City of Harrisonville est. 1836

AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JULY 7, 2014
7:00 PM

1. Call to Order & Pledge of Allegiance

2. Roll Call

A. Roll Call

3. Ceremonial Matters

A. A service award to honor Keith Thomas, Electric Utility, for 20 years of loyal service

4. Public Participation

A. Public Participation

5. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Jun 16, 2014 7:00 PM

6. Agenda Items

A. Audit Presentation

B. Draft of 2013 Audit

C. Approve the Mission, Goals and Values of the City of Harrisonville and the Mayor and Board of Aldermen

D. Approval of the 2014-15 School Resource Officer (SRO) Contract

E. Council Bill 033: A RESOLUTION SUPPORTING A PROPOSED DEVELOPMENT TO BE CALLED BURRIS RIDGE TOWNHOMES BY FOUR CORNERS DEVELOPMENT TO BE LOCATED NEAR THE INTERSECTION OF STATE ROUTE 7 & BURRIS DRIVE IN HARRISONVILLE, MISSOURI

F. Council Bill 034: A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AN AGREEMENT WITH VERMEER MANUFACTURING FOR THE PURCHASE OF A VERMEER BC1500 BRUSH CHIPPER FOR THE ELECTRIC DEPARTMENT IN AN AMOUNT NOT TO EXCEED $50,097.32

G. Council Bill 035: A RESOLUTION TO AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE A MUTUAL AID AGREEMENT FOR EMERGENCY ASSISTANCE BETWEEN THE CITY OF HARRISONVILLE, MISSOURI, AND MEMBER AGENCIES OF THE AMERICAN PUBLIC POWER ASSOCIATION

H. Council Bill 036: A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH PAVEMENT MANAGEMENT FOR MICRO-SURFACING IN AN AMOUNT NOT TO EXCEED $34,870.50

I. Council Bill 037: A RESOLUTON AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH HANRAHAN ASPHALT PAVING FOR ASPHALT OVERLAY SERVICES AND ADDITIONAL CONSTRUCTION IN AN AMOUNT NOT TO EXCEED $209,689.50

J. Council Bill 038: A RESOLUTION TO INDUCE SAPP BROS., INC. TO UNDERTAKE AND IMPLEMENT A REDEVELOPMENT PROJECT (EAST SIDE OF SITE) TO REMOVE BLIGHT AND TO IMMEDIATELY REMOVE HEALTH AND SAFETY HAZARDS WITHIN THE PROPERTY AND TO UNDERTAKE A DEVELOPMENT PROJECT (WEST SIDE OF SITE) - GENERALLY LOCATED AT THE SOUTHWEST CORNER OF THE INTERSECTION OF I-49 AND 275TH STREET, SAID PROJECT WILL PROMOTE THE GENERAL HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF HARRISONVILLE, CASS COUNTY, MISSOURI.

K. Council Bill 039: AN ORDINANCE TO ACCEPT THE FINAL PLAT OF COFFEY'S ADDITION, A SUBDIVISION OF LAND IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI.

L. Council Bill 040: AN ORDINANCE TO AMEND SECTION 300.030, SELLING MERCHANDISE, DISTRIBUTING LITERATURE, SOLICITING MONEY ON PORTION OF STREETS TRAVELED BY VEHICULAR TRAFFIC

M. Council Bill 041: AN ORDINANCE AMENDING CHAPTER 210, ANIMAL REGULATIONS, AND ENACTING A NEW SECTION 210.265, KEEPING OF CHICKENS, OF THE CODE OF ORDINANCES OF THE CITY OF HARRISONVILLE, MISSOURI

7. Aldermen and Committee Reports

8. Report from the City Administrator

9. Report from the Mayor

10. Questions from the Media

11. Adjourn to Executive Session

12. Adjourn From Regular Session

Posted on City Hall Bulletin Board this 3rd day of July 2014

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Kim Hubbard, City Clerk

The Board of Aldermen meeting is an open meeting but is not a meeting of the public. There is a place on the agenda for comments of citizens under PUBLIC PARTICIPATION. Our rule is that comments by any individual or group shall not exceed (4) minutes. The Board of Aldermen request that concerns be initially addressed at the appropriate action level before coming to the Board of Alderman

Presented by the Mayor and the Harrisonville Board of Aldermen to

Keith Thomas

In Grateful Appreciation for

20 Years

Of Dedicated Service to

City of Harrisonville est. 1836

July 7, 2014

Kevin Wood, Mayor

City of Harrisonville est. 1836

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JUNE 16, 2014
7:00 PM

1. Call to Order & Pledge of Allegiance

2. Roll Call

Attendee Name	Title	Status	Arrived
Bill Mollenhour	Board Member	Absent	
Bret Reece	Board Member	Present	
David Dickerson	Board Member	Present	
Doug Meyer	Board Member	Present	
Ivan Stull	Board Member	Present	
Marcia Milner	Board Member	Absent	
Morris Coburn	Board Member	Present	
Stacey Dahlman	Board Member	Absent	
Kevin Wood	Mayor	Present	

Others Present: City Administrator Keith Moody, Finance Director Mike Tholen, Public Information Officer Sheryl Stanley, Public Works Director Jerry Gibbs, Assistant Public Works Director Eric Patterson, Police Chief John Hofer, Community Development Director Rick DeLuca, Emergency Services Director Larry Francis, and City Clerk Kim Hubbard.

3. Ceremonial Matters

None.

4. Public Participation

A. Public Participation

Jack Cotton, 802 Eastwood shared with the Board that he has been selected by the Harrisonville Implementation Committee to find homes and businesses of the month. Mr. Cotton asked for the assistance of the Board and for each alderman to walk through their ward and share their suggestions with him. Mr. Cotton also shared that there are areas in all of the wards that need attention.

5. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Jun 2, 2014 7:00 PM

Minutes approved. Mayor Wood noted B & C are attachments to the minutes.

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Morris Coburn, Board Member
SECONDER:	Bret Reece, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

B. CDBG for Sheperd's Staff Food Pantry

C. Sheperd's Staff Food Pantry-Needs Assessment

6. Agenda Items

A. Approval of the Water Treatment Plant Capital Facilities Plan

Mr. Patterson reviewed the capital facilities plan, explained the process that needs to be followed and the requirements that need to be met by the Department of Natural Resources (DNR) and the criteria to receive State Revolving Funds (SRF). Mr. Patterson reported this has been before the Public Works Committee more than once and it is the recommendation of staff and the Public Works Committee to proceed with the design of the total improvements to the water plant.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Morris Coburn, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

B. First Baptist Church Seeks Approval of a Special Event Permit (Road Closure)

Chief Hofer reviewed the request and it was staff's recommendation for approval. Chief Hofer stated insurance has been turned in.

First Baptist Church Event Permit was approved.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Bret Reece, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

C. Burris Ridge Developer requests Letters of Support to submit to MHDC to build Duplexes

Director DeLuca reviewed the request and reported that the property was zoned and platted in 2005. Director DeLuca stated the applicant is asking support of the application to the Missouri Housing Development Commission (MHDC)

There were no questions from the Board

The Board voted to support the applicant in their submission to the MHDC. Director DeLuca distributed letters of support for each of the Aldermen to sign.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Doug Meyer, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

D. Approval of Clinical Affiliation Agreement with Jade Education

Director Francis reviewed the Clinical Agreement and explained the students from Jade Education would receive their clinical experience through the Emergency Services Department and that the City has the same type of agreements in place with other schools. Director Francis stated that the document has been reviewed by City Attorney Mauer.

The agreement was approved.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Doug Meyer, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

E. A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A ONE HUNDRED EIGHTY (180) DAY EXTENSION TO THE AGREEMENT BETWEEN THE CITY OF HARRISONVILLE EMERGENCY SERVICES AND CASS REGIONAL MEDICAL CENTER FOR THE TRANSPORT OF PATIENTS

City Attorney Mauer read Council Bill 029 by title only. Mr. Moody reported this is the second ninety (90) day extension of the Transport Cass Regional Medical Center (CRMC) Agreement. As part of the negotiations a third party firm is being sought to confirm that the fees paid by CRMC are fair market. There have been two (2) proposals received but no selection has been made at this time. It was noted that the cost of the third party service will be shared by the City and CRMC.

Council Bill 029 became Resolution 022.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Ivan Stull, Board Member
SECONDER:	Bret Reece, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

F. A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OF THE CITY OF HARRISONVILLE MISSOURI TO IMPLEMENT AND ENFORCE A VEHICLE OPERATIONS POLICY FOR ALL CITY EMPLOYEES

City Clerk Hubbard reviewed the proposed policy and noted that changes had been made that were discussed at the Finance/Personnel Committee meeting.

Council Bill 030 became Resolution 023.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Morris Coburn, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

G. A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AN AGREEMENT WITH KELLY-HILL COMPANY FOR REPAIRS TO THE CITY OWNED RAILROAD SPUR

City Attorney Mauer read Council Bill 031 by title only. Director DeLuca reviewed there were three (3) bids received and staff was recommending Kelly Hill to perform the needed maintenance and make the needed repairs. Director DeLuca also stated that Kelly Hill has done good work previously on the rail spur.

Council Bill 031 became Resolution 024

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Bret Reece, Board Member
SECONDER:	Ivan Stull, Board Member
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

H. AN ORDINANCE TO AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE A MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION ROAD RELINQUISHMENT AGREEMENT

City Attorney Mauer read Council Bill 032 by title only. Director DeLuca reviewed the agreement with Missouri Department of Transportation (MODOT) which outlines the ownership of the portion of South Commercial Street and Brookhart Road that is adjacent to the Love's Development.

Alderman Stull made the motion to suspend the rules and move Council Bill 032 to its second reading. Alderman Meyer seconded the motion and it was passed by the following roll call vote:

Ayes: Aldermen Dickerson, Stull, Meyer, Reece, and Coburn

Nayes: None

Absent: Aldermen Dahlman, Mollenhour, and Milner

Abstain: None

Council Bill 032 became Ordinance 3272

RESULT:	**ADOPTED [UNANIMOUS]**
AYES:	Reece, Dickerson, Meyer, Stull, Coburn
ABSENT:	Bill Mollenhour, Marcia Milner, Stacey Dahlman

7. Aldermen and Committee Reports

Alderman Coburn commented that he had a good time at the Elected Officials Conference, there were lots of new people and lots of questions.

Alderman Dickerson commented that the Elected Officials was a very good conference and there were lots of good questions and expressed his appreciation for the opportunity to attend.

8. Report from the City Administrator

Mr. Moody reported the Governor had vetoed the five (5) bills that were passed during the last session that would have had a negative impact on cities. Mr. Moody also reported he would be participating in a conference call with the Governor and other city managers tomorrow to discuss concerns that cities have regarding these sales tax exemption laws.

9. Report from the Mayor

Mayor Wood reported on the good turn out for the flag day ceremony on the square Saturday morning, how busy the farmer's market was, and that he also joined the Elks on Saturday for their flag day ceremony.

10. Questions from the Media

None

11. Adjourn to Executive Session

Alderman Meyer moved to adjourn to executive session for the purpose of section 610.021 (1), Legal Actions. Alderman Reece seconded the motion, and it was approved by the following roll call vote:

Ayes: Aldermen Meyer, Coburn, Dickerson, Reece, and Stull

Nays: None

Absent: Aldermen Dahlman, Milner and Mollenhour

Abstain: None

Adjourned to executive session at 7:28 p.m.

Reconvened to regular session at 7:43 p.m.

12. Adjourn From Regular Session

Alderman Reece moved to adjourn the meeting. The motion was seconded by Alderman Coburn and it was approved by a voice vote. The meeting adjourned at 7:43.

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Kevin Wood, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

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Kim Hubbard, City Clerk

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Mike Tholen, Director**

DATE: **July 2, 2014**

SUBJECT: **Audit Presentation**

Type of Item: *Audit*

A representative of Dana F. Cole & Company will be at the meeting to present an overview of their audit of the City's financial reporting for the fiscal year ended 12-31-2013. The final bound report will be delivered to the Boardmembers once the CPA review process is complete.

