—	—	60,552	—	—	—	—	1,634,028	—	1,694,580
General government	—	—	—	—	—	1,045	—	—	3,042	—	4,087
Total expenditures	4,125,202	12,533,486	7,390,021	7,878,760	2,471	1,889,446	56,212	—	2,791,117	149,456	36,816,171
Excess (deficiency) of revenues over (under) expenditures	669,923	(2,709,879)	839,429	1,137,171	155,537	(1,880,545)	(56,212)	2,711	(926,314)	927,576	(1,840,603)
Other financing sources (uses):											
Transfers in	—	3,244,305	113,193	136,694	16,264	9,333	—	—	2,141,178	201,706	5,862,673
Transfers out	(176,136)	(4,289,723)	—	(352,293)	(471,718)	(120,824)	—	—	(171,000)	(1,043,706)	(6,625,400)
Total other financing sources (uses)	(176,136)	(1,045,418)	113,193	(215,599)	(455,454)	(111,491)	—	—	1,970,178	(842,000)	(762,727)
Net change in fund balance	493,787	(3,755,297)	952,622	921,572	(299,917)	(1,992,036)	(56,212)	2,711	1,043,864	85,576	(2,603,330)
Fund balance, beginning of year	16,392,383	12,470,533	179,128	21,760,617	3,881,268	5,517,609	(30,115)	325,566	1,184,033	(429,934)	61,251,088
Fund balance, end of year	\$ 16,886,170	8,715,236	1,131,750	22,682,189	3,581,351	3,525,573	(86,327)	328,277	2,227,897	(344,358)	58,647,758

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Governmental Funds

Permanent Funds

Perpetual Care – The Perpetual Care Fund was established to account for the activities of maintaining the City-owned cemetery.

CITY OF SPRINGFIELD, MISSOURI

Combining Balance Sheet

Nonmajor Permanent Funds

June 30, 2011

	Assets	Perpetual care
Cash and investments		\$ 1,266,734
Accrued interest receivable		7,127
Total assets		<u>\$ 1,273,861</u>
	Liabilities	
Accounts payable		\$ —
Total liabilities		<u>—</u>
	Fund Balance	
Restricted		1,262,386
Assigned		11,475
Total liabilities and fund balance		<u>\$ 1,273,861</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Permanent Funds

Year ended June 30, 2011

	<u>Perpetual care</u>
Revenues:	
Interest	\$ —
Perpetual care	11,474
Contributions	—
Total revenues	<u>11,474</u>
Expenditures:	
Current:	
Parks and recreation	—
Excess of revenues over expenditures	11,474
Other financing uses – transfers out	—
Net change in fund balance	11,474
Fund balance, beginning of year	<u>1,262,387</u>
Fund balance, end of year	<u><u>\$ 1,273,861</u></u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Nonmajor Enterprise Funds

Refuse Disposal – This fund reports the activities and capital improvements for the Landfill, the Recycling Centers, and the Yardwaste Recycling Center.

Golf – This fund accounts for all operating revenues and expenses associated with the operation of the City's municipal golf courses, including all golf course capital improvements and related debt service.

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenses, and
Changes in Net Assets
Nonmajor Enterprise Funds
Year ended June 30, 2011

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Operating revenues:			
Landfill charges	\$ 5,609,166	—	5,609,166
Yardwaste recycling sales	364,850	—	364,850
Golf course fees	—	2,785,881	2,785,881
Total operating revenues	<u>5,974,016</u>	<u>2,785,881</u>	<u>8,759,897</u>
Operating expenses:			
Personnel services	2,203,224	1,487,883	3,691,107
Other services	1,320,854	410,363	1,731,217
Supplies	441,275	562,295	1,003,570
Depreciation and amortization	1,020,003	450,774	1,470,777
Total operating expenses	<u>4,985,356</u>	<u>2,911,315</u>	<u>7,896,671</u>
Operating income (loss)	<u>988,660</u>	<u>(125,434)</u>	<u>863,226</u>
Nonoperating revenues (expenses):			
Interest revenue	65,573	2,291	67,864
Interest on long-term debt	(6,470)	(54,658)	(61,128)
Administrative fees and other debt charges	—	(3,000)	(3,000)
Gain from disposal of capital assets	44,600	—	44,600
Claims and settlements	464,059	—	464,059
Other nonoperating income	6,118	540	6,658
Net nonoperating revenues (expenses)	<u>573,880</u>	<u>(54,827)</u>	<u>519,053</u>
Income (loss) before contributions and transfers	<u>1,562,540</u>	<u>(180,261)</u>	<u>1,382,279</u>
Contributions and grants	186,287	—	186,287
Transfers in	—	—	—
Transfers out	(224,367)	(15,717)	(240,084)
Change in net assets	<u>1,524,460</u>	<u>(195,978)</u>	<u>1,328,482</u>
Total net assets – beginning	<u>11,159,281</u>	<u>2,666,718</u>	<u>13,825,999</u>
Total net assets – ending	<u>\$ 12,683,741</u>	<u>2,470,740</u>	<u>15,154,481</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year ended June 30, 2011

	<u>Refuse disposal</u>	<u>Golf</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from users	\$ 5,928,523	2,785,881	8,714,404
Cash paid to suppliers	(1,750,929)	(1,228,817)	(2,979,746)
Cash paid to employees	<u>(2,160,170)</u>	<u>(1,447,414)</u>	<u>(3,607,584)</u>
Net cash provided by operating activities	<u>2,017,424</u>	<u>109,650</u>	<u>2,127,074</u>
Cash flows from noncapital financing activities:			
Transfers in	—	—	—
Transfers out	<u>(224,367)</u>	<u>(15,717)</u>	<u>(240,084)</u>
Net cash used in noncapital financing activities	<u>(224,367)</u>	<u>(15,717)</u>	<u>(240,084)</u>
Cash flows from capital and related financing activities:			
Interest paid on long-term debt obligations	(6,470)	(18,674)	(25,144)
Principal payments made on long-term capital lease	(71,507)	(77,550)	(149,057)
Proceeds from issuance of long-term debt	—	123,585	123,585
Debt issuance costs	—	(3,000)	(3,000)
Additions to capital assets	(3,420,892)	(120,585)	(3,541,477)
Capital contributions	186,287	—	186,287
Proceeds from sale of capital assets	<u>44,600</u>	<u>—</u>	<u>44,600</u>
Net cash used in capital and related financing activities	<u>(3,267,982)</u>	<u>(96,224)</u>	<u>(3,364,206)</u>
Cash flows provided by investing activities:			
Purchase of investments	(4,585,637)	—	(4,585,637)
Sale of investments	5,960,998	—	5,960,998
Interest received	<u>99,564</u>	<u>2,291</u>	<u>101,855</u>
Net cash provided by investing activities	<u>1,474,925</u>	<u>2,291</u>	<u>1,477,216</u>
Net increase in cash and cash equivalents	—	—	—
Cash and cash equivalents, beginning of year	<u>1,425</u>	<u>—</u>	<u>1,425</u>
Cash and cash equivalents, end of year	\$ <u><u>1,425</u></u>	\$ <u><u>—</u></u>	\$ <u><u>1,425</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 988,660	(125,434)	863,226
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,020,003	450,774	1,470,777
Other nonoperating expenses	470,177	540	470,717
Decrease (increase) in:			
Accounts receivable	(12,947)	—	(12,947)
Due from other governments	(32,546)	—	(32,546)
Inventories	12,728	3,067	15,795
Increase (decrease) in:			
Accounts payable	(11,987)	(13,588)	(25,575)
Retainage payable	4,341	—	4,341
Due to other fund	—	(246,178)	(246,178)
Accrued landfill closure/postclosure care costs	(464,059)	—	(464,059)
Other postemployment benefits	14,543	8,555	23,098
Accrued compensated absences	<u>28,511</u>	<u>31,914</u>	<u>60,425</u>
Total adjustments	<u>1,028,764</u>	<u>235,084</u>	<u>1,263,848</u>
Net cash provided by operating activities	\$ <u><u>2,017,424</u></u>	\$ <u><u>109,650</u></u>	\$ <u><u>2,127,074</u></u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Internal Service Funds

Service Center – This fund accounts for the operations of the City’s central garage. Revenues are generated almost exclusively from billings to other City departments.

Print Shop – This fund accounts for the operations of the City’s print shop. Revenues are generated almost exclusively from billings to other City departments.

Self-Insurance – The Self-Insurance Fund was established to account for the City’s employee medical and workers’ compensation insurance programs. All contributions, both City and employee, are held by this fund to pay medical expenses of the participants, as well as medical and indemnity claims related to workers’ compensation.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Net Assets

Internal Service Funds

June 30, 2011

Assets	Service center	Print shop	Self-insurance	Total
Current assets:				
Cash and cash equivalents	\$ —	—	3,657,233	3,657,233
Inventories	297,990	66,842	—	364,832
Unamortized issue costs	3,600	—	—	3,600
Accounts receivable	—	—	—	—
Accrued interest receivable	97	—	25,297	25,394
Total current assets	<u>301,687</u>	<u>66,842</u>	<u>3,682,530</u>	<u>4,051,059</u>
Capital assets:				
Land	23,614	—	—	23,614
Buildings	1,058,097	—	—	1,058,097
Improvements other than buildings	684,399	—	—	684,399
Machinery and equipment	211,862	47,889	—	259,751
	<u>1,977,972</u>	<u>47,889</u>	<u>—</u>	<u>2,025,861</u>
Less accumulated depreciation	<u>(1,241,946)</u>	<u>(44,275)</u>	<u>—</u>	<u>(1,286,221)</u>
	736,026	3,614	—	739,640
Construction in progress	—	—	—	—
Total capital assets (net of accumulated depreciation)	<u>736,026</u>	<u>3,614</u>	<u>—</u>	<u>739,640</u>
Total assets	<u>1,037,713</u>	<u>70,456</u>	<u>3,682,530</u>	<u>4,790,699</u>
Liabilities				
Current liabilities:				
Accounts payable	109,988	23,323	2,542	135,853
Accrued compensated absences and other accrued costs	14,819	1,694	1,519	18,032
Due to other funds	67,435	7,030	—	74,465
Current maturities of long-term debt	29,752	—	—	29,752
Estimated liability for incurred but unreported claims	—	—	2,165,000	2,165,000
Total current liabilities	<u>221,994</u>	<u>32,047</u>	<u>2,169,061</u>	<u>2,423,102</u>
Long-term debt, less current maturities:				
Capitalized lease obligations payable	168,934	—	—	168,934
Accrued compensated absences	128,080	30,547	10,206	168,833
Total long-term liabilities	<u>297,014</u>	<u>30,547</u>	<u>10,206</u>	<u>337,767</u>
Total liabilities	<u>519,008</u>	<u>62,594</u>	<u>2,179,267</u>	<u>2,760,869</u>
Net Assets				
Net assets:				
Invested in capital assets, net of related debt	736,026	3,614	—	739,640
Unrestricted	<u>(217,321)</u>	<u>4,248</u>	<u>1,503,263</u>	<u>1,290,190</u>
Total net assets	<u>\$ 518,705</u>	<u>7,862</u>	<u>1,503,263</u>	<u>2,029,830</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Revenues, Expenses, and
Changes in Net Assets
Internal Service Funds
Year ended June 30, 2011