A. Discussion Item (ID # 1469)

Audit Presentation

Attachments:

2013 audit presentation (PDF)

City of Harrisonville, Missouri

Audit Presentation

For the Year Ended December 31, 2013

DANA F. COLE & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

City of Harrisonville, Missouri

- Unmodified opinion on the financial statements
  - Best report available as result of an audit
  - Means that in our opinion the financial statements are presented fairly in all material respects in accordance with basis of accounting as reported on.
  - A Federal (Single) Audit is not required this year as the City expended less than $500,000 on federal grant and/or loan awards during 2013.
  - No changes are expected from the presented drafts to the final and signed reports except for minor formatting issues.

City of Harrisonville, Missouri

- The Statement of Net Position on pages 14 and 15 shows City-Wide financial position.
- Net position increased in the governmental activities by $478,399.
- Net position increased in the business-type activities by $1,371,589.
- We recommend that you review the tables in the Management's Discussion in Analysis as they are comparative to the prior year in summary form.

City of Harrisonville, Missouri

- The Statement of Activities on page 16 shows the overall increase in net position. This shows the expenses for each activity and the related revenues directly related to those activities.

- In addition, revenues described as general revenues are presented to complete the reconciliation of the increase in net position.

Fund Balances (Summary)

	12/31/2013	12/31/2012	Change
General	$ 5,668,931	$ 6,567,195	$ (898,264)
Other Governmental Funds	1,266,803	1,763,965	$ (497,162)
Electric Fund	8,487,389	7,876,867	$ 610,522
Water Sewer Fund	24,153,654	23,273,002	$ 880,652
Other Business-Type Funds	1,088,532	1,208,117	$ (119,585)

Fund balances in the governmental funds include all cash, investments, and other current resources available to pay for expenditures. Fund balances for the proprietary funds include all assets and liabilities on the accrual basis, which is the same as the Statement of Net Position. A reconciliation is provided on page 18 for the differences between the statement of net position and the governmental funds balance sheet.

Governmental Fund Revenues and Expenses (Summary)

	12/31/2013	12/31/2012	Change
Support and Revenue			
Property taxes	$ 965,993	$ 915,825	$ 50,168
Sales taxes	4,231,748	4,239,538	(7,790)
Franchise taxes	1,590,453	1,572,099	18,354
Charges for services	4,081,118	4,129,463	(48,345)
All other sources	1,169,011	1,123,559	45,452
	12,038,323	**11,980,484**	**57,839**
Expenses			
Current	9,748,934	9,521,490	227,444
Debt Service	1,498,630	1,515,636	(17,006)
Capital outlay	2,152,920	1,020,483	1,132,437
	13,400,484	**12,057,609**	**1,342,875**

Proprietary Fund Revenues and Expenses (Summary)

	12/31/2013	12/31/2012	Change
Support and Revenue			
Charges for services	$ 16,908,881	$ 16,869,999	$ 38,882
Capital grants and other income	130,771	280,500	$ (149,729)
Transfers in	33,265	32,595	$ 670
Interest income	149,424	216,092	$ (66,668)
	17,222,341	**17,399,186**	**(176,845)**
Expenses			
Production	1,145,906	1,303,350	(157,444)
Distribution	9,251,249	9,011,105	240,144
Administration	3,846,644	3,787,123	59,521
Depreciation	1,280,989	1,141,699	139,290
Interest expense	325,964	458,306	(132,342)
	15,850,752	**15,701,583**	**149,169**

Summary of Findings Reported

As reported on in prior years, the finding related to reliance upon the auditor is normal for a City this size. Our recommendations and management's response is documented on page 93 of the audit package.

As part of our procedures, we identified other areas in which we made recommendations to City staff that may be used to further improve efficiency in their positions and also to improve reconciling and other procedures. However, none of these recommendations lead to the definition of a finding and were purely made to assist the City in improving their daily tasks.

General Discussion

- The footnote disclosures are similar in nature to prior year disclosures.
- All funds were within the authorized budget except for the immaterial difference in the debt service fund.
- All interfund balances reconcile out.
- Non-compliance with material debt covenants were not identified through our procedures.

General Discussion - continued

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

- We recommended and management approved our proposed adjusting entries. We provided these to Debbie Goss to post to the City records.

We are available for any questions at this time or you can contact us or City staff later and we will address them then.

We appreciated the assistance from City staff look forward to working with them again next year.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Mike Tholen, Director**

DATE: **July 2, 2014**

SUBJECT: **Draft of 2013 Audit**

Type of Item: *Audit*

The attached draft supports the summary audit presentation. The report has been moved to the end of the agenda for convenience in organizing the packet.

B. Discussion Item (ID # 1470)

Draft of 2013 Audit

Attachments:

Harrisonville Draft 2013 (PDF)

CITY OF HARRISONVILLE, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2013

Prepared by: Mike Tholen
Director of Finance

CITY OF HARRISONVILLE, MISSOURI
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CITY OF HARRISONVILLE, MISSOURI
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INTRODUCTORY SECTION

June 26, 2014

Honorable Mayor and Members of the Board of Aldermen:

The Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Harrisonville, Missouri, for the fiscal year ended December 31, 2013. This report is required under RSMo. 105.145 and is submitted for your information and review.

The responsibility for accuracy, completeness, and fairness of the data presented, including all disclosures, rests with the City. I believe the report as presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of annual operations of the City, both on a government-wide and a fund basis.

The City of Harrisonville Finance Department prepares the year-end trial balances and supporting schedules and assists in the preparation of the financial statements, which undergo an annual audit by an independent certified public accountant. The City's financial statements have been audited by the accounting firm of Dana F. Cole & Company, LLP, and that audit resulted in an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2013, are fairly presented in conformity with accounting principles generally accepted in the United States of America. That opinion, and the procedures and testing that led to it, is found in the "Independent Auditors' Report" at the beginning of the Financial Section of the CAFR.

Following the independent auditors' report and opinion is management's discussion and analysis (MD&A) of the financial statements. This analysis, along with the basic financial statements and notes, provides an overview of the City's financial position and operating results. The supplemental and statistical sections help provide a broader understanding of Harrisonville and, along with the introductory section, provide context to the report.

Profile of the City of Harrisonville

The town of Harrisonville was established in 1837 and was named in honor of Albert G. Harrison, one of the first two U.S. Congressional representatives elected from the state of Missouri. Harrisonville became incorporated in 1851. S.G. "Squire" Allen was appointed the first mayor of the town in 1857, and Col. H. W. Younger, father of the infamous Cole Younger, was elected mayor in 1859. There is a rich local history of the Civil War era in Harrisonville, and in the decades following the war, the town grew in importance as the county seat of Cass County and as a transportation hub for the region.

Today, Harrisonville is home to approximately 10,000 residents, with manufacturing and distribution facilities representing several major national firms. It still serves as a transportation center, with Interstate 49 and several state highways providing access to the Kansas City metropolitan area as well as the recreation areas of south-central Missouri.

The City of Harrisonville, Missouri, is a fourth-class city organized under Missouri statutes and is governed by a Mayor and 8-member Board of Aldermen, two from each of the four wards. The Mayor and Board appoint a City Administrator to serve as the chief administrative officer of the City, and to oversee the operations of all City departments. Harrisonville provides a full complement of general governmental services including police and fire protection, emergency medical services, parks and recreation, public works services, an airport, and general administrative services. The City also provides electrical distribution, water, and sanitary sewer services, all of which are accounted for in the financial statements as business-type activities.

Factors affecting financial conditions

Local economy - Overall retail sales have recovered to the levels enjoyed prior to the recession, and we see some local businesses investing in renewal. While housing remains stalled in the nationwide slump, economic development continues to focus on the creation and expansion of employment opportunities. Outside investors have continued to show interest in Harrisonville's location and workforce when considering potential business sites. Harrisonville's place as a regional trade center for basic goods and services has helped shelter the community from more severe economic downturns.

Long-term financial planning - The City of Harrisonville prepares a five-year Capital Improvement Plan (CIP) for constructing, maintaining, and replacing the City's physical infrastructure. These projects are reviewed annually and updated as conditions, prices, resources, and priorities change. These projections are included as a part of the five-year financial projection of each of the City's operating funds during the Board of Aldermen's annual budget process. By Board policy, the City maintains a reserve in each of the operating funds for budgetary and planning purposes.

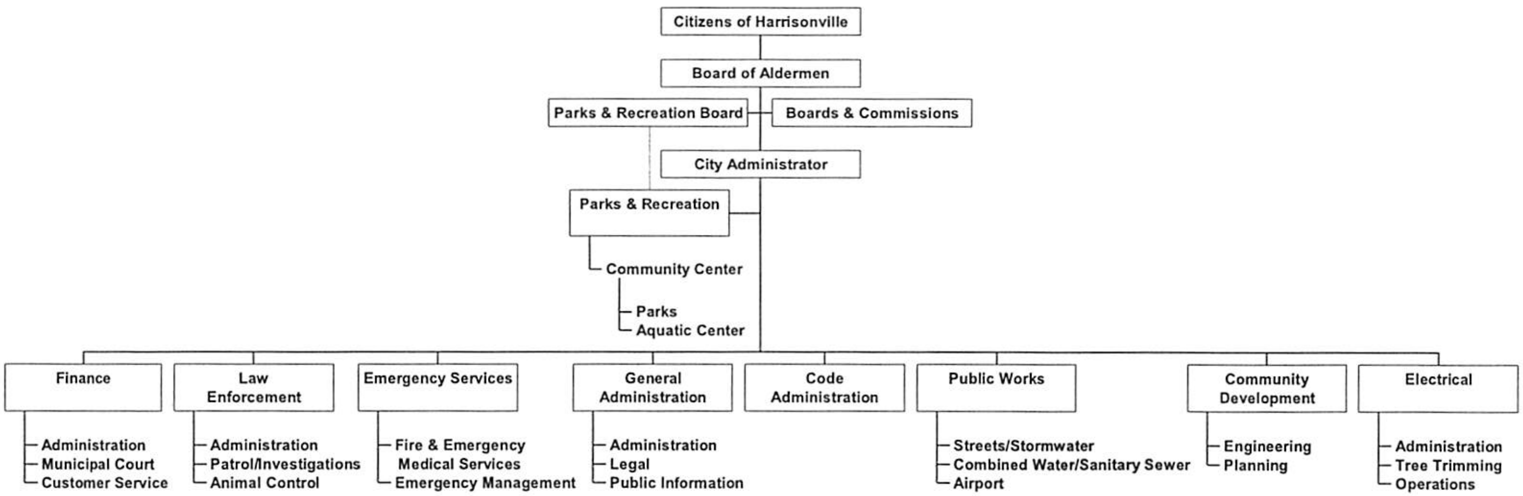
Cash management and risk management - The primary concern of the City's cash management policy is the safety of principal. The City follows a conservative investment policy which is closely monitored by staff and reviewed annually. Investment yield remains low compared to historical averages, but the security of the investment principal is the City's overarching priority. Cash balances of the various funds are consolidated for maximum earnings flexibility. Following the close of the fiscal year, the City renewed all major insurance policies after a review and update of exposures and pricing. With both cost and risk on the increase, insurance coverage is an area which receives significant attention.

The preparation of this report would not have been possible without the year-round dedication and hard work of the staff of the Finance Department, with special recognition to our Accounting Specialist, Debra Goss. The City's independent audit firm of Dana F. Cole & Company, LLP, was instrumental in the preparation of this report and highly professional in their dealings with our staff. I would also like to thank Mayor Wood, the Board of Aldermen, and City Administrator Keith Moody for their continued interest in and support of the maintenance of the financial health of our City.

Respectfully submitted,

Michael E. Tholen
Director of Finance

City of
Harrisonville
est. 1836



CITY OF HARRISONVILLE, MISSOURI
PRINCIPAL OFFICIALS
DECEMBER 31, 2013

MAYOR AND BOARD OF ALDERMEN

Kevin Wood	Mayor
Stacey Dahlman	Alderman Ward I
Doug Meyer	Alderman Ward I
Morris Coburn	Alderman Ward II
Marcia Milner	Alderman Ward II
David Dickerson	Alderman Ward III
Bret Reece	Alderman Ward III
Bill Mollenhour	Alderman Ward IV
Ivan Stull	Alderman Ward IV

ADMINISTRATOR AND DEPARTMENT HEADS

Keith Moody	City Administrator
Jerry Gibbs	Director of Public Works and Water/Sewer Superintendent
Keith Thomas	Electric Department Director
Rodney Jacobs	Street Superintendent
Chris Deal	Director of Parks and Recreation
Rick DeLuca	Director of Community Development
Kim Hubbard	City Clerk
Mike Tholen	Director of Finance
John Hofer	Chief of Police
Larry Francis	Fire Chief and Director of Emergency Management
Steven E. Mauer	City Attorney
Kevin Anderson	Municipal Judge
Joseph Cambiano	City Prosecuting Attorney

INDEPENDENT AUDITORS

Dana F. Cole & Company, LLP

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the Board of Aldermen
City of Harrisonville, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Harrisonville, Missouri, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Harrisonville, Missouri, as of December 31, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 7 - 13 and 57 - 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Harrisonville, Missouri's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information on pages 61 - 70 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information on pages 61 - 70 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2014, on our consideration of the City of Harrisonville, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Harrisonville, Missouri's internal control over financial reporting and compliance.

Overland Park, Kansas
June 26, 2014

CITY OF HARRISONVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Harrisonville, Missouri, has prepared financial statements in accordance with GASB 34 guidelines since 2003. This section of the report is intended to provide a summary of the City's financial condition and outlook, and should be considered along with the transmittal letter and financial statements in any evaluation of the City's financial condition.

Fiscal Year Highlights

The City of Harrisonville, Missouri, continues to be a financially stable community, although the economic slump has affected our residents. Property tax revenues decreased in FY 2013 because of lower personal property tax valuations, but overall net assets have increased. The City of Harrisonville, Missouri's central location in the county and its status as a full-service city help maintain that stability and allow for many forward-looking investments:

The City continued to work on a new police station to replace the current cramped and aged facility. This is undertaken using existing reserves, as voters are reluctant to take on additional tax or debt burden at this time, even as they acknowledge the need to replace the facility. The new station is expected to be occupied in spring 2014, with a total investment of approximately two million dollars.

These statements include the Towne Center TIF expenditures, which impact the net assets of the City. The anchor tenant opened in spring 2007. One additional padsite has been occupied, and a hotel has been opened on the south end. The two remaining padsites are still open for development. The City budgeted and contributed general funds to help meet the debt service schedule in 2013, but will need additional development to continue to service the debt without impacting other City funds.

The collection of sales tax revenues matched previous levels. While recovering from the downturn, the revenue from existing sales taxes had shown little overall growth in recent years. This could be an area of concern if continued over time since the sales tax is the largest single revenue source to the General Fund, and forms the basis of debt service payments for the Community Center. Sales tax revenues mirror national and regional economic trends, which are largely outside the City's control, but are important to both our community and our revenue stream. These trends are closely monitored by City staff for their effect on both present and projected expenditure plans.

The City's business-type activities (utility funds) showed stable sales and usage, reflecting the community growth patterns. Utility customer and load growth is a key indicator of community financial health, as the number of residents is tied directly to available revenues and demands for City services. Prior to FY 2012, the City revised its administrative charge schedule, which resulted in lower utility rates and reduced transfers to the General Fund. The City forecasts stable utility rates for the next few years.

The Comprehensive Annual Financial Report

This comprehensive annual financial report consists of six parts:

Introductory section which includes the transmittal letter,
Management's discussion and analysis (this part),
Basic financial statements and accompanying notes,
Required supplemental information,
Other supplemental information, and
Statistical information

In prior years, the principal focus of local governmental financial statements was to summarize fund-type information on a current financial resource basis. This current accounting model presents information in two ways. The government-wide financial statements provide both short- and long-term information about the City's overall financial status. These are prepared on a full accrual basis to present information in a format more familiar to corporate accounting users. Fund financial statements are still included to provide useful information on individual parts of the government.

Government-Wide Financial Statements

The basic financial statements include two government-wide financial statements: the statement of net position and the statement of activities. These statements can be found on pages 14 through 16. The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by the private sector.

The City is divided into the following activities:

Governmental activities - All of the City's basic services are considered governmental activities, including public safety, public works, general administration, and parks. These activities are supported primarily with general revenue such as sales and property taxes, fines, and permit fees.

Business-type activities - The City's enterprise activities are included here. These operations charge a fee for services that is intended to recover the cost of operations.

Fund Financial Statements

Another major section of the basic financial statements is the fund financial statements, found on pages 17 to 27, along with their explanatory notes on pages 28 through 56. The fund financial statements provide detailed information about each of the City's most significant funds, called "major funds". For 2013, the Sales Tax Fund has been shown as a major fund. All other funds are summarized and presented in a single column called "nonmajor."

CITY OF HARRISONVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Harrisonville, Missouri, currently has two kinds of funds:

Governmental funds - Most of the City's basic services are included in governmental funds. These statements are prepared on a modified accrual basis, meaning they measure current financial resources and uses. Capital assets and other long-lived assets, along with any long-term liabilities are not presented in the governmental fund statements, but additional information about them is provided at the bottom of the statements, and in the notes.

Proprietary funds - These statements include business-type enterprise funds. The statements for these funds are presented on the accrual basis and include all assets and liabilities, both current and long-term. This is the same basis used on the government-wide financial statements.

Statement of Net Position

The following table summarizes the combined statement of net position as of December 31, 2013, compared with the same information for the fiscal year ending December 31, 2012:

City of Harrisonville, Missouri's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
ASSETS						
Current and other assets	18,325,584	18,890,006	11,509,356	11,254,009	29,834,940	30,144,015
Deferred outflows of resources	466,800	983,964		100,727	466,800	1,084,691
Capital assets	23,620,359	22,610,092	35,076,829	34,810,179	58,697,188	57,420,271
TOTAL ASSETS	42,412,743	42,484,062	46,586,185	46,164,915	88,998,928	88,648,977
LIABILITIES						
Other liabilities	2,389,850	1,558,846	1,654,058	1,550,331	4,043,908	3,109,177
Long-term liabilities	23,813,113	24,735,021	11,202,552	12,155,871	35,015,665	36,890,892
TOTAL LIABILITIES	26,202,963	26,293,867	12,856,610	13,706,202	39,059,573	40,000,069
NET POSITION						
Invested in capital assets, net of related debt	16,629,597	14,660,071	24,103,550	22,757,615	40,733,147	37,417,686
Restricted	1,007,888	1,186,071	2,170,113	2,194,593	3,178,001	3,380,664
Unrestricted (deficit)	(1,427,705)	344,053	7,455,912	7,506,505	6,028,207	7,850,558
TOTAL NET POSITION	16,209,780	16,190,195	33,729,575	32,458,713	49,939,355	48,648,908

CITY OF HARRISONVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

The summary reveals the overall balance in the City between governmental assets and business-type assets. The governmental activities capital assets includes the cost of additions, while the long-term obligations and restricted assets in the same column reveals the offsetting debt, final construction obligations, and financing reserves, as well as the debt associated with the Towne Center TIF.

Statement of Activities

The following table reflects the revenues and expenses for the City's activities for the fiscal year ending December 31, 2013, compared with the same information for the fiscal year ending December 31, 2012:

City of Harrisonville, Missouri's Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
REVENUES	2013	2012	2013	2012	2013	2012
Program revenues						
Charges for services	4,503,660	4,542,293	16,908,881	16,869,999	21,412,541	21,412,292
Operating grants and contributions	187,359	144,163			187,359	144,163
Capital grants and contributions		85,219		280,500		365,719
General revenues						
Taxes	7,141,191	6,884,801			7,141,191	6,884,801
Investment earnings	36,838	29,815	149,424	216,092	186,262	245,907
Transfers	(33,265)	(32,595)	33,265	32,595		
Other miscellaneous revenues	169,275	294,193	130,771		300,046	294,193
Total revenues	12,005,058	11,947,889	17,222,341	17,399,186	29,227,399	29,347,075
EXPENSES						
General Government	1,905,925	1,795,064			1,905,925	1,795,064
Administration of Justice	2,662,905	2,688,722			2,662,905	2,688,722
Street	997,572	871,419			997,572	871,419
Economic Development	293,097	225,041			293,097	225,041
Animal control	176,656	167,154			176,656	167,154
Airport	359,292	319,622			359,292	319,622
Emergency Services	2,273,547	2,472,147			2,273,547	2,472,147
Park	578,777	590,728			578,777	590,728
Community Center	1,650,035	1,506,078			1,650,035	1,506,078
Towne Center TIF	13,046	12,766			13,046	12,766
CDBG Pass-through		6,500				6,500
Interest on long-term debt	615,807	772,777			615,807	772,777

CITY OF HARRISONVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Harrisonville, Missouri's Statement of Activities (Continued)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
EXPENSES (Continued)						
Electric			11,427,822	11,247,956	11,427,822	11,247,956
Water/Sewer			3,693,731	3,703,248	3,693,731	3,703,248
Aquatic Center			260,514	276,719	260,514	276,719
Refuse			468,685	473,660	468,685	473,660
Total expenses	11,526,659	11,428,018	15,850,752	15,701,583	27,377,411	27,129,601
CHANGE IN NET POSITION	478,399	519,871	1,371,589	1,697,603	1,849,988	2,217,474
NET POSITION, beginning of year	16,190,195	15,670,324	32,458,713	30,761,110	48,648,908	46,431,434
GASB 65 RESTATEMENT	(458,814)		(100,727)		(559,541)	
NET POSITION, end of year	16,209,780	16,190,195	33,729,575	32,458,713	49,939,355	48,648,908

This summary shows that approximately 99% of program revenues are charges for services. The majority of the City's total revenue comes from the business-type activities of the Electric and Combined Water and Sanitary Sewer Utilities. Program revenues overall decreased 1.5% in 2013 from 2012, with the largest cuts stemming from lower operating and capital grants. In the governmental activities area, taxes were the largest single source of income, led by the sales tax revenues generated for the General Fund and the Community Center. Total tax revenue from all sources increased 3.7% primarily due to additional tax revenues in 2013.

Total program expenses for 2013 are $27,377,411 with the majority, $15,850,752, stemming from business-type activities. Governmental activities expenditures increased 0.9% from the previous fiscal year and total of business-type activity spending increased 1.0%.

Public safety expenses, at $4,936,452, totaled approximately 43% of the governmental activities, while the electric utility expenses comprise the majority of the business-type expenses.

The total net position of the City increased 2.7% in 2013.

Fund Statements

The City of Harrisonville, Missouri, fund statements can be found on pages 17 through 27 of the financial statements. Governmental funds ended the year with an overall increase in net position, the business-type funds showed an increase, and the overall City posted an increase in net position.

Budget Variances

There is one area of significant difference between the original adopted budget and the final approved budget for the City's General Fund in FY 2013. It is in capital projects, which reflects the amount of unfinished capital work from 2012, which was reappropriated into the 2013 budget, as well as several newly authorized construction projects and equipment purchases. All budget amendments are reviewed and approved by the Board of Aldermen.

Capital Assets

City of Harrisonville, Missouri's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	890,750	890,750	1,588,031	1,588,031	2,478,781	2,478,781
Buildings	22,183,255	22,181,460	18,107,043	17,329,750	40,290,298	39,511,210
Machinery and equipment	6,184,947	5,913,699			6,184,947	5,913,699
Equipment and transmission			36,592,044	35,899,525	36,592,044	35,899,525
Streets	5,769,413	5,501,977			5,769,413	5,501,977
Construction-in-progress	1,954,255	341,814	1,691,933	1,614,106	3,646,188	1,955,920
	36,982,620	34,829,700	57,979,051	56,431,412	94,961,671	91,261,112
Less accumulated depreciation	13,362,261	12,219,608	22,902,222	21,621,233	36,264,483	33,840,841
Total	23,620,359	22,610,092	35,076,829	34,810,179	58,697,188	57,420,271

Major Capital Asset Events, FY 2013:

Street, sidewalk, curb, and storm water projects in excess of $250,000
New transformer project for north substation for $740,000
Construction of the police building in excess of $1.4 million
Over $300,000 in wastewater treatment plant improvements
Over $100,000 for construction of the Independence bridge

CITY OF HARRISONVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Administration

As of December 31, 2013, the City of Harrisonville, Missouri, had total long-term debt outstanding of $34,565,548. Details of the existing debt obligations of the City are discussed in Note 6 to the financial statements. The City continues to have no general obligation debt.