	<u>Service center</u>	<u>Print shop</u>	<u>Self-insurance</u>	<u>Total</u>
Operating revenues:				
Billings to departments	\$ 3,736,081	210,384	3,655,077	7,601,542
Contributions – City	—	—	8,288,944	8,288,944
Contributions – employees	—	—	3,369,794	3,369,794
Total operating revenues	<u>3,736,081</u>	<u>210,384</u>	<u>15,313,815</u>	<u>19,260,280</u>
Operating expenses:				
Cost of materials used:				
Beginning inventory	286,312	60,789	—	347,101
Net purchases	<u>2,325,941</u>	<u>66,512</u>	<u>—</u>	<u>2,392,453</u>
	2,612,253	127,301	—	2,739,554
Ending inventory	<u>(297,990)</u>	<u>(66,841)</u>	<u>—</u>	<u>(364,831)</u>
Total cost of materials used	<u>2,314,263</u>	<u>60,460</u>	<u>—</u>	<u>2,374,723</u>
Other operating expenses:				
Personnel services	1,099,488	113,324	169,437	1,382,249
Charges for services	320,392	607	13,055,125	13,376,124
Rent	—	58,980	—	58,980
Depreciation	<u>62,816</u>	<u>1,445</u>	<u>—</u>	<u>64,261</u>
Total other operating expenses	<u>1,482,696</u>	<u>174,356</u>	<u>13,224,562</u>	<u>14,881,614</u>
Total operating expenses	<u>3,796,959</u>	<u>234,816</u>	<u>13,224,562</u>	<u>17,256,337</u>
Operating income (loss)	<u>(60,878)</u>	<u>(24,432)</u>	<u>2,089,253</u>	<u>2,003,943</u>
Nonoperating revenues (expenses)	<u>(8,242)</u>	<u>—</u>	<u>80,642</u>	<u>72,400</u>
Income (loss) before transfers	<u>(69,120)</u>	<u>(24,432)</u>	<u>2,169,895</u>	<u>2,076,343</u>
Transfers in	<u>—</u>	<u>25,000</u>	<u>202,254</u>	<u>227,254</u>
Change in net assets	<u>(69,120)</u>	<u>568</u>	<u>2,372,149</u>	<u>2,303,597</u>
Total net assets – beginning	<u>587,825</u>	<u>7,294</u>	<u>(868,886)</u>	<u>(273,767)</u>
Total net assets – ending	<u>\$ 518,705</u>	<u>7,862</u>	<u>1,503,263</u>	<u>2,029,830</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Combining Statement of Cash Flows

Internal Service Funds

Year ended June 30, 2011

	<u>Service center</u>	<u>Print shop</u>	<u>Self-insurance</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from users	\$ 3,859,853	210,384	15,313,813	19,384,050
Cash paid to suppliers	(2,785,097)	(118,631)	(12,521,479)	(15,425,207)
Cash paid to employees	<u>(1,041,645)</u>	<u>(116,753)</u>	<u>(172,222)</u>	<u>(1,330,620)</u>
Net cash provided by (used in) operating activities	<u>33,111</u>	<u>(25,000)</u>	<u>2,620,112</u>	<u>2,628,223</u>
Cash flows from noncapital financing activities:				
Transfers in	—	25,000	202,254	227,254
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net cash provided by noncapital financing activities	<u>—</u>	<u>25,000</u>	<u>202,254</u>	<u>227,254</u>
Cash flows from capital and related financing activities:				
Interest paid on long-term debt obligations	(9,302)	—	—	(9,302)
Principal payments made on long-term capital lease	(28,534)	—	—	(28,534)
Additions to capital assets	<u>3,111</u>	<u>—</u>	<u>—</u>	<u>3,111</u>
Net cash used in capital and related financing activities	<u>(34,725)</u>	<u>—</u>	<u>—</u>	<u>(34,725)</u>
Cash flows provided by investing activity:				
Interest received	<u>1,614</u>	<u>—</u>	<u>80,642</u>	<u>82,256</u>
Net increase in cash and cash equivalents	—	—	2,903,008	2,903,008
Cash and cash equivalents, beginning of year	—	—	754,225	754,225
Cash and cash equivalents, end of year	<u>\$ —</u>	<u>—</u>	<u>3,657,233</u>	<u>3,657,233</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (60,878)	(24,432)	2,089,253	2,003,943
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	62,816	1,445	—	64,261
Decrease (increase) in:				
Accounts receivable	29,933	3,042	(8,340)	24,635
Inventories	(11,678)	(6,052)	—	(17,730)
Increase (decrease) in:				
Accounts payable	11,413	5,426	(8,342)	8,497
Due to other fund	(56,338)	(7,857)	—	(64,195)
Estimated liability for incurred but unreported claims	—	—	547,000	547,000
Accrued compensated absences	<u>57,843</u>	<u>3,428</u>	<u>541</u>	<u>61,812</u>
Total adjustments	<u>93,989</u>	<u>(568)</u>	<u>530,859</u>	<u>624,280</u>
Net cash provided by (used in) operating activities	<u>\$ 33,111</u>	<u>(25,000)</u>	<u>2,620,112</u>	<u>2,628,223</u>

See accompanying independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Agency Funds

Cooper Tennis Trust – This agency fund accounts for the assets and liabilities of the Cooper Tennis Trust Fund, which provides for the maintenance of Cooper Park.

Municipal Court Bond – This agency fund was created to account for cash bonds received at the Municipal Court.

Revolving Payroll Fund – This agency fund accounts for the liability transactions of the City's payroll system.

CITY OF SPRINGFIELD, MISSOURI
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
Year ended June 30, 2011

Cooper Tennis Trust	June 30, 2010	Additions	Deductions	June 30, 2011
Assets:				
Cash and short-term investments	\$ 218,881	56,590	76,107	199,364
Accrued interest receivable	3,496	5,625	6,436	2,685
	<u>\$ 222,377</u>	<u>62,215</u>	<u>82,543</u>	<u>202,049</u>
Liabilities:				
Escrows payable	\$ 222,377	62,215	82,543	202,049
	<u>\$ 222,377</u>	<u>62,215</u>	<u>82,543</u>	<u>202,049</u>
Municipal Court Bond				
Assets:				
Cash and short-term investments	\$ 22,155	214,329	206,359	30,125
Liabilities:				
Municipal court bond deposits	\$ 22,155	214,329	206,359	30,125
	<u>\$ 22,155</u>	<u>214,329</u>	<u>206,359</u>	<u>30,125</u>
Revolving Payroll				
Assets:				
Cash and short-term investments	\$ 4,174,968	67,294,989	66,814,958	4,654,999
Liabilities:				
Accounts payable	\$ 4,174,968	67,294,989	66,814,958	4,654,999
	<u>\$ 4,174,968</u>	<u>67,294,989</u>	<u>66,814,958</u>	<u>4,654,999</u>
Total				
Assets				
Cash and short-term investments	\$ 4,416,004	67,565,908	67,097,424	4,884,488
Accrued interest receivable	3,496	5,625	6,436	2,685
Total assets	<u>\$ 4,419,500</u>	<u>67,571,533</u>	<u>67,103,860</u>	<u>4,887,173</u>
Liabilities				
Accounts payable	\$ 4,174,968	67,294,989	66,814,958	4,654,999
Escrows payable	222,377	62,215	82,543	202,049
Municipal court bond deposits	22,155	214,329	206,359	30,125
Total liabilities	<u>\$ 4,419,500</u>	<u>67,571,533</u>	<u>67,103,860</u>	<u>4,887,173</u>

See accompanying independent auditors' report.

STATISTICAL SECTION

CITY OF SPRINGFIELD, MISSOURI

Statistical Section (Unaudited)

June 30, 2011

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

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	130
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	135
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	146
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the information about how the City's financial activities take place.	151
Operating Information	
These schedules contain service and infrastructure data to help the readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	153

Sources: Unless otherwise noted, the information in these pages is derived from the comprehensive financial reports for the relevant year.