	(in thousands of dollars)					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Tax Increment Revenue Note	9,000	9,000			9,000	9,000
Tax Increment Revenue Bonds	7,520	7,785			7,520	7,785
Revenue Bonds			10,712	11,557	10,712	11,557
Certificates of Participation	6,665	7,295			6,665	7,295
Capital Lease	227	265			227	265
Promissory Notes	163	172	279	380	442	552
	23,575	24,517	10,991	11,937	34,566	36,454

Economic Outlook

The City of Harrisonville, Missouri, continues to benefit from a relatively stable economic situation and shows some signs of progress. Overall employment has remained steady, as has sales tax collection. Some new retail development is still under way, and the City continues to be in the minds of potential commercial and industrial customers. The State of Missouri, in conjunction with local funding partners, is beginning significant improvements to the interchange at I-49 and MO-291, as well as to MO-7 through Harrisonville. These public infrastructure investments should help maintain and strengthen our commercial base. The Board of Aldermen and City staff take a vigilant approach to monitoring the City's financial health, identifying and acting on trends in order to forestall any major problems.

Financial Contact

These financial statements are designed to provide a general overview of the City's finances and to demonstrate the City's accountability. Any questions or request for additional information should be directed to the Director of Finance, 300 E. Pearl Street, Harrisonville, Missouri 64701.

BASIC FINANCIAL STATEMENTS

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash	78,805	56,285	135,090	
Investments	5,550,912	5,154,768	10,705,680	
Accounts receivable, net of allowance for doubtful accounts	625,307	1,899,024	2,524,331	
Grants receivable	17,430		17,430	
Taxes receivable	1,073,638		1,073,638	176,890
Accrued interest receivable	15,761		15,761	
Inventories	84,050	667,920	751,970	
Prepaid expenses	200,498	61,667	262,165	
Restricted cash	829,376	705,568	1,534,944	320,807
Restricted investments	178,512	1,464,545	1,643,057	
Due from other funds		1,499,579	1,499,579	
Due from component unit	9,671,295		9,671,295	
Capital assets				
Land	890,750	1,588,031	2,478,781	
Construction-in-progress	1,954,255	1,691,933	3,646,188	
Other capital assets, net of accumulated depreciation	20,775,354	31,796,865	52,572,219	
TOTAL ASSETS	41,945,943	46,586,185	88,532,128	497,697
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized payment to escrow agent on defeasance of long-term debt	466,800		466,800	
Total deferred outflows of resources	466,800		466,800	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	42,412,743	46,586,185	88,998,928	497,697

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
LIABILITIES				
Accounts payable	175,401	889,803	1,065,204	90,009
Accrued expenses	507,295	45,898	553,193	
Unearned revenue	127,050	65,589	192,639	
Liabilities payable from restricted assets	80,525		80,525	
Meter deposits		652,768	652,768	
Due to other funds	1,499,579		1,499,579	
Due to primary government				9,671,295
Due to developers				5,326,059
Noncurrent liabilities				
Due within one year	1,224,259	971,836	2,196,095	
Due in more than one year	22,588,854	10,230,716	32,819,570	
TOTAL LIABILITIES	26,202,963	12,856,610	39,059,573	15,087,363
NET POSITION				
Invested in capital assets, net of related debt	16,629,597	24,103,550	40,733,147	
Restricted for:				
Capital improvements	178,512	151,768	330,280	
Debt service	746,975	2,018,345	2,765,320	
Other purposes	82,401		82,401	
Unrestricted (deficit)	(1,427,705)	7,455,912	6,028,207	(14,589,666)
TOTAL NET POSITION	16,209,780	33,729,575	49,939,355	(14,589,666)
TOTAL LIABILITIES AND NET POSITION	42,412,743	46,586,185	88,998,928	497,697

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
					Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Unit
Functions/programs								
Primary government								
Governmental activities								
General Government	1,905,925	1,915,453	187,359		196,887		196,887	
Administration of Justice	2,662,905	293,448			(2,369,457)		(2,369,457)	
Street	997,572				(997,572)		(997,572)	
Economic Development	293,097				(293,097)		(293,097)	
Animal Control	176,656				(176,656)		(176,656)	
Airport	359,292				(359,292)		(359,292)	
Emergency Services	2,273,547	1,280,799			(992,748)		(992,748)	
Park	578,777	60,448			(518,329)		(518,329)	
Community Center	1,650,035	953,512			(696,523)		(696,523)	
Towne Center Project	13,046				(13,046)		(13,046)	
Interest on long-term debt	615,807				(615,807)		(615,807)	
Total governmental activities	11,526,659	4,503,660	187,359		(6,835,640)		(6,835,640)	
Business-type activities								
Electric	11,427,822	12,020,203				592,381	592,381	
Water/Sewer	3,693,731	4,313,059				619,328	619,328	
Aquatic Center	260,514	109,665				(150,849)	(150,849)	
Refuse	468,685	465,954				(2,731)	(2,731)	
Total business-type activities	15,850,752	16,908,881				1,058,129	1,058,129	
Total primary government	27,377,411	21,412,541	187,359		(6,835,640)	1,058,129	(5,777,511)	
Market Place Component Unit	611,642							(611,642)
General revenues								
Taxes								
Property tax					965,993		965,993	
Local sales tax					4,231,748		4,231,748	364,002
Franchise taxes					1,590,453		1,590,453	
Other taxes					352,997		352,997	181,101
Investment earnings					36,838	149,424	186,262	148
Transfers in (out)					(33,265)	33,265		
Other miscellaneous revenues					169,275	130,771	300,046	
Total general revenues					7,314,039	313,460	7,627,499	545,251
CHANGE IN NET POSITION					478,399	1,371,589	1,849,988	(66,391)
NET POSITION, beginning of year (as restated)					15,731,381	32,357,986	48,089,367	(14,523,275)
NET POSITION, end of year					16,209,780	33,729,575	49,939,355	(14,589,666)

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

CITY OF HARRISONVILLE, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

ASSETS	General Fund	Sales Tax Fund	Community Center Fund	Towne Center TIF Fund	Emergency Services Fund	Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash		78,805					78,805
Investments	4,916,499	434,387	200,026				5,550,912
Accrued interest receivable	15,761						15,761
Accounts receivable			62,815		562,492		625,307
Grants receivable	17,430						17,430
Taxes receivable	655,673	145,491		187,300		85,174	1,073,638
Due from component unit	275,000	7,609					282,609
Inventories	47,106				36,944		84,050
Prepaid insurance	123,379		16,742		51,605	8,772	200,498
Restricted cash	82,401	18,422		726,963		1,590	829,376
Restricted investments	112,283					66,229	178,512
TOTAL ASSETS	6,245,532	684,714	279,583	914,263	651,041	161,765	8,936,898
LIABILITIES AND FUND BALANCES (DEFICIT)							
LIABILITIES							
Accounts payable	141,071		15,271	1,750	10,878	6,431	175,401
Due to other funds	195,984		125,053	147,201	985,064	46,277	1,499,579
Accrued expenses	81,015		3,406		34,188		118,609
Deferred revenue	78,006		35,346			13,698	127,050
Liabilities payable from restricted assets	80,525						80,525
Total liabilities	576,601		179,076	148,951	1,030,130	66,406	2,001,164
FUND BALANCES (DEFICIT)							
Nonspendable	170,485		16,742		88,549	8,772	284,548
Restricted	114,159	18,422		765,312		67,819	965,712
Assigned		666,292	83,765			22,012	772,069
Unassigned (deficit)	5,384,287				(467,638)	(3,244)	4,913,405
Total fund balances (deficit)	5,668,931	684,714	100,507	765,312	(379,089)	95,359	6,935,734
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	6,245,532	684,714	279,583	914,263	651,041	161,765	8,936,898

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

CITY OF HARRISONVILLE, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013

Amounts reported for governmental activities in the statement of net position are different because:		
Fund balance - total governmental funds		6,935,734
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	36,982,617	
Less accumulated depreciation	(13,362,258)	
		23,620,359
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Certificates of participation	(6,665,000)	
Tax increment revenue bonds	(7,520,000)	
Tax increment note payable	(9,000,000)	
Promissory note payable	(162,916)	
Accrued interest payable	(388,686)	
Capital lease payable	(227,063)	
		(23,963,665)
Governmental funds report the effect of issuance costs, premiums, and discounts when the debt is first issued, whereas these amounts are deferred and amortized in the government-wide statements.		
Bond discount	132,784	
Bond premium	(68,567)	
Unamortized payment to escrow agent for defeasance on long-term debt	466,800	
		531,017
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(302,351)
Assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		
Due from component unit for note payable and accrued interest		9,388,686
NET POSITION OF GOVERNMENTAL ACTIVITIES		16,209,780

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2013

	General Fund	Sales Tax Fund	Community Center	Towne Center TIF Fund	Emergency Services Fund	Nonmajor Funds	Total Governmental Funds
REVENUES							
Taxes							
Property	655,859			158,182		151,952	965,993
Sales	2,355,046	1,619,872		256,830			4,231,748
Franchise	1,590,453						1,590,453
Other	336,984					16,013	352,997
Licenses, fees and permits	129,094						129,094
Charges for services	1,786,359		953,512		1,280,799	60,448	4,081,118
Grants	187,359						187,359
Fines and forfeitures	293,448						293,448
Interest	30,712	4,228	1,481	179		238	36,838
Miscellaneous	102,626		25,879	66	25,266	15,438	169,275
Total revenues	7,467,940	1,624,100	980,872	415,257	1,306,065	244,089	12,038,323
EXPENDITURES							
Current							
General Government	1,787,238						1,787,238
Administration of Justice	2,571,510						2,571,510
Street	770,736						770,736
Economic Development	275,794						275,794
Animal Control	171,273						171,273
Airport	210,681						210,681
Emergency Services					2,163,113		2,163,113
Park						463,459	463,459
Community Center			1,322,084				1,322,084
Towne Center Project				13,046			13,046
Debt service							
Principal	38,073		9,015	265,000		630,000	942,088
Interest	14,961		450	359,719		181,412	556,542
Capital outlay	1,987,914		54,652		110,354		2,152,920
Total expenditures	7,828,180		1,386,201	637,765	2,273,467	1,274,871	13,400,484

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2013

	General Fund	Sales Tax Fund	Community Center Fund	Towne Center TIF Fund	Emergency Services Fund	Nonmajor Funds	Total Governmental Funds
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(360,240)	1,624,100	(405,329)	(222,508)	(967,402)	(1,030,782)	(1,362,161)
OTHER FINANCING SOURCES (USES)							
Transfers in	229,056		121,000		788,437	1,089,653	2,228,146
Transfers out	(767,080)	(1,494,331)					(2,261,411)
Total other financing sources (uses)	(538,024)	(1,494,331)	121,000		788,437	1,089,653	(33,265)
NET CHANGE IN FUND BALANCES	(898,264)	129,769	(284,329)	(222,508)	(178,965)	58,871	(1,395,426)
FUND BALANCES (DEFICIT), January 1, 2012	6,567,195	554,945	384,836	987,820	(200,124)	36,488	8,331,160
FUND BALANCES (DEFICIT), December 31, 2013	5,668,931	684,714	100,507	765,312	(379,089)	95,359	6,935,734

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

CITY OF HARRISONVILLE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		(1,395,426)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	2,152,920	
Depreciation	(1,142,653)	1,010,267
The issuance of long-term debt (e.g., bonds, loans, 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:		
Bond principal payments	265,000	
Promissory note payments	9,015	
Certificates of participation payments	630,000	
Capital lease payments	38,073	
Amortization of premiums and discounts	(59,265)	882,823
Some expenses in the statement of activities that do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(19,265)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		478,399

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Electric Fund	Water/ Sewer Fund	Nonmajor Enterprise Funds	Eliminations	Total
ASSETS					
Current Assets					
Cash	30,903		25,382		56,285
Investments	2,036,194	3,118,574			5,154,768
Accounts receivable	1,359,722	476,694	62,608		1,899,024
Due from other funds	1,079,398	468,238		(48,057)	1,499,579
Inventories	504,471	163,449			667,920
Prepaid insurance	22,397	35,882	3,388		61,667
Total current assets	5,033,085	4,262,837	91,378	(48,057)	9,339,243
Noncurrent Assets					
Restricted cash	559,858	93,394	52,316		705,568
Restricted investments	127,000	1,238,093	99,452		1,464,545
Capital assets					
Land	99,716	1,488,315			1,588,031
Construction-in-progress		1,691,933			1,691,933
Other capital assets, net of accumulated depreciation	5,729,224	25,206,797	860,844		31,796,865
Total noncurrent assets	6,515,798	29,718,532	1,012,612		37,246,942
TOTAL ASSETS	11,548,883	33,981,369	1,103,990	(48,057)	46,586,185
LIABILITIES					
Current Liabilities					
Due to other funds		32,650	15,407	(48,057)	
Accounts payable	776,847	112,905	51		889,803
Accrued expenses	24,291	21,607			45,898
Deferred revenue	65,589				65,589
Meter deposits	652,768				652,768
Current portion of long-term obligations	235,644	736,192			971,836
Total current liabilities	1,755,139	903,354	15,458	(48,057)	2,625,894
Noncurrent liabilities					
Noncurrent portion of long-term obligations	1,306,355	8,924,361			10,230,716
TOTAL LIABILITIES	3,061,494	9,827,715	15,458	(48,057)	12,856,610

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Electric Fund	Water/ Sewer Fund	Nonmajor Enterprise Funds	Eliminations	Total
NET POSITION					
Invested in capital assets, net of related debt	4,331,230	18,911,476	860,844		24,103,550
Restricted for:					
Debt service	686,858	1,331,487			2,018,345
Capital improvements			151,768		151,768
Unrestricted	3,469,301	3,910,691	75,920		7,455,912
TOTAL NET POSITION	8,487,389	24,153,654	1,088,532		33,729,575

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2013

	Electric Fund	Water/Sewer Fund	Nonmajor Enterprise Funds	Total
REVENUES				
Charges for services	12,020,203	4,313,059	575,619	16,908,881
EXPENSES				
Production		1,145,906		1,145,906
Distribution	8,690,723	560,526		9,251,249
Administration	2,396,701	807,226	642,717	3,846,644
Depreciation	265,827	928,680	86,482	1,280,989
Total expenses	11,353,251	3,442,338	729,199	15,524,788
INCOME (LOSS) FROM OPERATIONS	666,952	870,721	(153,580)	1,384,093
NONOPERATING INCOME (EXPENSE)				
Transfers in			33,265	33,265
Other income	3,898	126,873		130,771
Interest income	14,243	134,451	730	149,424
Interest expense	(74,571)	(251,393)		(325,964)
Total nonoperating income (expense)	(56,430)	9,931	33,995	(12,504)
CHANGE IN NET POSITION	610,522	880,652	(119,585)	1,371,589
TOTAL NET POSITION, beginning of year (as restated)	7,876,867	23,273,002	1,208,117	32,357,986
TOTAL NET POSITION, end of year	8,487,389	24,153,654	1,088,532	33,729,575

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2013

	Electric Fund	Water/Sewer Fund	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	12,167,304	4,361,039	578,962	17,107,305
Cash payments to suppliers	(10,612,560)	(1,730,144)	(588,591)	(12,931,295)
Cash payments to employees	(506,296)	(752,822)	(54,052)	(1,313,170)
Net cash provided by (used in) operating activities	1,048,448	1,878,073	(63,681)	2,862,840
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to/from other funds	(977,256)	238,515	15,407	(723,334)
Transfers in			33,265	33,265
Net cash provided by (used in) noncapital financing activities	(977,256)	238,515	48,672	(690,069)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(778,712)	(746,846)	(22,082)	(1,547,640)
Other income	3,898	126,873		130,771
Payments of long-term debt	(198,744)	(757,657)		(956,401)
Interest paid on bonds	(74,591)	(239,839)		(314,430)
Net cash used in capital and related financing activities	(1,048,149)	(1,617,469)	(22,082)	(2,687,700)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net investment activity	609,632	(720,822)	606	(110,584)
Interest on investments	14,243	134,451	730	149,424
Net cash provided by (used in) investing activities	623,875	(586,371)	1,336	38,840
NET INCREASE (DECREASE) IN CASH	(353,082)	(87,252)	(35,755)	(476,089)
CASH, January 1, 2013	943,843	180,646	113,453	1,237,942
CASH, December 31, 2013	590,761	93,394	77,698	761,853

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2013

	Electric Fund	Water/Sewer Fund	Nonmajor Enterprise Funds	Total
ALLOCATION OF CASH				
Unrestricted	30,903		25,382	56,285
Restricted	559,858	93,394	52,316	705,568
	590,761	93,394	77,698	761,853

Reconciliation of Income (Loss) From Operations to Net Cash Provided by (Used in) Operating Activities				
Income (loss) from operations	666,952	870,721	(153,580)	1,384,093
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation	265,827	928,680	86,482	1,280,989
Bond premium discount		(11,554)		(11,554)
(Increase) Decrease in assets:				
Accounts receivable	95,345	47,980	3,343	146,668
Inventories	(41,321)	1,158		(40,163)
Prepaid expenses	(1,466)	(2,680)	125	(4,021)
Increase (Decrease) in liabilities:				
Accounts payable	7,471	40,642	(51)	48,062
Accrued expenses	130	3,778		3,908
Compensated absences	3,754	(652)		3,102
Deferred revenue	16,365			16,365
Meter deposits payable	35,391			35,391
Total adjustments	381,496	1,007,352	89,899	1,478,747
Net cash provided by (used in) operating activities	1,048,448	1,878,073	(63,681)	2,862,840

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

CITY OF HARRISONVILLE, MISSOURI
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2013

	Agency Fund
ASSETS	
Cash and cash equivalents	261,528
Investments	836,016
Taxes receivable	94,048
TOTAL ASSETS	1,191,592
LIABILITIES	
Deposits	815,554
Accounts payable	376,038
TOTAL LIABILITIES	1,191,592
NET POSITION	

See accompanying notes to financial statements.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Harrisonville, Missouri, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. REPORTING ENTITY

The City of Harrisonville, Missouri, is a fourth-class city in which citizens elect the Mayor at large and eight council members by wards. The accompanying financial statements present the City's primary government and any component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," and includes all component units of which the City appointed a voting majority of the units' board and the City is either able to impose its will on the unit or a financial benefit or burden exists.

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City, including joint agreements, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the City exercises oversight responsibility, which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters, scope of public service, and special financing relationships. Component units are reported in the City's financial statements as follows:

<u>Blended Component Units</u>

<u>Towne Center TIF Fund</u>

This fund accounts for the proceeds of the TIF notes issued to pay for the Towne Center Redevelopment Project along with the tax proceeds and uses generated by the District. The City has not adopted an annual budget for this fund.

<u>Discretely Presented Component Unit</u>

<u>Market Place TIF District</u>

This District accounts for the revenues and expenses associated with the Market Place Redevelopment Project.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the City except the fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

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

Sales Tax Fund - The Sales Tax Fund is used to accumulate revenues from a special sales tax for capital improvements.

Community Center Fund - This fund is responsible for the operations of the City's Community Center. The fund is financed by charges for services.

Towne Center TIF Fund - This fund accounts for the proceeds of the TIF notes issued to pay for the Towne Center Redevelopment Project along with the tax proceeds and uses generated by the District. The City has not adopted an annual budget for this fund.

Emergency Services Fund - This fund is responsible for the operations of the City's emergency services. The fund is financed by taxes and emergency service revenues.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The government reports the following major proprietary funds:

Electric Fund - The Electric Fund accounts for the billing and collection of charges for electric service for most city residents. Revenues are used to pay for both operations and capital outlay to maintain this service.

Water and Sewer Fund - The Water and Sewer Fund accounts for the billing and collection of charges for water and sanitary sewer services to the residents of the City and a limited number of customers outside of city limits. All activities necessary to provide such services are accounted for in this fund.

Additionally, the government reports the following funds:

<u>Governmental Funds</u>

Park Fund - The Park Fund is primarily used for the maintenance of the City's parks. The fund is financed by property and license fees.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of financial resources for, and the payment of, the principal and interest for the 2012 Certificates of Participation which were issued for the use in the advance refunding of the 2003 Certificates of Participation.

<u>Proprietary Funds</u>

Aquatic Center Fund - The Aquatic Center Fund is used to account for the operations of the Aquatic Center.

Refuse Fund - The Refuse Fund is used to account for the provision of refuse collection to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

<u>Agency Fund</u>

This fund accounts for the City's fiduciary responsibility to track receipts and disbursements associated with the Highway 71/291 Partners in Progress TDD and the Hospital Interchange TDD.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

The government-wide financial statements are reported using the economic resources management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

For the year ending December 31, 2013, the city adopted a new accounting standard as follows:

> GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, amends or supersedes the accounting and financial reporting guidance for certain items previously required to be reported as assets or liabilities. The objective is to either properly clarify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses) or inflows of resources (revenues). The implementation of GASB 65 resulted in the write-off of bond issuance costs, and the effect of adoption of GASB 65 is the reduction of beginning net position by $458,814 in the governmental activities and $100,727 in the business-type activities.

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current 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 claims and judgments, are recorded only when payment is due.

Property tax, sales taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in-lieu-of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. BUDGETS

Budgets for the City are prepared and adopted on the cash basis of accounting for all governmental and proprietary funds. The City Administrator may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The City Council approved amendments to the budget during the year. The actual results of operations are presented in comparison to the budgets on the combined statement of revenues, expenditures, and changes in fund balances - budget and actual - all governmental fund types. All governmental funds have a legally adopted annual budget. Appropriations lapse at year-end, but may be reappropriated in the following year.

E. CASH AND INVESTMENTS

For the purpose of the statement of cash flows, the City considers all highly liquid investments (including restricted assets except for those held by trustees) with a maturity of three months or less when purchased to be cash equivalents, along with demand deposits and certificates of deposit. As of December 31, 2013, the City had no cash equivalents.

The City's investment policies are structured to conform to Missouri Statute 30.270. The City is authorized to invest in U.S. Treasury obligations, U.S. government agency securities and instruments of government-sponsored corporations, certificates of deposit at commercial banks and S & L associations, and repurchase agreements. Investments are reported at fair value.

F. RESTRICTED CASH AND INVESTMENTS

Certain cash and investment accounts are restricted for construction projects, debt service, and compliance with bond covenants. Assets are also restricted in the proprietary funds for refunding customer meter deposits.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. INTERFUND TRANSACTIONS

During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources, to provide services and construct assets. Legally authorized transfers are treated as operating transfers and are included in the results of operations for both governmental and proprietary funds.

H. PREPAIDS AND INVENTORIES

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Inventories, consisting of materials and supplies, are valued at lower of cost or market. Cost is determined using first-in, first-out (FIFO) basis.

I. CAPITAL ASSETS

Prior to GASB Statement No. 34, capital assets for governmental funds were recorded in the General Fixed Asset Account Group and were not depreciated. The new model requires that all capital assets, whether owned by governmental activities or business-type activities be recorded and depreciated in the government-wide financial statements.

Capital assets, including infrastructure are defined as assets with an initial cost of $5,000 or more and an estimated useful life of more than one year. Capital assets are stated at cost or at estimated fair value at time of donation.

Major expenditures for property and those which substantially increased useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed when incurred. When capital assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

General infrastructure assets acquired prior to January 1, 2003, are not reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure assets acquired subsequent to January 1, 2003.

Depreciation of buildings, equipment, and vehicles is computed using the straight-line method over the following estimated useful lives:

Buildings and processing facilities	15 - 50 years
Machinery and equipment	5 - 25 years
Transmission lines and mains	30 - 50 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. COMPENSATED ABSENCES

Compensated absences are accrued when incurred in the government-wide and proprietary fund 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. The amount of accrued vacation benefits included in the government-wide financial statements, related to governmental activities, for the year ended December 31, 2013, is $302,351. Business-type activity funds reported accrued vacation benefits for the year ended December 31, 2013, of $106,409.

K. LONG-TERM OBLIGATIONS AND BOND DISCOUNTS/PREMIUMS

In the government-wide and proprietary fund financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period.

L. NET POSITION

Government-Wide Statements

Net position is displayed in three components:

Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provision or enabling legislation.

Unrestricted net position does not meet the definition of restricted.

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. NET POSITION (Continued)

The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either by external groups such as creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City currently has no amounts classified in this category.

Assigned

This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the Council delegating this responsibility to the City Administrator through the budgetary process.