CITY OF SPRINGFIELD, MISSOURI

Net Assets by Component

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:										
Invested in capital assets, net of related debt	\$ 242,388,274	225,399,885	213,844,995	195,800,846	174,876,106	164,639,133	86,131,536	76,998,893	76,272,303	49,803,776
Restricted	11,201,533	10,631,978	11,186,124	13,089,397	24,108,442	17,070,634	1,951,935	2,036,041	6,919,598	7,099,381
Unrestricted	204,731,421	175,715,957	142,996,539	136,417,853	109,257,747	106,730,542	104,090,927	94,365,451	86,147,008	94,380,086
Total governmental activities net assets	\$ 458,321,228	411,747,820	368,027,658	345,308,096	308,242,295	288,440,309	192,174,398	173,400,385	169,338,909	151,283,243
Business-type activities:										
Invested in capital assets, net of related debt	\$ 287,230,156	277,015,252	269,076,772	252,226,189	232,573,119	227,393,436	210,991,194	201,177,024	170,110,301	188,496,203
Restricted	51,157,918	60,829,311	67,216,747	78,587,252	72,750,045	60,565,783	68,224,833	69,439,483	72,399,024	46,342,106
Unrestricted	20,856,957	19,433,461	20,121,775	25,544,359	26,345,242	28,509,364	30,597,545	23,267,800	32,043,192	23,428,717
Total business-type activities net assets	\$ 359,245,031	357,278,024	356,415,294	356,357,800	331,668,406	316,468,583	309,813,572	293,884,307	274,552,517	258,267,026
Primary government:										
Invested in capital assets, net of related debt	\$ 529,618,430	502,415,137	482,921,767	448,027,035	407,449,225	392,032,569	297,122,730	278,175,917	246,382,604	238,299,979
Restricted	62,359,451	71,461,289	78,402,871	91,676,649	96,858,487	77,636,417	70,176,768	71,475,524	79,318,622	53,441,487
Unrestricted	225,588,378	195,149,418	163,118,314	161,962,212	135,602,989	135,239,906	134,688,472	117,633,251	118,190,200	117,808,803
Total primary government net assets	\$ 817,566,259	769,025,844	724,442,952	701,665,896	639,910,701	604,908,892	501,987,970	467,284,692	443,891,426	409,550,269

Note: The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

CITY OF SPRINGFIELD, MISSOURI

Changes in Net Assets

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:										
Governmental activities:										
Public works	\$ 45,400,527	34,859,486	27,969,820	31,916,652	49,326,110	37,050,496	24,009,499	24,128,752	14,816,445	17,632,822
Public safety	62,112,431	46,497,285	57,549,207	58,530,161	57,624,424	52,175,803	55,760,655	51,277,147	47,943,872	46,642,300
Parks and recreation	22,464,529	26,248,432	33,143,708	25,376,473	28,603,613	27,533,355	23,094,617	17,903,553	21,667,728	13,195,378
Planning and development	4,622,684	4,906,319	4,075,654	11,105,763	9,021,386	8,415,927	7,416,310	7,719,508	6,202,362	3,960,801
Public health	9,777,957	9,830,580	9,171,894	8,738,418	8,519,006	8,166,374	7,989,157	9,656,142	8,175,010	7,019,196
General government	19,855,484	33,827,629	32,918,321	26,066,803	20,065,380	11,551,473	19,810,593	29,690,978	16,262,936	15,438,654
Interest on long-term debt	7,078,207	7,793,051	9,660,983	9,548,847	9,205,652	9,937,801	9,398,355	8,361,439	7,418,153	6,091,779
Total governmental activities expenses	171,311,819	163,962,782	174,489,587	171,283,117	182,365,571	154,831,229	147,479,186	148,737,519	122,486,506	109,980,930
Business-type activities:										
Airport	26,299,309	24,484,185	21,894,134	20,141,544	16,936,734	14,451,683	13,729,355	12,080,189	11,130,492	10,743,883
Sanitary sewerage system	28,584,451	27,946,870	28,115,438	26,179,452	25,926,532	23,172,598	22,730,934	21,289,054	19,541,852	23,014,259
Refuse disposal	4,956,859	4,884,107	4,788,815	4,274,538	4,089,109	3,921,758	4,098,788	3,449,633	3,427,636	4,281,482
Golf	2,954,961	3,040,537	3,148,843	3,133,182	3,200,689	3,149,073	3,134,021	—	2,728,424	2,799,059
Total business-type activities expenses	62,795,580	60,355,699	57,947,230	53,728,716	50,153,064	44,695,112	43,693,098	40,037,337	36,828,404	40,838,683
Total primary government expenses	\$ 234,107,399	224,318,481	232,436,817	225,011,833	232,518,635	199,526,341	191,172,284	188,774,856	159,314,910	150,819,613
Program revenues:										
Governmental activities:										
Charges for services:										
Public works	\$ 2,063,706	1,924,708	2,852,717	2,762,320	2,769,883	3,233,278	530,291	697,477	841,358	367,786
Public safety	2,967,779	3,250,564	3,123,677	3,144,073	3,244,951	2,127,471	3,177,231	3,058,297	1,536,421	477,403
Parks and recreation	5,992,855	5,257,938	5,195,191	6,246,333	4,929,347	3,976,469	3,871,740	3,822,913	3,237,912	3,071,569
Planning and development	34,479	1,210,144	2,375,998	6,213,016	9,668,116	3,157,028	—	—	—	—
Public health	1,446,226	1,258,571	1,451,688	828,248	692,394	933,014	1,070,553	454,628	549,004	578,986
General government	5,754,324	3,835,684	3,483,610	3,578,849	3,509,216	3,421,680	—	533,779	961,727	2,048,581
Operating grants and contributions	23,649,885	25,335,833	18,683,731	22,525,678	35,735,348	18,430,104	19,726,506	15,771,071	17,975,306	12,879,224
Capital grants and contributions	15,437,871	12,119,232	10,569,721	5,807,856	2,517,362	352,258	3,434,202	1,574,624	1,574,690	1,710,649
Total governmental activities program revenues	57,347,125	54,192,674	47,736,333	51,106,373	63,066,617	35,631,302	31,810,523	25,912,789	26,676,418	21,134,198
Business-type activities:										
Charges for services:										
Airport	13,905,661	12,611,539	13,240,073	15,356,997	13,910,213	12,654,174	11,047,454	9,053,125	8,820,906	7,607,357
Sanitary sewerage system	23,774,979	22,964,286	21,683,467	22,274,324	21,641,771	20,555,838	20,741,080	20,472,702	20,519,722	20,152,667
Refuse disposal	5,974,016	5,435,569	4,446,305	3,626,185	3,574,639	3,077,639	2,868,621	3,397,145	3,540,307	3,410,861
Golf	2,785,881	2,806,819	2,986,258	2,934,824	2,993,216	3,033,107	3,077,923	3,100,195	3,122,299	3,123,203
Operating grants and contributions	55,077	438,822	14,548	49,957	216,824	5,107	76,253	—	—	—
Capital grants and contributions	12,896,784	11,400,117	6,378,642	23,912,399	12,959,428	7,706,384	16,359,032	17,484,269	10,872,558	20,100,934
Total business-type activities program revenues	59,392,398	55,657,152	48,749,293	68,154,686	55,296,091	47,032,249	54,170,363	53,507,436	46,875,792	54,395,022
Total primary government program revenues	\$ 116,739,523	109,849,826	96,485,626	119,261,059	118,362,708	82,663,551	85,980,886	79,420,225	73,552,210	75,529,220

CITY OF SPRINGFIELD, MISSOURI

Changes in Net Assets

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Net (expense) revenue:										
Governmental activities	\$ (113,964,694)	(109,770,108)	(126,753,254)	(120,176,744)	(119,298,954)	(119,199,927)	(115,668,663)	(122,824,730)	(95,810,088)	(88,846,732)
Business-type activities	(3,403,182)	(4,698,547)	(9,197,937)	14,425,970	5,143,027	2,337,137	10,477,265	13,470,099	10,047,388	13,556,339
Total primary government expenses	<u>\$ (117,367,876)</u>	<u>(114,468,655)</u>	<u>(135,951,191)</u>	<u>(105,750,774)</u>	<u>(114,155,927)</u>	<u>(116,862,790)</u>	<u>(105,191,398)</u>	<u>(109,354,631)</u>	<u>(85,762,700)</u>	<u>(75,290,393)</u>
General revenues and other changes in net assets:										
Governmental activities:										
Taxes:										
Property taxes	\$ 19,805,808	19,295,218	18,623,987	18,182,658	19,960,727	18,464,584	18,897,464	22,614,692	14,192,502	8,388,780
Sales and use taxes	110,891,582	86,626,144	92,047,390	90,375,991	87,156,142	86,381,607	81,612,470	76,427,670	71,201,498	68,821,730
Franchise taxes	6,484,584	20,655,067	14,933,165	5,950,662	3,773,589	3,190,339	3,095,096	3,183,021	3,152,357	3,108,265
Room taxes	3,541,560	3,349,131	3,594,155	3,630,542	3,690,534	3,215,623	3,058,211	1,421,001	1,089,211	1,054,809
Unrestricted grants and contributions	—	—	—	—	—	—	—	—	—	—
Payments in lieu of taxes	12,482,703	10,813,817	11,281,344	12,333,596	11,760,900	12,071,385	—	—	—	—
Revenues from use of money and property	1,756,765	4,452,530	5,249,935	6,224,393	6,010,603	3,589,052	3,108,056	1,586,940	2,941,918	4,238,274
Other revenue	4,302,874	6,990,946	4,538,216	10,249,051	5,623,944	13,569,544	23,615,618	20,463,677	20,231,780	17,874,139
Transfers	1,272,226	1,307,417	(795,377)	1,415,347	1,124,501	1,044,270	1,055,761	1,189,205	1,056,488	1,000,176
Total governmental activities revenues	<u>160,538,102</u>	<u>153,490,270</u>	<u>149,472,815</u>	<u>148,362,240</u>	<u>139,100,940</u>	<u>141,526,404</u>	<u>134,442,676</u>	<u>126,886,206</u>	<u>113,865,754</u>	<u>104,486,173</u>
Business-type activities:										
Revenues from use of money and property	3,467,004	4,131,898	6,025,949	9,597,139	7,136,715	4,175,718	3,939,945	2,785,122	4,429,595	4,445,609
Other revenue	3,175,411	2,736,796	2,434,105	2,081,632	4,044,582	1,186,426	2,567,816	4,265,774	2,864,996	4,152,740
Transfers	(1,272,226)	(1,307,417)	795,377	(1,415,347)	(1,124,501)	(1,044,270)	(1,055,761)	(1,189,205)	(1,056,488)	(1,000,176)
Total business-type activities revenues	<u>5,370,189</u>	<u>5,561,277</u>	<u>9,255,431</u>	<u>10,263,424</u>	<u>10,056,796</u>	<u>4,317,874</u>	<u>5,452,000</u>	<u>5,861,691</u>	<u>6,238,103</u>	<u>7,598,173</u>
Total primary government revenues	<u>\$ 165,908,291</u>	<u>159,051,547</u>	<u>158,728,246</u>	<u>158,625,664</u>	<u>149,157,736</u>	<u>145,844,278</u>	<u>139,894,676</u>	<u>132,747,897</u>	<u>120,103,857</u>	<u>112,084,346</u>
Changes in net assets:										
Governmental activities	\$ 46,573,408	43,720,162	22,719,561	28,185,496	19,801,986	22,326,477	18,774,013	4,061,476	18,055,666	15,639,441
Business-type activities	1,967,007	862,730	57,494	24,689,394	15,199,823	6,655,011	15,929,265	19,331,790	16,285,491	21,154,512
Total primary government	<u>\$ 48,540,415</u>	<u>44,582,892</u>	<u>22,777,055</u>	<u>52,874,890</u>	<u>35,001,809</u>	<u>28,981,488</u>	<u>34,703,278</u>	<u>23,393,266</u>	<u>34,341,157</u>	<u>36,793,953</u>