Unassigned

This classification includes the residual fund balance for the General Fund and any deficit balance in any other fund.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the Unites States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates in the financial statements are allowance for bad debts, depreciation, and accrued liabilities.

N. REVENUES

Billings for utility services are rendered on a monthly basis. Unbilled revenues from the last billing date to the end of the period are accrued in the period of usage and included in accounts receivable.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

O. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide statement of net assets and statement of activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - Repayments from funds responsible for certain expenditures/expense to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES (Continued)

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Interfund balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

2. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities. The effects of interfund services between funds, if any, are not eliminated in the statement of activities.

NOTE 2. CASH AND INVESTMENTS

Cash

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

As of December 31, 2013, all of the City's deposits with financial institutions were fully insured or collateralized.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments

The City's investments at December 31, 2013, are summarized below:

Investment	Unrestricted	Restricted
Investments held by trustee (Bond Reserves)		
Money market funds		1,020,403
Certificates of deposit	7,276,325	177,000
Federal Farm Credit Bank (AAA)	1,831,793	
Federal Home Loan Bank (AAA)	1,092,907	
Federal Home Loan Mortgage Corporation (AAA)	300,433	
Freddi Mac	302,719	
Federal National Mortgage Association (AAA)	737,519	445,654
	11,541,696	1,643,057
Maturities		
Less than six months	2,716,747	1,020,403
Six months to one year	692,129	50,000
Over one year	8,132,820	572,654
	11,541,696	1,643,057

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to maturities of less than two years without prior approval of the Board of Aldermen.

Credit Risk

The City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions, or maturities.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

Investments will be limited to the instruments listed below, unless approved by the Board of Aldermen.

Investment Instrument	Maximum Percent of Portfolio
U.S. Treasury Obligations	100%
U.S. Government Agency Securities	
Instruments of Government Sponsored Corporations	100%
Certificates of Deposit	
Commercial Banks	50%
Savings and Loan Associations	50%

NOTE 3. ACCOUNTS RECEIVABLE/TAXES RECEIVABLE

	Grants/ Accounts	Taxes	Allowance for Doubtful Accounts	Receivables, Net
Governmental Activities				
General	17,430	655,673		673,103
Ambulance	2,562,492		(2,000,000)	562,492
Community Center	69,888		(7,073)	62,815
Park	85,174			85,174
Towne Center TIF		187,300		187,300
Sales tax		145,491		145,491
Total governmental activities	2,734,984	988,464	(2,007,073)	1,716,375
Business-Type Activities				
Electric	1,614,601		(254,879)	1,359,722
Water/Sewer	611,450		(134,756)	476,694
Refuse	82,996		(20,388)	62,608
Total business-type activities	2,309,047		(410,023)	1,899,024

NOTE 4. PROPERTY TAXES

The assessed valuation of the tangible property for the purpose of local taxation as of May 31, 2013, was as follows:

Real estate	94,552,735
Personal property	22,682,321
	117,235,056

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. PROPERTY TAXES (Continued)

The tax levy per $100 of assessed valuation of tangible property for the calendar year 2013 was as follows:

General operating	0.5658
Park	0.1280
	0.6938

Property taxes may attach as an enforceable lien on property as of January 1. Taxes are levied no later than November 1 and are due and payable at that time. All unpaid taxes levied by November 1 become delinquent January 1 of the following year.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance January 1, 2013	Additions and Transfers	Retirements and Transfers	Balance December 31, 2013
Governmental Activities				
Capital assets, not being depreciated				
Land	890,750			890,750
Construction-in-progress	341,814	1,612,441		1,954,255
Total capital assets, not being depreciated	1,232,564	1,612,441		2,845,005
Capital assets, being depreciated				
Buildings and improvements	22,181,460	1,795		22,183,255
Streets	5,501,977	267,436		5,769,413
Machinery and equipment	5,913,699	271,248	(83,487)	6,101,460
Total capital assets, being depreciated	33,597,136	540,479	(83,487)	34,054,128
Less accumulated depreciation for:				
Buildings and improvements	(6,089,582)	(584,057)		(6,673,639)
Streets	(1,335,118)	(191,353)		(1,526,471)
Machinery and equipment	(4,794,908)	(367,243)	83,487	(5,078,664)
Total accumulated depreciation	(12,219,608)	(1,142,653)	83,487	(13,278,774)

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

	Balance January 1, 2013	Additions and Transfers	Retirements and Transfers	Balance December 31, 2013
Governmental Activities (Continued)				
Total capital assets, being depreciated, net	21,377,528	(602,174)		20,775,354
Governmental activities capital assets, net	22,610,092	1,010,267		23,620,359
Business-Type Activities - Electric Fund				
Capital assets, not being depreciated				
Land	99,716			99,716
Construction-in-progress	9,347		(9,347)	
Total capital assets, not being depreciated	109,063		(9,347)	99,716
Capital assets, being depreciated				
Buildings and improvements	3,701,257	730,673		4,431,930
Equipment and transmission lines	8,294,111	57,387	(35,585)	8,315,913
Total capital assets, being depreciated	11,995,368	788,060	(35,585)	12,747,843
Less accumulated depreciation for:				
Buildings and improvements	(1,978,210)	(79,301)		(2,057,511)
Equipment and transmission lines	(4,810,167)	(186,526)	35,585	(4,961,108)
Total accumulated depreciation	(6,788,377)	(265,827)	35,585	(7,018,619)
Total capital assets, being depreciated, net	5,206,991	522,233		5,729,224
Business-type activities - Electric Fund capital assets, net	5,316,054	522,233	(9,347)	5,828,940

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

	Balance January 1, 2013	Additions and Transfers	Retirements and Transfers	Balance December 31, 2013
Business-Type Activities - Water/Sewer Fund				
Capital assets, not being depreciated				
Land	1,488,315			1,488,315
Construction-in-progress	1,604,759	548,863	(461,689)	1,691,933
Total capital assets, not being depreciated	3,093,074	548,863	(461,689)	3,180,248
Capital assets, being depreciated				
Buildings and improvements	11,620,697	46,622		11,667,319
Equipment and transmission lines	27,566,947	613,050		28,179,997
Total capital assets, being depreciated	39,187,644	659,672		39,847,316
Less accumulated depreciation for:				
Buildings and improvements	(7,208,593)	(221,631)		(7,430,224)
Equipment and transmission lines	(6,503,247)	(707,049)		(7,210,296)
Total accumulated depreciation	(13,711,840)	(928,680)		(14,640,520)
Total capital assets, being depreciated, net	25,475,804	(269,008)		25,206,796
Business-type activities - Water/ Sewer Fund capital assets, net	28,568,878	279,855	(461,689)	28,387,044
Business-Type Activities - Aquatic Center				
Capital assets, being depreciated				
Buildings and improvements	2,007,794			2,007,794
Equipment	38,467	22,082		60,549
Total capital assets, being depreciated	2,046,261	22,082		2,068,343

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

	Balance January 1, 2013	Additions and Transfers	Retirements and Transfers	Balance December 31, 2013
Business-Type Activities - Aquatic Center (Continued)				
Less accumulated depreciation for:				
Buildings and improvements	(1,102,254)	(81,205)		(1,183,459)
Equipment	(18,762)	(5,277)		(24,039)
Total accumulated depreciation	(1,121,016)	(86,482)		(1,207,498)
Business-type activities - Aquatic Center capital assets, net	925,245	(64,400)		860,845

The following table summarizes the depreciation by function for the year ended December 31, 2013:

	Governmental Activities	Business-Type Activities
General Government	122,275	
Administration of Justice	88,278	
Street	225,616	
Economic Development	14,768	
Animal Control	4,193	
Airport	146,839	
Emergency services	105,352	
Park	109,274	
Community Center	326,058	
Electric		265,827
Water and Sewer		928,680
Aquatic Center		86,482
	1,142,653	1,280,989

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT

Governmental Activities

Changes in the debt for the year ended December 31, 2013 consisted of the following:

	Balance January 1, 2013	Additions	Retirements	Balance December 31, 2013	Due in One Year
Capital lease obligations	265,136		(38,073)	227,063	38,073
Tax Increment Revenue Bonds	7,785,000		(265,000)	7,520,000	265,000
Tax Increment Revenue Note	9,000,000			9,000,000	
Promissory Note	171,931		(9,015)	162,916	12,705
Refinanced Certificates of Participation (COP)	7,295,000		(630,000)	6,665,000	630,000
Compensated absences	283,085	302,351	(283,085)	302,351	302,351
COP premium	77,137		(8,570)	68,567	8,570
Less: note discount	(142,269)		9,485	(132,784)	(9,485)
Total governmental debt	24,735,020	302,351	(1,224,258)	23,813,113	1,247,214

Compensated Absences

Compensated absences are payable upon separation from employment which could occur at any time and are, therefore, considered payable within one year and are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

General	232,826
Park	23,818
Community Center	13,597
Ambulance	32,110
	302,351

Capital Lease Obligations

The City has entered into a capital lease agreement for the purchase of airport hangers. The lease agreement qualifies as a capital lease for financial reporting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The cumulative amount of assets acquired under the capital lease described above amounted to $596,729 as of December 31, 2013.

NOTE 6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Capital Lease Obligations (Continued)

Future minimum lease payments under capital leases, together with the present value of net minimum lease payments, consist of the following:

Year Ending December 31,	
2014	53,034
2015	53,034
2016	53,034
2017	53,034
2018	53,034
Total minimum lease payments	265,170
Less amount representing interest	38,107
Present value of future minimum lease payments	227,063

Tax Increment Revenue Bonds

On June 1, 2007, the City issued $8,630,000 in Tax Increment Revenue Bonds for the purpose of providing funds to refinance the 2005 Tax Increment Financing Temporary Notes, pay accrued interest on the Temporary Notes, fund a deposit to the debt service reserve for the bonds, and pay costs related to the issuance of the bonds. The City anticipates that it will pledge the incremental payments in-lieu-of taxes and, subject to annual appropriation, Economic Activity Taxes generated by the private development within the Towne Center TIF District. The Bonds do not constitute a general obligation of the City of Harrisonville, Missouri. Interest is paid semiannually on May 1 and November 1. Principal is due each year on November 1 through the maturity date of November 1, 2028. The interest rate on this issue ranges from 4.25% to 5.0%.

Aggregate annual principal and interest payments applicable to the TIF Bonds are:

Year Ending December 31,	Principal	Interest
2014	300,000	341,219
2015	300,000	328,469
2016	335,000	315,719
2017	340,000	301,063
2018	365,000	286,188
2019 - 2023	2,270,000	1,158,915
2024 - 2028	3,610,000	574,196
	7,520,000	3,305,769

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Tax Increment Revenue Notes

On December 18, 2009, the City issued $9,000,000 in Tax Increment Revenue Notes for the purpose of providing funds to pay for certain reimbursable costs associated with the Cooperation, Financing, and Pledge Agreement (CFP Agreement) dated December 18, 2009, between the City; Harrisonville MP, LLC; The Harrisonville Market Place Transportation Development District A (TDD A); and The Harrisonville Market Place Transportation Development District B (TDD B).

The City has pledged the incremental payments in-lieu-of taxes and Economic Activity Taxes generated by the private development within the Market Place TIF District. Additional revenues generated by the TDD A and TDD B districts are also pledged to the repayment of the Note. The Note does not constitute a general obligation of the City.

From the date of this Note, the applicable interest rate on the unpaid principal balance of this Note was 6% per annum. During 2011, the interest rate on this note was adjusted to 4.75% with payments due annually. The restructured note does not call for regular principal payments, and no balloon payment is disclosed on the note. The City is required to submit collections of revenues for the district to a separate account, which is used to pay the required annual payment.

Annual interest payments applicable to the full balance of the TIF notes are $427,500. The principal due for the year ended December 31, 2013 or thereafter is $9,000,000.

Certificates of Participation

On May 1, 2012, Refunding Certificates of Participation were issued to advance refund the 2003 issued Certificates of Participation disclosed above in the amount of $7,830,000 at rates ranging from 2.000% to 2.750% and mature on December 1, 2022, with semiannual interest payments.