Note: The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

CITY OF SPRINGFIELD, MISSOURI
 Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	<u>Fiscal year</u> <u>2011</u>
General fund:	
Nonspendable	\$ 17,309
Restricted	—
Committed	14,000,000
Assigned	2,788,666
Unassigned	—
Total general fund	<u>\$ 16,805,975</u>
All other governmental funds:	
Nonspendable	\$ 44,429,578
Restricted	85,736,829
Committed	26,103,063
Assigned	3,051,612
Unassigned	(501,428)
Total all other governmental funds	<u>\$ 158,819,654</u>

Note: The City implemented GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definition in fiscal year 2011.

	<u>Fiscal year</u>								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund:									
Reserved	\$ 1,455,511	1,267,248	1,248,392	1,290,886	1,252,700	2,032,245	271,656	949,192	235,761
Unreserved	11,371,726	8,996,347	7,818,165	7,939,189	11,347,936	11,106,497	20,017,372	11,444,477	12,504,609
Total general fund	<u>\$ 12,827,237</u>	<u>10,263,595</u>	<u>9,066,557</u>	<u>9,230,075</u>	<u>12,600,636</u>	<u>13,138,742</u>	<u>20,289,028</u>	<u>12,393,669</u>	<u>12,740,370</u>
All other governmental funds:									
Reserved	\$ 18,502,104	34,882,464	24,666,895	23,801,620	32,244,961	60,312,382	75,046,316	73,604,239	81,330,348
Unreserved, reported in:									
Special revenue funds	14,705,047	15,087,520	13,312,377	14,314,779	16,531,043	10,140,390	13,589,177	14,805,266	18,126,584
Debt service funds	27,722,803	30,164,887	36,353,617	37,410,504	17,424,713	16,327,800	20,627,966	21,251,808	19,603,637
Capital projects funds	44,279,088	29,525,151	38,463,732	25,768,809	31,756,019	20,686,732	34,778,584	41,299,865	42,825,262
Permanent funds	1,501,323	1,522,614	1,554,000	1,629,747	71,962	118,248	55,190	56,737	45,746
Total all other governmental funds	<u>\$ 106,710,365</u>	<u>111,182,636</u>	<u>114,350,621</u>	<u>102,925,459</u>	<u>98,028,698</u>	<u>107,585,552</u>	<u>144,097,233</u>	<u>151,017,915</u>	<u>161,931,577</u>

Note: The City began to report the permanent funds separately when it implemented GASB Statement No. 34 in fiscal year 2002.

CITY OF SPRINGFIELD, MISSOURI
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes (see schedule 5)	\$ 81,338,114	89,863,046	95,844,688	100,258,445	107,065,863	111,848,117	116,652,030	121,616,029	129,341,041	140,013,422
Licenses and permits	2,754,099	2,824,732	2,902,802	3,144,633	3,421,680	3,467,686	3,518,631	3,429,113	3,326,835	3,366,361
Intergovernmental	14,589,873	19,549,996	17,345,695	23,160,702	18,782,362	38,252,710	28,333,534	35,722,964	37,455,065	34,859,729
Charges for services	6,544,325	7,126,422	8,567,094	8,649,815	9,170,031	8,894,450	11,102,281	11,306,221	10,471,421	10,402,016
Fines and forfeitures	1,133,461	1,364,153	1,642,981	1,987,547	1,925,595	1,836,831	2,179,581	2,204,090	1,983,650	1,603,992
Special assessments	457,012	594,082	1,040,524	1,507,152	2,331,634	2,098,697	1,309,265	1,543,457	1,216,033	830,239
Revenues from use of money and property	4,238,274	2,941,918	1,573,281	3,108,056	3,589,052	6,010,603	6,224,393	5,249,935	4,452,530	1,756,765
Payments in lieu of taxes	8,140,047	8,727,089	9,059,192	9,847,279	12,071,385	11,760,900	12,333,596	11,281,344	10,813,817	12,388,406
Other	4,661,313	5,486,984	5,831,837	7,129,008	10,138,029	9,521,360	13,020,661	15,044,757	7,107,171	4,521,485
Total revenues	123,856,518	138,478,422	143,808,094	158,792,637	168,495,631	193,691,354	194,673,972	207,397,910	206,167,563	209,742,415
Expenditures:										
Public works	135,602,989	16,396,222	15,120,597	14,926,330	21,550,644	32,003,539	17,918,943	18,711,949	16,194,816	16,199,038
Public safety	44,464,942	47,300,713	50,453,379	50,164,194	48,056,652	50,722,025	53,920,346	60,283,541	62,914,318	81,833,993
Parks and recreation	12,421,032	11,996,668	13,183,989	14,351,498	15,123,942	19,560,236	22,122,692	21,850,274	21,525,095	22,180,338
Planning and development	5,670,462	7,388,989	5,942,209	7,375,018	7,772,186	7,550,961	8,983,094	3,647,771	4,347,363	4,605,601
Public health	6,853,058	6,876,349	7,402,309	7,971,289	7,985,907	8,378,475	8,829,840	9,515,085	9,699,677	9,710,923
General government	14,733,507	15,505,188	17,086,545	18,788,712	18,803,721	20,745,433	23,913,882	30,145,811	33,394,353	19,018,548
Debt service:										
Principal	6,348,582	9,795,360	10,544,861	10,207,174	16,631,779	12,855,994	9,181,993	18,238,145	6,732,441	12,203,120
Advance bond refunding	—	—	—	—	—	—	—	—	4,291,747	—
Interest and other charges	6,367,713	9,822,192	10,334,185	8,968,007	10,100,744	9,323,149	9,421,255	9,632,411	8,492,826	6,906,682
Capital outlay	38,070,017	57,123,843	54,874,061	43,039,434	37,464,372	49,371,023	48,799,593	42,378,279	32,240,726	37,175,462
Total expenditures	270,532,302	182,205,524	184,942,135	175,791,656	183,489,947	210,510,835	203,091,638	214,403,266	199,833,362	209,833,705
Excess (deficiency) of revenues over (under) expenditures	(146,675,784)	(43,727,102)	(41,134,041)	(16,999,019)	(14,994,316)	(16,819,481)	(8,417,666)	(7,005,356)	6,334,201	(91,290)
Other financing sources (uses):										
Bond proceeds	26,416,888	43,299,240	39,867,936	3,966,614	12,505,000	25,895,000	10,953,000	5,005,000	3,335,000	—
Bond premium (discount)	—	—	—	—	(81,154)	(30,060)	129,326	(18,745)	410,361	—
Issuance of refunding bonds	—	5,470,000	12,230,470	—	—	—	—	—	18,335,000	—
Loan proceeds	4,000,000	—	—	—	—	—	—	—	—	—
Capital lease proceeds	574,525	—	820,000	715,000	—	—	—	—	—	—
Payment to escrow agent	—	(4,190,000)	(11,002,623)	—	—	—	—	—	(18,393,616)	—
Transfers in	13,859,509	20,993,362	19,136,975	19,102,873	21,700,332	31,204,740	36,082,858	29,507,083	27,185,293	25,172,496
Transfers out	(12,131,594)	(19,936,871)	(17,947,770)	(18,047,112)	(20,656,062)	(30,155,239)	(34,877,511)	(28,462,659)	(25,945,876)	(24,127,524)
Total other financing sources	32,719,328	45,635,731	43,104,988	5,737,375	13,468,116	26,914,441	12,287,673	6,030,679	4,926,162	1,044,972
Net change in fund balances	\$ (113,956,456)	1,908,629	1,970,947	(11,261,644)	(1,526,200)	10,094,960	3,870,007	(974,677)	11,260,363	953,682
Debt service as a percentage of noncapital expenditures	5.5%	14.8%	14.5%	13.0%	17.9%	12.9%	12.2%	15.7%	8.9%	10.7%

CITY OF SPRINGFIELD, MISSOURI

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

<u>Fiscal year</u>	<u>Sales</u>	<u>Use</u>	<u>Property</u>	<u>Franchise</u>	<u>Cigarette</u>	<u>Room</u>	<u>Total</u>
2002	\$ 45,836,776	2,963,847	13,893,784	3,108,265	958,280	1,054,809	67,815,761
2003	52,813,994	1,513,175	12,836,723	3,152,357	940,611	1,089,211	72,346,071
2004	50,230,401	1,774,926	14,500,384	3,183,021	973,699	1,491,914	72,154,345
2005	52,150,223	2,048,961	15,457,530	3,095,096	970,337	3,133,413	76,855,560
2006	55,681,447	2,244,616	16,568,231	3,190,339	999,955	3,215,623	81,900,211
2007	57,847,933	2,643,994	16,256,783	3,773,589	1,021,008	3,690,534	85,233,841
2008	85,484,019	2,471,617	18,120,933	5,950,662	994,257	3,630,542	116,652,030
2009	87,474,100	2,534,494	18,251,608	14,933,165	953,882	3,594,155	127,741,404
2010	83,583,607	2,164,286	18,710,699	20,655,067	878,252	3,349,130	129,341,041
2011	106,459,699	2,862,923	19,338,095	6,951,168	859,977	3,541,560	140,013,422
Change:							
2002 – 2011	132.26%	-3.41%	39.19%	123.63%	-10.26%	235.75%	106.46%

Note: Includes General, Special Revenue, and Debt Service Funds.