Aggregate annual principal and interest payments are as follows:

Year Ending December 31,	Principal	Interest
2014	650,000	164,563
2015	665,000	151,563
2016	700,000	138,263
2017	720,000	117,263
2018	745,000	95,662
2019 - 2022	3,185,000	209,476
	6,665,000	876,790

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Promissory Note Payable

In 2011, the City entered into a promissory note payable with the Missouri Department of Natural Resources for the purpose of constructing and installing energy savings equipment. In December 2011, the City received $171,931 to assist with upcoming costs for these expenses in the Community Center. The note bears interest at 2% and requires semi-annual payments of principal and interest until maturity on April 1, 2023.

Aggregate annual principal and interest payments are as follows:

Year Ending December 31,	Principal	Interest
2014	15,751	3,180
2015	16,068	2,864
2016	16,391	2,540
2017	16,720	2,211
2018	17,056	1,875
2019 - 2023	80,930	3,285
	162,916	15,955

Business-Type Activities

Changes in the debt for the year ended December 31, 2013, consisted of the following:

	Balance January 1, 2013	Additions	Retirements	Balance December 31, 2013	Due in One Year
2002 Waterworks and Sewerage Revenue Bonds	2,640,000		(210,000)	2,430,000	210,000
2003 Waterworks and Sewerage Revenue Bonds	2,295,000		(145,000)	2,150,000	145,000
2005 Waterworks and Sewerage Revenue Bonds	1,190,000		(80,000)	1,110,000	80,000
2007 Electric System Refunding Revenue Bonds	1,715,000		(200,000)	1,515,000	200,000
2010 Waterworks and Sewerage Revenue Bonds	3,716,672		(209,972)	3,506,700	187,800
Promissory Note	380,000		(101,131)	278,869	28,334
Compensated absences	103,307	106,409	(103,307)	106,409	106,409
	12,039,979	106,409	(1,049,410)	11,096,978	957,543
Add: Bond premium	125,772		(11,554)	114,218	11,554
Less: Bond discount	(9,881)		1,236	(8,645)	(1,236)
Total business-type activities	12,155,870	106,409	(1,059,728)	11,202,551	967,861

NOTE 6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Compensated Absences

Compensated absences are payable upon separation from employment which could occur at any time and are, therefore, considered payable within one year and are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

Electric	35,644
Water/Sewer	70,765
	106,409

Revenue Bonds

On October 23, 2002, the City issued $4,370,000 in Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program). Of the bonds, $3,660,000 was issued for the purpose of extending and improving the City's combined waterworks and sewerage system and $710,000 was issued to refund a prior issue of bonds of the City.

The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. Interest is paid semiannually on January 1 and July 1. Principal is due each year on July 1 through the maturity date of July 1, 2023. The interest rate on this issue ranges from 2.05% to 5.0%.

On April 1, 2003, the City issued $3,295,000 in Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund) for the purpose of financing certain improvements to the City's sewer system. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. Interest is paid semiannually on January 1 and July 1. Principal is due each year on January 1 through the maturity date of January 1, 2024. The interest rate on this issue ranges from 2.0% to 5.25%.

On May 19, 2005, the City issued $1,710,000 in Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund) for the purpose of financing certain improvements to the City's sewer system. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. Interest is paid semiannually on January 1 and July 1. Principal is due each year on July 1 through the maturity date of July 1, 2025. The interest rate on this issue ranges from 3.0% to 5.0%.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Revenue Bonds (Continued)

On September 1, 2007, the City issued $2,730,000 in Electric System Refunding Revenue Bonds for the purpose of providing funds to refund outstanding Series 1999 Electric System Revenue Bonds. The bonds are to be paid by the net revenues of the system and are secured by a first lien on the revenues. Interest is paid semiannually on May 1 and November 1. Principal is due each year on November 1 through the maturity date of November 1, 2020. The interest rate on this issue ranges from 4.0% to 4.5%.

In March 2010, the City issued the Combined Waterworks and Sewerage System Revenue Bonds that can be drawn on for a maximum principal amount of $4,300,000. Semiannual interest payments are due each January 1 and July 1, commencing July 1, 2010. Interest is determined by 30% of the Revenue Bond Index as published in The Bond Buyer. Principal payments are due each January 1 and July 1, commencing July 1, 2011, and maturing on July 1, 2030. As of December 31, 2013, the City has drawn down $3,288,541 on this bond.

Aggregate annual principal and interest payments applicable to the revenue bonds are:

Year Ending December 31,	Principal	Interest
2014	826,300	404,291
2015	840,000	369,945
2016	863,700	334,980
2017	902,500	298,430
2018	936,300	259,904
2019 - 2023	4,367,700	567,426
2024 - 2028	1,606,600	97,062
2029 - 2030	368,600	5,511
	10,711,700	2,337,549

As of December 31, 2013, the sinking funds and the reserve funds were adequately funded and the City was in compliance with its rate covenants for all bonds.

Promissory Note Payable

In 2011, the City entered into a promissory note payable with the Missouri Department of Natural Resources for the purpose of constructing and installing energy savings equipment. In December 2011, the City received $380,000 to assist with upcoming costs for these expenses in the Water/Sewer facilities. The note bears interest at 2% and requires semiannual payments of principal and interest until maturity on April 1, 2023.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued)

Promissory Note Payable (Continued)

Aggregate annual principal and interest payments applicable to the promissory note are:

Year Ending December 31,	Principal	Interest
2014	28,809	6,793
2015	29,534	6,068
2016	30,276	5,326
2017	31,039	4,563
2018	31,820	3,782
2019 - 2023	127,391	6,923
	278,869	33,455

NOTE 7. INTERFUND TRANSACTIONS

Transfers during the year ended December 31, 2013, were as follows:

	Transfers Out: General	Transfers Out: Sales Tax	Total
Transfers in:			
General		229,056	229,056
Community Center		121,000	121,000
Emergency Services		788,437	788,437
Nonmajor proprietary funds	33,265		33,265
Nonmajor governmental funds	733,815	355,838	1,089,653
Total	767,080	1,494,331	2,261,411

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8. INTERFUND BALANCES

	Due to:		
	Water/ Sewer	Electric	Total
Due from:			
General	195,984		195,984
Community Center	125,053		125,053
Towne Center TIF	147,201		147,201
Emergency Services		985,064	985,064
Nonmajor governmental funds		46,277	46,277
Total	468,238	1,031,341	1,499,579

The balance of amounts due to the Water/Sewer, Electric, and General Funds are a result of the Funds having a negative claim on the City's pooled cash accounts. Governmental fund balances are not included in the government-wide statement of net assets.

NOTE 9. PENSION PLAN

Plan Description

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan, which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under Internal Revenue Code Section 401(a) and it is tax exempt. The Missouri Local Government Employees Retirement System 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, Missouri 65102 or by calling 1-800-447-4334.

Funding Policy

The City's full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rates are 14.8% for police, 13.2% for general, and 13.2% for fire of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by state statute.

NOTE 9. PENSION PLAN (Continued)

Annual Pension Cost

For 2013, the City's annual pension cost of $723,372 was greater than the required and actual contribution by $18,857 for an accumulated net pension obligation of $258,757. The required contribution was determined as part of the February 28, 2011, and February 28, 2012, annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2013, included (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually; (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation; (c) additional projected salary increases, ranging from 0% to 6.0% per year, depending on age and division, attributable to seniority/merit; and (d) preretirement mortality based on 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) postretirement 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 at February 28, 2011, was 30 years for the general division, 17 years for the police division and 15 years for the fire division. The amortization period as of February 28, 2012, was 22 years for the general division, 17 years for the police division and 15 years for the fire division.

Note: The below assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011, annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual variations, please contact the LAGERS office in Jefferson City.

TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/11	699,594	90.4%	109,787
06/30/12	755,865	94.6%	151,908
06/30/13	723,372	97.4%	258,757

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)
02/28/11	9,201,007	11,717,760	2,516,753
02/28/12	10,580,458	12,548,285	1,967,827
02/28/13	11,748,616	13,183,261	1,434,645

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (Continued)

Annual Pension Cost (Continued)

SCHEDULE OF FUNDING PROGRESS (Continued)

Actuarial Valuation Date	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percent of Covered Payroll
02/28/11	79%	5,290,056	47.6%
02/28/12	84%	5,308,690	37.1%
02/28/13	89%	5,233,747	27.4%

NOTE 10. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property of the participants. Investments are managed by the plan's trustee under several investment options. The choice of the investment options is made by the participants.

NOTE 11. COMMITMENTS

As of December 31, 2013, the City had outstanding commitments totaling approximately $420,000 for construction on the Police Department Building and the North Independence Bridge.

NOTE 12. MAJOR SUPPLIERS

During the year ended December 31, 2013, the City relied upon two vendors for the generation and transmission of all electricity purchased for resale totaling $8,299,319 and $391,404, respectively. Accounts payable of $725,625 for generation is included in the December 31, 2013, financial statements.

NOTE 13. LEASES RECEIVABLE

On June 13, 2005, the City entered into an agreement with Sprint Spectrum L.P. to the right to install, maintain, and operate the radio communications equipment, antennas, and appurtenances located on a portion of the City's water tower. This lease agreement is for five years and shall automatically be extended for two additional five-year terms unless Sprint Spectrum L.P. provides written notice to the City at least six months prior to the end of the then-current lease term; and for an additional two five-year terms after that unless either the City or Sprint Spectrum L.P. terminates by providing written notice to the other party at least six months prior to the end of the current lease term. If, at the end of the second five-year extension term, this agreement has not been terminated, the agreement shall continue for additional one-year terms. The lease calls for annual rental increases of 3% annually. This lease was extended for the first additional five-year term in the year ending December 31, 2010. This agreement provided lease income of $21,023 for the year ended December 31, 2013.

On July 15, 2005, the City entered into an agreement with Verizon Wireless LLC to the right to construct, operate, and maintain a communications facility, including required antennas and equipment structures on a portion of the City's water tower. On September 11, 2008, this agreement was amended to increase the number of antennas and to amend the additional extension terms. The lease agreement is for five years and shall automatically be extended for four (5) year terms unless written notice is provided at least six months prior to the end of the then-current lease term. If, at the end of the fourth (5) year extension term, this agreement has not been terminated, the agreement shall continue for additional one-year terms until such time that proper notice is given by either party. This lease calls for annual rental increases of 3% annually. This lease was extended for the first additional five-year term in the year ending December 31, 2010. This agreement provided lease income of $24,686 for the year ended December 31, 2013.

The following is a schedule by years of minimum future rentals on the noncancellable operating leases as described above as of December 31, 2013:

Year Ending December 31,	
2014	47,080
2015	22,034
	69,114

NOTE 14. SELF-INSURANCE

The City is a member of the MPR (Midwest Public Risk), a not-for-profit corporation consisting of governmental entities incorporated in 1984 to acquire insurance for its members. MPR operates as a purchasing pool and is not a joint venture activity of the City. The City has no control over budgeting, financing, management selection, or the governing body. MPR provides both conventional and self-insurance coverage for its members including medical, dental, property, casualty, general liability, and worker's compensation. The City participates in the worker's compensation insurance coverages.

CITY OF HARRISONVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 14. SELF-INSURANCE (Continued)

MPR manages the cash and investment pool, funded by insurance premiums, on behalf of its members. MPR's investment pool consists of interest-bearing deposits, U.S. Treasury, and U.S. governmental agency obligations.

In the event that a deficit occurs with respect to any fiscal year of MPR for which the City was a participant at any time during such year, and in the event that MPR determines that an assessment is required in order to provide additional funds for the obligations of MPR for such year, and further, in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment, irrespective of whether or not the City is a member of MPR at the time of such assessment.

MPR's financial statements are presented in its Comprehensive Annual Financial Report.

NOTE 15. RISK MANAGEMENT

In its normal course of business, the City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation; and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year and no significant losses in the past three years.

NOTE 16. WATER PURCHASE AGREEMENT

The City and the City of Kansas City, Missouri, have entered into an agreement to construct a transmission main, pump station, elevated tank, and metering/regulating facility for the purpose of future water purchases at a maximum rate consumption of 5 million gallons per day.

Based on the agreement, the City of Harrisonville is to submit monthly payments over a twenty-year term to the City of Kansas City, Missouri, for $19,543. This payment is calculated for the future value of estimated construction costs incurred for transmission main, pump station, and elevated tank. During the year ending December 31, 2013, the City of Harrisonville, Missouri, provided the City of Kansas City, Missouri, with $234,516.