CITY OF SPRINGFIELD, MISSOURI

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(In thousands of dollars)

Fiscal year		Real property	Personal property	Total taxable assessed property	Total direct tax rate		Estimated actual taxable value	Taxable assessed value as a percentage of actual taxable value
2002	\$	1,466,739	395,092	1,861,831	0.6000%	\$	8,906,141	0.209%
2003		1,506,988	412,182	1,919,170	0.6000		9,145,332	0.210
2004		1,580,052	426,330	2,006,382	0.5993		8,023,128	0.250
2005		1,765,691	456,127	2,221,818	0.6258		8,882,190	0.250
2006		1,764,920	463,584	2,228,504	0.6086		9,036,367	0.247
2007		1,804,415	494,013	2,298,428	0.6116		9,693,363	0.237
2008		1,923,933	513,677	2,437,610	0.6072		9,765,426	0.250
2009		1,969,016	526,354	2,495,370	0.6072		9,993,140	0.250
2010		2,066,429	510,448	2,576,877	0.6016		10,317,063	0.250
2011		2,117,976	501,174	2,619,150	0.6016		10,465,680	0.250

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of assessed value)

Fiscal year	City direct rates					Total direct rate
	Art Museum	Parks	Health	Combined debt service		
2002	\$ 0.0400	0.1800	0.1100	0.2700	0.6000	
2003	0.0400	0.1800	0.1100	0.2700	0.6000	
2004	0.0400	0.1800	0.1100	0.2700	0.6000	
2005	0.0394	0.1880	0.1284	0.2700	0.6258	
2006	0.0383	0.1830	0.1248	0.2625	0.6086	
2007	0.0378	0.1809	0.1234	0.2595	0.6016	
2008	0.0382	0.1826	0.1245	0.2619	0.6072	
2009	0.0382	0.1826	0.1245	0.2619	0.6072	
2010	0.0378	0.1809	0.1234	0.2595	0.6016	
2011	0.0378	0.1809	0.1234	0.2595	0.6016	

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of assessed value)

Fiscal year	Overlapping rates						
	Springfield R-12 School District	Greene County	Greene County Road and Bridge	Sheltered Workshop	Springfield- Greene County Library	Vocational College District	State of Missouri
2002	\$ 3.2006	0.1072	0.1072	0.0487	0.2045	0.1458	0.0300
2003	3.2192	0.1050	0.1050	0.0488	0.2547	0.1458	0.0300
2004	3.2235	0.1120	0.1120	0.0488	0.2547	0.1458	0.0300
2005	3.3735	0.1010	0.1010	0.0488	0.2547	0.1458	0.0300
2006	3.3330	0.1099	0.1099	0.0470	0.2455	0.1406	0.0300
2007	3.5556	0.0961	0.0961	0.0470	0.2455	0.1406	0.0300
2008	3.6187	0.1074	0.1074	0.0462	0.2414	0.1412	0.0300
2009	3.6192	0.1074	0.1074	0.0462	0.2414	0.1398	0.0300
2010	3.6223	0.1262	0.1262	0.0462	0.2142	0.1396	0.0300
2011	3.6226	0.1321	0.1321	0.0462	0.2412	0.1396	0.0300

CITY OF SPRINGFIELD, MISSOURI

Principal Property Tax Payors

Current Year and Nine Years Ago

Taxpayer	2011		2010		2009		2008		2007	
	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value
Hermel, Inc	\$ 14,930,920	0.58%	13,322,480	0.53%	\$ 13,322,480	0.59%	\$ 10,496,100	0.46%	\$ 10,496,100	0.46%
Jones, Jerral W Et al	10,892,180	0.42	9,881,190	0.40	9,881,190	0.44	9,794,050	0.43	9,794,050	0.43
St Johns Health Systems	22,939,730	0.89	22,699,550	0.91	10,633,750	0.47	9,432,310	0.42	9,561,430	0.42
Lester E Cox Medical Center	13,610,110	0.53	12,212,390	0.49	11,370,080	0.50	9,492,700	0.42	9,492,700	0.42
Kimco Springfield	11,459,310	0.44	10,606,760	0.43	7,574,120	0.34	7,037,920	0.31	6,983,680	0.31
Ferrell-Duncan Building Co. LLC	9,393,340	0.36	9,031,260	0.36	9,031,260	0.40	8,389,020	0.37	5,299,870	0.23
Bass Pro Inc.	7,637,880	0.30	7,212,260	0.29	6,279,570	0.28	5,813,390	0.26	5,587,070	0.25
Grizzly Ind. Inc	5,704,860	0.22	5,569,210	0.22	5,569,210	0.25	5,481,320	0.24	5,465,570	0.24
Fort XIV LLC Etal	5,729,440	0.22	5,124,260	0.21	5,124,260	0.23	5,124,260	0.23	—	—
Lowes Home Centers	5,066,500	0.20	4,950,870	0.20	4,950,870	0.22	4,950,870	0.22	4,950,870	0.22
American Natl Property and Casualty	4,248,410	0.16	4,233,050	0.17	4,233,050	0.19	4,040,480	0.18	4,040,480	0.18
Sams Club	5,024,000	0.19	4,078,110	0.16	—	—	—	—	—	—
New Prime	5,996,370	0.23	4,719,360	0.19	3,803,140	0.17	2,924,990	0.13	2,924,990	0.13
Kelly Greens LLC	3,808,230	0.15	3,761,860	0.15	3,761,860	0.17	3,197,880	0.14	3,197,880	0.14
Wal-Mart – 2021 E Independence	3,360,000	0.13	3,713,030	0.15	3,713,030	0.16	3,713,030	0.16	3,713,030	0.16
Lorne Cook Company	4,878,300	0.19	3,702,460	0.15	3,702,460	0.16	3,885,500	0.17	3,693,470	0.16
The Greens at Springfield LP	3,382,610	0.13	3,578,710	0.14	3,578,710	0.16	3,542,170	0.16	3,542,170	0.16
Wal-Mart – 3315 S Campbell	3,808,700	0.15	3,461,600	0.14	3,461,600	0.15	2,405,730	0.11	3,607,040	0.16
Wal-Mart – 1923 E Kearney	3,784,800	0.15	3,710,050	0.15	3,058,630	0.14	1,503,910	0.07	1,824,000	0.08
Associated Wholesale Grocers, Inc.	4,071,420	0.16	4,134,540	0.17	2,959,020	0.13	2,959,020	0.13	2,940,180	0.13
Battlefield Plaza LLC	3,320,870	0.13	2,673,760	0.11	2,673,760	0.12	2,673,760	0.12	4,816,130	0.21
Carlisle Power Transmission	2,856,550	0.11	2,612,100	0.10	2,612,100	0.12	2,612,100	0.12	—	—
Wal-Mart – 2825 N Kansas Expressway	2,472,100	0.10	2,584,480	0.10	2,584,480	0.11	2,737,480	0.12	2,737,480	0.12
Dayton Hudson	2,659,520	0.10	2,572,740	0.10	2,572,740	0.11	2,572,740	0.11	2,572,740	0.11
Montclair Limited Partnership	2,439,560	0.09	2,387,190	0.10	2,320,060	0.10	2,283,610	0.10	2,469,690	0.11
Cinema 16 LLC	2,207,100	0.09	2,220,670	0.09	2,220,670	0.10	1,844,100	0.08	1,844,100	0.08
Wal-Mart – 3520 W Sunshine	2,192,540	0.08	2,192,540	0.09	2,192,540	0.10	2,274,850	0.10	2,192,540	0.10
Kraft Inc.	2,216,850	0.09	2,163,150	0.09	2,163,150	0.10	2,163,150	0.10	3,463,510	0.15
Industrial Consultant Group	—	—	—	—	1,580,280	0.07	1,456,030	0.06	1,401,240	0.06
CMF Inc.	—	—	—	—	—	—	—	—	—	—
Columbia/HCA Health Center	—	—	—	—	—	—	—	—	—	—
Dayco Products	—	—	—	—	—	—	—	—	—	—
F.M.H. McLernon	—	—	—	—	—	—	—	—	—	—
First Card Service Inc.	—	—	—	—	—	—	—	—	—	—
John Morris, Et Al	4,634,340	0.18	3,878,760	0.16	—	—	—	—	—	—
Mid-America Dairymen	—	—	—	—	—	—	—	—	—	—
Simon Property Group LP	4,726,050	0.18	4,728,220	0.19	—	—	—	—	—	—
Sportsman Park Center	—	—	—	—	—	—	—	—	—	—
	<u>\$ 179,452,590</u>	<u>6.95%</u>	<u>167,716,610</u>	<u>6.74%</u>	<u>\$ 136,928,070</u>	<u>6.08%</u>	<u>\$ 124,802,470</u>	<u>5.52%</u>	<u>\$ 118,612,010</u>	<u>5.22%</u>

Source: Greene County Assessor

CITY OF SPRINGFIELD, MISSOURI

Principal Property Tax Payors
Current Year and Nine Years Ago

Taxpayer	2006		2005		2004		2003		2002	
	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value	Taxable assessed value	Percentage of total city taxable assessed value
Hermel, Inc	\$ 10,279,100	0.46%	\$ 10,279,100	0.46%	\$ 10,116,380	0.50%	\$ 10,014,050	0.52%	\$ 10,014,050	0.54%
Jones, Jerral W Et al	9,661,860	0.43	6,186,640	0.28	5,758,890	0.29	6,189,830	0.32	6,189,830	0.33
St Johns Health Systems	9,147,840	0.41	12,933,510	0.58	12,162,730	0.61	6,534,440	0.63	11,162,730	0.35
Lester E Cox Medical Center	9,489,350	0.42	6,694,980	0.30	6,534,440	0.33	12,162,730	0.34	6,534,440	0.60
Kimco Springfield	6,983,680	0.31	3,614,430	0.16	3,547,200	0.18	3,547,200	0.18	3,547,200	0.19
Ferrell-Duncan Building Co. LLC	5,241,020	0.23	5,532,580	0.25	5,532,580	0.28	5,532,580	0.29	5,532,580	0.30
Bass Pro Inc.	5,356,080	0.24	4,875,040	0.22	4,016,350	0.20	2,871,940	0.15	—	—
Grizzly Ind. Inc	5,465,570	0.24	5,499,500	0.25	3,141,060	0.16	4,016,350	0.21	5,277,760	0.28
Fort XIV LLC Etal	—	—	—	—	—	—	—	—	—	—
Lowe's Home Centers	5,195,930	0.23	5,303,800	0.24	5,347,400	0.27	2,913,190	0.15	2,913,190	0.16
American Natl Property and Casualty	3,779,360	0.17	3,746,690	0.17	3,746,690	0.19	—	—	3,746,690	0.20
Sams Club	—	—	—	—	—	—	—	—	—	—
New Prime	2,726,970	0.12	—	—	—	—	—	—	—	—
Kelly Greens LLC	3,050,270	0.14	3,050,270	0.14	2,759,120	0.14	3,739,300	0.19	2,627,340	0.14
Wal-Mart – 2021 E Independence	3,713,030	0.16	—	—	—	—	—	—	—	—
Lorne Cook Company	2,742,750	0.12	—	—	—	—	2,627,340	0.14	—	—
The Greens at Springfield LP	3,367,980	0.15	3,367,980	0.15	3,425,090	0.17	3,268,700	0.17	—	—
Wal-Mart – 3315 S Campbell	3,607,040	0.16	—	—	—	—	—	—	—	—
Wal-Mart – 1923 E Kearney	1,824,000	0.08	3,713,030	0.17	2,500,610	0.12	—	—	2,718,150	0.15
Associated Wholesale Grocers, Inc.	2,702,670	0.12	—	—	—	—	2,509,640	0.13	—	—
Battlefield Plaza LLC	2,673,760	0.12	—	—	—	—	—	—	—	—
Carlisle Power Transmission	—	—	—	—	—	—	—	—	—	—
Wal-Mart – 2825 N Kansas Expressway	2,737,480	0.12	2,405,730	0.11	2,509,640	0.13	—	—	2,509,690	0.13
Dayton Hudson	2,396,420	0.11	—	—	—	—	—	—	2,373,990	0.13
Montclair Limited Partnership	1,985,770	0.09	—	—	—	—	—	—	—	—
Cinema 16 LLC	1,844,000	0.08	—	—	—	—	—	—	—	—
Wal-Mart – 3520 W Sunshine	2,246,590	0.10	—	—	—	—	2,718,150	0.14	—	—
Kraft Inc.	3,802,460	0.17	3,828,200	0.17	3,739,300	0.19	3,746,690	0.20	3,739,300	0.20
Industrial Consultant Group	5,124,260	0.23	—	—	—	—	—	—	—	—
CMF Inc.	—	—	3,028,100	0.14	2,745,370	0.14	2,745,370	0.14	2,745,370	0.15
Columbia/HCA Health Center	—	—	—	—	—	—	—	—	—	—
Dayco Products	—	—	—	—	—	—	—	—	—	—
F.M.H. McLernon	—	—	—	—	—	—	—	—	—	—
First Card Service Inc.	—	—	5,124,260	0.23	5,124,260	0.26	5,496,700	0.29	5,496,700	0.30
John Morris, Et Al	—	—	—	—	—	—	—	—	—	—
Mid-America Dairymen	—	—	—	—	—	—	—	—	—	—
Simon Property Group LP	—	—	4,861,350	0.22	4,861,350	0.24	4,861,350	0.25	4,861,350	0.26
Sportsman Park Center	—	—	—	—	—	—	—	—	—	—
	<u>\$ 117,145,240</u>	<u>5.21%</u>	<u>\$ 94,045,190</u>	<u>4.24%</u>	<u>\$ 87,568,460</u>	<u>4.40%</u>	<u>\$ 85,495,550</u>	<u>4.44%</u>	<u>\$ 81,990,360</u>	<u>4.41%</u>

CITY OF SPRINGFIELD, MISSOURI

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal year ended June 30	Taxes levied for the fiscal year	Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
		Amount	Percentage of levy		Amount	Percentage of levy
2001	\$ 12,287,876	12,005,893	0.98%	\$ 370,510	12,376,403	103%
2002	12,427,440	12,292,076	0.99	387,539	12,679,615	103%
2003	12,730,822	12,688,612	1.00	394,036	13,082,648	103%
2004	13,654,390	13,422,584	0.98	389,254	13,811,838	103%
2005	14,614,545	14,300,872	0.98	402,861	14,703,733	103%
2006	15,730,804	15,375,571	0.98	486,999	15,862,570	103%
2007	16,199,864	15,697,796	0.97	420,715	16,118,511	103%
2008	16,562,620	16,138,392	0.97	508,006	16,646,398	103%
2009	16,699,338	16,491,028	0.99	465,646	16,956,674	103%
2010	17,280,989	16,907,056	0.98	617,006	17,524,062	104%

CITY OF SPRINGFIELD, MISSOURI

Taxable Sales by Category

Last Six Fiscal Years

(Dollars are in thousands)

	Calendar year					
	2011	2010	2009	2008	2007	2006
Apparel stores	\$ 166,508	163,050	155,170	146,246	63,670	252,152
General merchandise	829,383	832,515	821,033	849,356	853,678	860,249
Food stores	321,988	312,089	323,268	319,481	238,419	260,620
Eating and drinking establishments	433,926	420,717	424,668	419,757	395,061	361,963
Home furnishings and appliances	183,188	185,505	259,922	314,205	245,444	239,828
Building materials and farm tools	275,621	291,156	333,298	456,034	465,446	576,128
Auto dealers and suppliers	112,263	109,716	128,079	160,187	101,307	49,557
Service stations	69,324	68,690	65,758	60,684	92,260	53,717
Other retail stores	410,691	418,556	394,890	521,096	521,238	465,810
All other outlets	904,543	878,546	602,101	617,503	1,078,485	832,345
Total	\$ 3,707,435	3,680,540	3,508,187	3,864,549	4,055,008	3,952,369
City direct sales tax rate	2.125%	1.375%	1.375%	1.375%	1.375%	1.375%

Source: Missouri Department of Revenue

Note: Data not available prior to 2006

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

Fiscal year	City direct rate	Greene County
2002	1.375%	6.600%
2003	1.375	6.600
2004	1.375	6.600
2005	1.375	6.600
2006	1.375	6.600
2007	1.375	6.600
2008	1.375	6.850
2009	1.375	6.850
2010	1.375	6.850
2011	2.125	7.600

CITY OF SPRINGFIELD, MISSOURI

Sales Tax Revenue Payors by Industry

Last Seven Fiscal Years

(Dollars are in thousands)

	Fiscal year 2011				Fiscal year 2010			
	Number of filers	Percentage of total	Tax liability	Percentage of total	Number of filers	Percentage of total	Tax liability	Percentage of total
General merchandise stores	68	1.04%	\$ 1,178	2.31%	59	0.91%	\$ 1,248	2.75%
Department stores	24	0.37	10,226	20.09	20	0.31	10,199	22.49
Miscellaneous retail	943	14.40	5,481	10.77	932	14.35	5,580	12.31
Eating and drinking places	443	6.76	5,966	11.72	432	6.65	5,785	12.76
Furniture, home furnishings, and equipment	389	5.94	2,202	4.33	369	5.68	2,228	4.91
Wholesale trade – durable goods	345	5.27	2,491	4.89	350	5.39	2,456	5.42
Food stores	77	1.18	399	0.78	78	1.20	347	0.77
Grocery stores	49	0.75	3,979	7.82	46	0.71	3,881	8.56
Furniture and home furnishings stores	17	0.26	34	0.07	18	0.28	64	0.14
Retail stores, not elsewhere classified	4,194	64.04	18,948	37.22	4,189	64.52	13,553	29.89
	<u>6,549</u>	<u>100.01%</u>	<u>\$ 50,904</u>	<u>100.00%</u>	<u>6,493</u>	<u>100.00%</u>	<u>\$ 45,341</u>	<u>100.00%</u>

	Fiscal year 2009				Fiscal year 2008			
	Number of filers	Percentage of total	Tax liability	Percentage of total	Number of filers	Percentage of total	Tax liability	Percentage of total
General merchandise stores	47	0.71%	\$ 1,259	2.61%	270	3.93%	\$ 1,359	2.56%
Department stores	12	0.18	3,092	6.41	17	0.25	10,077	18.96
Miscellaneous retail	1,065	16.14	12,041	24.96	2,080	30.26	8,939	16.82
Eating and drinking places	398	6.03	5,839	12.11	408	5.94	5,772	10.86
Furniture, home furnishings, and equipment	209	3.17	3,516	7.29	477	6.94	4,196	7.90
Wholesale trade – durable goods	212	3.21	2,911	6.04	358	5.21	3,412	6.42
Food stores	79	1.20	347	0.72	112	1.63	354	0.67
Grocery stores	42	0.64	3,944	8.18	74	1.08	4,039	7.60
Furniture and home furnishings stores	10	0.15	58	0.12	23	0.33	73	0.14
Retail stores, not elsewhere classified	4,525	68.57	15,226	31.57	3,054	44.43	14,916	28.07
	<u>6,599</u>	<u>100.00%</u>	<u>\$ 48,233</u>	<u>100.01%</u>	<u>6,873</u>	<u>100.00%</u>	<u>\$ 53,137</u>	<u>100.00%</u>

CITY OF SPRINGFIELD, MISSOURI

Sales Tax Revenue Payors by Industry

Last Seven Fiscal Years

(Dollars are in thousands)

	Fiscal year 2007				Fiscal year 2006			
	Number of filers	Percentage of total	Tax liability	Percentage of total	Number of filers	Percentage of total	Tax liability	Percentage of total
General merchandise stores	247	4.04%	\$ 2,745	4.66%	82	2.01%	\$ 815,503	19.65%
Department stores	15	0.25	8,780	14.91	15	0.37	717,103	17.28
Miscellaneous retail	2,925	47.81	17,623	29.93	1,589	38.96	562,997	13.56
Eating and drinking places	395	6.46	4,315	7.33	377	9.24	380,294	9.16
Furniture, home furnishings, and equipment	222	3.63	1,267	2.15	314	7.70	337,840	8.14
Wholesale trade – durable goods	349	5.70	3,963	6.73	345	8.46	307,776	7.42
Food stores	102	1.67	429	0.73	120	2.94	277,120	6.68
Grocery stores	66	1.08	3,852	6.54	54	1.32	258,157	6.22
Furniture and home furnishings stores	126	2.06	3,234	5.49	106	2.60	243,645	5.87
Retail stores, not elsewhere classified	1,671	27.30	12,664	21.53	1,077	26.40	249,980	6.02
	<u>6,118</u>	<u>100.00%</u>	<u>\$ 58,872</u>	<u>100.00%</u>	<u>4,079</u>	<u>100.00%</u>	<u>\$ 4,150,415</u>	<u>100.00%</u>

	Fiscal year 2005			
	Number of filers	Percentage of total	Tax liability	Percentage of total
General merchandise stores	89	2.06%	\$ 761,734	19.51%
Department stores	14	0.32	664,537	17.02
Miscellaneous retail	1,702	39.36	558,897	14.31
Eating and drinking places	408	9.44	358,223	9.17
Furniture, home furnishings, and equipment	308	7.12	314,341	8.05
Wholesale trade – durable goods	341	7.89	268,400	6.87
Food stores	114	2.64	261,181	6.69
Grocery stores	48	1.11	241,974	6.20
Furniture and home furnishings stores	99	2.29	232,732	5.96
Retail stores, not elsewhere classified	1,201	27.77	243,212	6.22
	<u>4,324</u>	<u>100.00%</u>	<u>\$ 3,905,231</u>	<u>100.00%</u>

Source: Missouri Department of Revenue. Sales tax data by industry for prior years is no longer available.

Note: Data not available prior to 2005

CITY OF SPRINGFIELD, MISSOURI

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal year	Governmental activities							Business-type activities					Percentage of personal income	Per capita
	General obligation bonds	Special assessment bonds	Certificates of participation	Revenue bonds	Special obligation bonds	Neighborhood improvement district bonds	Capital lease obligations	Loans	Revenue bonds	Notes payable/loans	Total primary government			
2002	\$ 6,695	2,905	33,215	68,020	—	—	529	4,000	40,247	45,945	201,556	5.30%	\$ 1,324	
2003	5,650	2,810	29,015	107,944	—	—	344	4,000	80,746	38,040	268,549	6.75	1,730	
2004	4,570	5,760	24,090	140,436	—	675	811	3,912	77,305	40,497	298,056	7.39	1,909	
2005	6,085	6,840	19,040	136,659	—	650	1,156	3,912	81,204	39,527	295,073	6.88	1,858	
2006	2,800	12,910	13,360	139,364	—	625	857	—	73,374	47,689	290,979	6.90	1,936	
2007	2,105	12,185	7,480	140,353	19,375	600	854	—	173,991	51,795	408,738	9.69	2,720	
2008	1,545	11,440	5,225	143,842	21,200	575	871	—	166,120	51,992	402,810	9.13	2,603	
2009	965	10,675	3,375	134,059	21,200	545	619	—	166,610	48,654	386,702	9.67	2,498	
2010	495	13,215	1,315	108,491	39,040	515	436	—	157,630	46,686	367,823	9.25	2,368	
2011	—	12,200	845	102,955	34,465	485	327	—	157,517	35,927	344,721	6.81	2,161	

CITY OF SPRINGFIELD, MISSOURI

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Dollars in thousands, except per capita)

Fiscal year	General bonded debt outstanding			Percentage of actual taxable value of property	Per capita	Total taxable assessed property	Population
	General obligation bonds	Special assessment bonds	Total				
2002	\$ 6,695	2,905	9,600	0.52%	\$ 63.06	1,861,831	152,245
2003	5,650	2,810	8,460	0.44	54.51	1,919,170	155,208
2004	4,570	5,760	10,330	0.51	66.17	2,006,382	156,124
2005	6,085	6,840	12,925	0.58	81.38	2,221,818	158,828
2006	2,800	12,910	15,710	0.70	104.53	2,257,436	150,298
2007	2,105	12,185	14,290	0.62	94.27	2,298,428	151,580
2008	1,545	11,440	12,985	0.53	83.89	2,437,610	154,777
2009	965	10,675	11,640	0.47	75.20	2,495,370	154,777
2010	495	13,215	13,710	0.53	87.13	2,580,538	157,360
2011	—	12,200	12,200	0.47	76.49	2,615,567	159,498

CITY OF SPRINGFIELD, MISSOURI

Direct and Overlapping Governmental Activities Debt

June 30, 2011

(Dollars in thousands)

<u>Governmental unit</u>	<u>Debt outstanding</u>	<u>Estimated percentage applicable (a)</u>	<u>Estimated share of direct and overlapping debt</u>
Debt repaid with property taxes:			
Springfield R-12 School District	\$ 230,482	84.10%	\$ 193,835
Ozarks Technical Community College	42,500	49.90	21,208
Greene County	38,250	62.50	23,906
Greene County Library District	3,975	62.50	2,484
Subtotal, overlapping debt			<u>241,433</u>
City direct debt			<u>151,276</u>
Total direct and overlapping debt			<u><u>\$ 392,709</u></u>

Source: Assessed value data used to estimate applicable percentages provided by the Greene County Collectors Office. Debt outstanding data provided by each governmental unit.

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

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF SPRINGFIELD, MISSOURI

Legal Debt Margin Information

Last Ten Fiscal Years

(Dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed value	\$ 2,615,567
Debt limit (30% of assessed value)	784,670
Debt applicable to limit:	
Total bonded debt:	
General obligation and special assessment	150,950
Less amount in debt service funds available for retirement of general obligation debt	(9,765)
Public building corporation bonds outstanding	(66,925)
Center city development corporation bonds outstanding	(28,450)
Land clearance for redevelopment authority bonds outstanding	(7,580)
Special obligation bonds outstanding	(34,465)
Certificate of participation bonds outstanding	(845)
Total net debt applicable to limit	<u>2,920</u>
Legal debt margin	<u>\$ 781,750</u>

	Fiscal year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 559,892	575,751	589,661	601,915	666,545	689,528	731,283	748,611	774,161	784,670
Total net debt applicable to limit	11,803	11,113	14,449	17,602	16,363	4,593	2,382	494	3,307	2,920
Legal debt margin	\$ 548,089	564,638	575,212	584,313	650,182	684,935	728,901	748,117	770,854	781,750
Total net debt applicable to the limit as a percentage of debt limit	2.11%	1.93%	2.45%	2.92%	2.45%	0.67%	0.33%	0.07%	0.43%	0.37%

CITY OF SPRINGFIELD, MISSOURI

Pledged-Revenue Coverage

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year	Sanitary sewerage revenue bond coverage						National airport revenue bond coverage						Special assessment bonds			
	Gross revenues	Less operating expense	Net available revenue	Debt service		Coverage	Gross revenues	Less operating expense	Net available revenue	Debt service		Coverage	Special assessment revenue	Debt service		Coverage
				Principal	Interest					Principal	Interest			Principal	Interest	
2002	\$ 20,153	12,878	7,275	2,078	2,111	1.74	\$ 7,607	5,762	1,845	470	274	2.48	\$ 620	95	175	2.30
2003	20,520	9,148	11,372	2,201	1,967	2.73	8,821	6,173	2,648	500	255	3.51	660	95	186	2.35
2004	20,473	10,870	9,603	2,499	4,462	1.38	9,053	6,485	2,568	520	235	3.40	1,062	100	308	2.60
2005	20,741	10,918	9,823	2,559	3,933	1.51	10,949	7,458	3,491	545	213	4.61	1,566	290	353	2.44
2006	20,556	10,609	9,947	3,370	3,889	1.37	12,654	8,303	4,351	4,015	189	1.03	2,542	560	434	2.56
2007	21,642	13,892	7,750	3,692	3,812	1.03	13,910	8,789	5,121	—	—	—	2,435	750	551	1.87
2008	22,248	13,055	9,193	4,126	3,811	1.16	15,329	10,032	5,297	3,695	5,192	0.60	1,804	770	529	1.39
2009	21,599	14,693	6,906	4,674	3,678	0.83	13,149	9,726	3,423	1,810	4,878	0.51	1,997	795	508	1.53
2010	22,856	14,128	8,728	7,650	3,443	0.79	12,493	9,950	2,543	2,150	5,118	0.35	1,590	825	538	1.17
2011	23,775	15,025	8,750	7,761	3,177	0.80	13,905	11,499	2,406	10,435	5,101	0.15	1,030	1,045	551	0.65

CITY OF SPRINGFIELD, MISSOURI

Demographic and Economic Statistics

Last Ten Calendar Years

Fiscal year	Population	Personal income	Per capita personal income	Median age	Education level in years of schooling	Public school enrollment	Unemployment rate
2002	155,208	\$ 3,976,739	25,622	33.80	13	24,356	4.5%
2003	156,124	4,034,244	25,840	33.90	13	24,285	3.6
2004	158,828	4,290,262	27,012	33.50	13	25,044	4.2
2005	150,298	4,219,616	28,075	34.90	13	24,285	4.0
2006	150,797	4,448,512	29,500	34.90	13	24,257	4.2
2007	151,580	4,204,526	27,738	33.50	13	24,285	4.2
2008	154,777	4,413,930	28,518	34.90	13	23,802	4.9
2009	156,206	4,620,105	29,577	34.90	13	23,942	8.5
2010	157,360	4,737,165	30,104	34.90	13	23,959	8.2
2011	159,498	5,064,699	31,754	34.90	13	26,633	8.2

Source: Information provided by the Springfield Area Chamber of Commerce, Springfield, Missouri

CITY OF SPRINGFIELD, MISSOURI

Principal Employers

Current Year and Three Years Ago

Employer:	2011		2008	
	Employees	Percentage of total city employment	Employees	Percentage of total city employment
St. Johns Health System	9,036	4.12%	8,000	3.64%
Cox Health Systems	6,267	2.86	8,815	4.01
Wal-Mart Stores	4,000	1.82	4,120	1.87
Springfield Public Schools	2,911	1.33	3,000	1.36
Missouri State University	2,149	0.98	2,130	0.97
United States Government	2,500	1.14	2,540	1.15
State of Missouri	2,306	1.05	2,385	1.08
Bass Pro Shops/Tracker Marine	2,363	1.08	2,615	1.19
Chase Card Services	1,250	0.57	1,595	0.72
City of Springfield	1,526	0.70	1,535	0.70
Citizens Memorial Healthcare	1,600	0.73	1,580	0.72
O'Reilly Auto Parts	1,673	0.76	1,500	0.68
	<u>37,581</u>	<u>17.14%</u>	<u>39,815</u>	<u>18.09%</u>

Source: Springfield Area Chamber of Commerce. Data for previous years is not available.

CITY OF SPRINGFIELD, MISSOURI
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General operating fund departments:										
Building development services	28.50	28.50	28.50	27.50	27.50	27.50	27.50	25.50	25.50	25.50
City attorney	19.00	19.00	19.00	20.00	20.00	18.00	18.00	18.00	18.00	18.00
City clerk	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
City manager	8.50	8.50	8.50	8.50	8.50	8.50	8.50	7.50	8.00	8.00
Finance	35.00	35.00	35.00	35.00	34.00	32.00	32.00	32.00	32.00	31.00
Fire	204.00	217.00	217.00	217.00	217.00	217.00	216.00	213.00	210.00	210.00
Human resources	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.00	14.00
Information systems	23.00	23.00	23.00	23.00	23.00	23.00	23.00	22.00	21.00	21.00
Mayor and Council	1.00	1.00	1.00	—	—	—	—	—	—	—
Mayor's commission	—	—	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Municipal court	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	24.00	24.00
Planning and development	18.11	18.69	18.74	18.11	18.11	19.11	17.67	17.67	15.67	15.67
Police	305.50	305.50	305.50	305.00	304.00	398.00	399.00	401.00	401.00	406.00
Public health services	79.00	82.00	82.00	82.00	81.00	81.00	84.00	84.00	85.00	87.00
Public information office	6.50	6.50	6.50	6.50	14.50	14.00	13.50	13.00	13.00	12.00
Public parks	96.70	96.70	96.70	95.70	107.70	126.50	116.50	116.00	109.00	79.00
Public works	100.40	99.90	99.90	99.90	99.90	99.90	99.50	101.10	102.60	102.15
Public works – transportation	99.35	99.35	99.35	99.60	99.60	99.60	99.40	99.40	97.90	98.90
Grants and special revenue funds:										
Art museum	13.50	13.50	13.50	13.38	13.38	13.38	13.38	13.38	13.38	13.38
Emergency communications	73.00	73.00	73.00	61.00	61.00	61.00	60.00	60.00	60.00	47.00
Law enforcement	91.00	91.00	91.00	90.00	98.00	—	—	—	—	—
Hotel/motel tax	—	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.00
Drury/SMSU	10.00	10.00	8.00	8.00	—	—	—	—	—	—
Parks sales tax	76.80	73.80	73.80	66.80	34.80	—	—	—	—	—
Grants:										
Community development	11.94	11.60	11.60	11.23	11.23	10.23	10.48	11.05	11.05	11.05
Fire department	13.00	—	—	—	—	—	—	—	—	—
Home investment	2.90	2.50	2.50	2.50	2.50	3.50	2.75	1.50	1.50	1.50
Parks	1.00	—	—	—	—	—	—	—	—	—
Planning	0.05	5.21	5.16	6.16	7.16	4.16	4.10	3.78	4.78	4.78
Police	2.00	2.00	2.00	2.00	2.00	6.00	6.00	—	—	—
Public health	12.00	10.00	10.80	12.00	12.00	11.50	11.50	7.00	7.00	7.00
Telecable	8.00	8.00	8.00	8.00	8.00	—	—	—	—	—
WIC program	11.00	10.00	10.00	10.00	10.00	8.00	8.00	8.00	8.00	8.00
Workforce development	54.00	54.00	54.00	52.00	49.00	45.00	43.00	36.00	39.00	26.00
Enterprise and internal service funds:										
Golf	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
National airport	93.00	89.00	83.00	82.00	82.00	75.00	75.00	75.00	73.00	67.00
Sanitary sewer system	84.55	84.55	84.55	84.30	84.30	84.30	84.00	84.00	84.00	84.00
Solid waste	28.70	28.70	28.70	28.70	28.70	28.70	27.60	25.60	25.60	25.60
Print shop	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Self-insurance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Service center	22.40	22.40	22.40	22.40	22.40	22.40	22.40	22.40	21.90	22.35
Total	<u>1,702.40</u>	<u>1,699.40</u>	<u>1,694.20</u>	<u>1,669.78</u>	<u>1,652.78</u>	<u>1,608.78</u>	<u>1,594.28</u>	<u>1,569.88</u>	<u>1,558.38</u>	<u>1,502.38</u>

Source: City of Springfield Annual Budget

CITY OF SPRINGFIELD, MISSOURI

Operating Indicators by Function/Program

Last Six Fiscal Years

	2006	2007	2008	2009	2010	2011
Function/program:						
Public works:						
Street signs manufactured	3,018	3,189	4,735	3,609	5,061	5,812
Streets resurfaced (miles)	126	68	20	26	23	77
Trees maintained (Tree City USA)	2,301	20,579	4,200	2,801	2,800	25,000
Street cleaning – curb miles	895	895	1,100	1,100	3,502	3,502
Street cleaning – times per year	10	10	5	5	5	12
Right-of-way mowing (acres)	1,080	1,080	1,200	1,200	1,200	1,043
Right-of-way mowing – times per year	7	7	5	5	5	5
Refuse collection:						
Refuse collected (tons per day)	335	404	361	513	569	659
Sanitary services:						
Average daily sewage treatment (thousands of gallons)	33,000	38,500	49,850	48,500	44,150	45,000
Police:						
Moving violations	27,739	25,709	30,714	27,534	23,605	11,159 *
Parking violations	6,818	4,575	5,931	5,126	4,905	2,748 *
Accident summary	6,996	6,915	8,252	8,178	7,887	8,359
Fire:						
Calls for service	14,724	15,020	15,801	12,608	13,155	12,828
Smoke detectors installed	948	751	575	489	490	1,056
Fire safety information contacts	45,851	36,623	34,770	32,968	17,551	519
Parks and recreation:						
Rounds of golf played at City golf courses	112,560	108,474	101,649	102,584	99,297	100,109
Visitors to the City's Dickerson Park Zoo	173,516	173,093	176,557	209,166	213,548	221,959
Admissions to baseball/softball complexes	137,280	107,505	121,590	143,602	167,577	169,236
Admissions to City pool facilities	58,177	51,662	54,387	46,740	48,630	67,357
Public health:						
Vaccinations provided	20,780	20,823	23,510	23,924	23,895	26,052
Public water supply tests	16,453	16,735	1,443	1,288	1,040	1,101
Impounded animals	3,883	4,076	4,894	5,059	4,566	2,854
Certified copies of birth certificates issued	17,304	22,268	17,971	17,510	15,551	15,397
Air monitoring samples collected	25,256	49,266	93,344	89,374	86,673	58,363
Licensing division:						
New permanent businesses	1,797	1,762	1,603	1,491	1,353	1,304
New temporary businesses	2,865	2,979	3,151	3,116	3,263	3,413
Business license renewals	11,680	13,105	12,172	11,729	11,780	11,678
Building development services:						
Building permits issued	915	1,468	1,364	1,034	829	923
Building inspections conducted	5,778	5,463	4,396	22,163	16,717	12,027

* The police department was unable to obtain statistics for the last five months of the fiscal year due to a computer conversion.

CITY OF SPRINGFIELD, MISSOURI
 Capital Asset Statistics by Function/Program
 Last Six Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Function/program:						
Public works:						
Dump trucks	63	59	68	61	62	80
Street sweepers	12	16	16	16	8	7
Backhoes	10	9	9	13	15	17
Tractors/mowers	45	53	49	44	20	23
Police:						
Stations	2	2	2	2	2	2
Patrol cars	265	295	236	268	200	151
Fire:						
Stations	11	11	12	12	12	12
Emergency response vehicles	28	29	43	48	23	29
Parks:						
Acreage	2,707	2,707	2,930	2,961	3,200	3,200
Park facilities	89	89	93	93	102	102
Baseball diamonds	11	11	11	11	11	11
Softball diamonds	27	27	27	27	27	28
Community centers	4	4	4	4	4	4
Wastewater:						
Sanitary sewers (miles)	1,125	1,195	1,195	1,201	1,209	1,215
Sanitary sewer manholes	2,646	26,413	27,619	27,750	27,865	28,054
Storm sewers (miles)	500	510	520	532	532	637
Treatment capacity (thousands of gallons)	56,000	56,000	59,500	65,000	121,000	121,000
Refuse collection:						
Bulldozers	5	6	5	5	5	5
Compactors	3	3	2	2	2	2
Loaders	3	3	2	2	2	2