The construction of the metering/regulating facility (meter vault) is to be paid solely from the City of Harrisonville, Missouri, for an estimated cost of $60,000. The costs of construction for the transmission main, pump station, and elevated tank will be shared between both cities. The estimated share of costs for the City of Harrisonville, Missouri, is $3,159,184. After completion of the project, the transmission main, pump station, and elevated tank will be owned by the City of Kansas City, Missouri. The City of Kansas City, Missouri, will be responsible for the operation and maintenance of said property. All payments made by the City of Harrisonville, Missouri, are accounted for as an intangible asset. After completion of the project, these costs will be amortized over the estimated life of the property. The project is expected to be completed by 2014.

NOTE 16. WATER PURCHASE AGREEMENT (Continued)

The following is a schedule by years of future payments on the agreement as described above:

Year Ending December 31,	
2014	234,516
2015	234,516
2016	234,516
2017	234,516
2018	234,516
2019 - 2023	1,172,580
2024 - 2028	1,172,580
	3,517,740

NOTE 17. DEFICIT FUND BALANCE

The Emergency Service Fund had a deficit fund balance of $379,089. The City intends to restore this balance through transfers from the General Fund.

NOTE 18. COMPLIANCE WITH MISSOURI STATUTES

The percentage of revenue that the City derived from traffic violations was less than 30 percent of its total revenue as shown on the basic financial statements and is in compliance with HB103.

NOTE 19. LITIGATION

As of June 26, 2014, the City had unsettled claims which are at various stages, and at this time, outcomes cannot be predicted. The City is vigorously defending each unsettled claim.

NOTE 20. SUBSEQUENT EVENTS

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through June 26, 2014, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HARRISONVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2013

	General Fund			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	4,801,700	4,721,700	4,942,506	220,806
Licenses, fees, and permits	138,650	138,650	129,094	(9,556)
Charges for services	1,864,725	1,782,725	1,786,359	3,634
Grants	772,800	434,400	169,929	(264,471)
Fines and forfeitures	239,500	269,500	293,448	23,948
Interest	30,000	30,000	27,181	(2,819)
Miscellaneous	119,000	119,000	102,626	(16,374)
TOTAL REVENUES	7,966,375	7,495,975	7,451,143	(44,832)
EXPENDITURES				
General Government				
Mayor and Board	193,545	189,812	164,642	25,170
Finance	768,810	772,770	716,794	55,976
Administration	539,900	577,751	473,869	103,882
Codes enforcement	207,195	209,155	179,319	29,836
Property management	152,520	153,400	143,450	9,950
Total General Government	1,861,970	1,902,888	1,678,074	224,814
Administration of Justice				
Administration and dispatch	497,585	496,385	477,509	18,876
Patrol	2,228,950	2,142,546	2,094,001	48,545
Total Administration of Justice	2,726,535	2,638,931	2,571,510	67,421
Street	843,805	832,805	770,736	62,069
Economic Development	292,275	292,435	275,794	16,641
Animal Control	187,410	218,347	171,273	47,074
Airport	302,490	265,990	263,715	2,275
Capital outlay	1,327,800	2,936,631	1,987,914	948,717
TOTAL EXPENDITURES	7,542,285	9,088,027	7,719,016	1,369,011

CITY OF HARRISONVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2013

	General Fund			
	Budget			Variance Positive
	Original	Final	Actual	(Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	424,090	(1,592,052)	(267,873)	1,324,179
OTHER FINANCING SOURCES (USES)				
Transfers in	234,940	224,940	229,056	4,116
Transfers out	(1,015,465)	(1,015,465)	(767,080)	248,385
Total other financing sources (uses)	(780,525)	(790,525)	(538,024)	252,501
NET CHANGE IN FUND BALANCES	(356,435)	(2,382,577)	(805,897)	1,576,680
FUND BALANCE, beginning of year - budget basis			5,996,096	
FUND BALANCE, end of year - budget basis			5,190,199	
Accrual adjustments			478,732	
FUND BALANCE, end of year - fund basis			5,668,931	

CITY OF HARRISONVILLE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2012

	Sales Tax Fund				Community Center Fund				Emergency Services Fund			
	Budget Original	Budget Final	Actual	Variance Positive (Negative)	Budget Original	Budget Final	Actual	Variance Positive (Negative)	Budget Original	Budget Final	Actual	Varian Positi (Negati
REVENUES												
Taxes	1,741,250	1,741,250	1,613,597	(127,653)								
Charges for services					918,660	979,350	952,123	(27,227)	1,422,500	1,422,500	1,181,425	(241,0
Interest			4,228	4,228	400	400	1,481	1,081				
Miscellaneous					10,920	30,820	25,879	(4,941)	30,500	30,500	25,266	(5,2
TOTAL REVENUES	1,741,250	1,741,250	1,617,825	(123,425)	929,980	1,010,570	979,483	(31,087)	1,453,000	1,453,000	1,206,691	(246,3
EXPENDITURES												
Community Center					1,232,945	1,338,974	1,338,868	106				
Emergency Services									2,171,500	2,226,500	2,195,735	30,7
Capital outlay					56,800	63,501	54,652	8,849	75,050	130,180	110,354	19,8
TOTAL EXPENDITURES					1,289,745	1,402,475	1,393,520	8,955	2,246,550	2,356,680	2,306,089	50,5
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,741,250	1,741,250	1,617,825	(123,425)	(359,765)	(391,905)	(414,037)	(22,132)	(793,550)	(903,680)	(1,099,398)	(195,7
OTHER FINANCING SOURCES (USES)												
Transfers in					251,085	279,290	121,000	(158,290)	800,200	800,200	788,437	(11,7
Transfers out	(1,741,250)	(1,741,250)	(1,494,331)	246,919								
Total other financing sources (uses)	(1,741,250)	(1,741,250)	(1,494,331)	246,919	251,085	279,290	121,000	(158,290)	800,200	800,200	788,437	(11,7
NET CHANGE IN FUND BALANCES			123,494	123,494	(108,680)	(112,615)	(293,037)	(180,422)	6,650	(103,480)	(310,961)	(207,4
FUND BALANCE (DEFICIT), beginning of year - budget basis			415,729				368,010				(674,103)	
FUND BALANCE (DEFICIT), end of year - budget basis			539,223				74,973				(985,064)	
Accrual adjustments			145,491				25,534				605,975	
FUND BALANCE (DEFICIT), end of year - fund basis			684,714				100,507				(379,089)	

CITY OF HARRISONVILLE, MISSOURI
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1. BUDGETARY INFORMATION

An annual budget prepared under the cash basis of accounting is adopted in December prior to the beginning of each fiscal year for all revenues and expenditures of the General Fund of the City. The primary basis of budgetary control is at the department level. Departments may not legally exceed their total appropriation without the Board of Aldermen approval. A review of the current year's budget is made by the departments in December of each year and interdepartmental transfers are made with Board of Aldermen approval. Any remaining unencumbered appropriations lapse at fiscal year end unless reappropriated by the Board of Aldermen. Any increase in appropriations during the fiscal year must be approved by the Board of Aldermen.

OTHER SUPPLEMENTARY INFORMATION

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013

ASSETS	Park Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash			
Investments			
Accounts receivable			
Taxes receivable	85,174		85,174
Prepaid insurance	8,772		8,772
Restricted cash	1,590		1,590
Restricted investments	66,229		66,229
TOTAL ASSETS	161,765		161,765
LIABILITIES AND FUND BALANCES (DEFICIT)			
LIABILITIES			
Deferred revenue	13,698		13,698
Due to other funds	43,033	3,244	46,277
Accounts payable	6,431		6,431
Total liabilities	63,162	3,244	66,406
FUND BALANCES (DEFICIT)			
Nonspendable	8,772		8,772
Restricted	67,819		67,819
Assigned	22,012		22,012
Unassigned (deficit)		(3,244)	(3,244)
Total fund balances (deficit)	98,603	(3,244)	95,359
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	161,765		161,765

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
YEAR ENDED DECEMBER 31, 2013

	Park Fund	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes			
Property	151,952		151,952
Other	16,013		16,013
Charges for services	60,448		60,448
Interest	238		238
Miscellaneous	15,438		15,438
Total revenues	244,089		244,089
EXPENDITURES			
Park	463,459		463,459
Debt service			
Principal		630,000	630,000
Interest		181,412	181,412
Total expenditures	463,459	811,412	1,274,871
REVENUES UNDER EXPENDITURES BEFORE OTHER FINANCING SOURCES	(219,370)	(811,412)	(1,030,782)
OTHER FINANCING SOURCES			
Transfers in	282,490	807,163	1,089,653
NET CHANGE IN FUND BALANCES	63,120	(4,249)	58,871
FUND BALANCES, January 1, 2013	35,483	1,005	36,488
FUND BALANCES (DEFICIT), December 31, 2013	98,603	(3,244)	95,359

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Aquatic Center Fund	Refuse Fund	Total
ASSETS			
Current Assets			
Cash		25,382	25,382
Accounts receivable		62,608	62,608
Prepaid insurance	3,388		3,388
Total current assets	3,388	87,990	91,378
Noncurrent Assets			
Restricted cash	52,316		52,316
Restricted investments	99,452		99,452
Property and equipment	860,844		860,844
Total noncurrent assets	1,012,612		1,012,612
TOTAL ASSETS	1,016,000	87,990	1,103,990
LIABILITIES			
Current Liabilities			
Due to other funds	15,407		15,407
Accounts payable	51		51
Total liabilities	15,458		15,458
NET POSITION			
Invested in capital assets, net of related debt	860,844		860,844
Restricted for:			
Capital improvements	151,768		151,768
Unrestricted (deficit)	(12,070)	87,990	75,920
TOTAL NET POSITION	1,000,542	87,990	1,088,532

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2013

	Aquatic Center Fund	Refuse Fund	Total
REVENUES			
Charges for services	109,665	465,954	575,619
EXPENSES			
Administration	174,032	468,685	642,717
Depreciation	86,482		86,482
Total expenses	260,514	468,685	729,199
LOSS FROM OPERATIONS	(150,849)	(2,731)	(153,580)
NONOPERATING REVENUES			
Transfers in	33,265		33,265
Interest income	686	44	730
Total nonoperating revenues	33,951	44	33,995
CHANGE IN NET POSITION	(116,898)	(2,687)	(119,585)
TOTAL NET POSITION, beginning of year	1,117,440	90,677	1,208,117
TOTAL NET POSITION, end of year	1,000,542	87,990	1,088,532

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013

	Aquatic Center Fund	Refuse Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	109,665	469,297	578,962
Cash payments to suppliers	(119,906)	(468,685)	(588,591)
Cash payments to employees	(54,052)		(54,052)
Net cash provided by (used in) operating activities	(64,293)	612	(63,681)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due from other funds	15,407		15,407
Transfers in	33,265		33,265
Net cash provided by noncapital financing activities	48,672		48,672
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(22,082)		(22,082)
Net cash used in capital and related financing activities	(22,082)		(22,082)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	686	44	730
Net investment activity	606		606
Net cash provided by investing activities	1,292	44	1,336
NET INCREASE (DECREASE) IN CASH	(36,411)	656	(35,755)
CASH, January 1, 2013	88,727	24,726	113,453
CASH, December 31, 2013	52,316	25,382	77,698
ALLOCATION OF CASH			
Unrestricted		25,382	25,382
Restricted	52,316		52,316
	52,316	25,382	77,698

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013

	Aquatic Center Fund	Refuse Fund	Total
Reconciliation of Loss From Operations to Net Cash Provided by (Used in) Operating Activities			
Loss from operations	(150,849)	(2,731)	(153,580)
Adjustments to reconcile loss from operations to net cash used in operating activities:			
Depreciation and amortization	86,482		86,482
(Increase) Decrease in:			
Accounts receivable		3,343	3,343
Prepaid expenses	125		125
Increase (Decrease) in:			
Accounts payable	(51)		(51)
Total adjustments	86,556	3,343	89,899
Net cash provided by (used in) operating activities	(64,293)	612	(63,681)

CITY OF HARRISONVILLE, MISSOURI
NONMAJOR SPECIAL REVENUE FUNDS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2013

	Park Fund			
	Budget			Variance
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes	159,900	159,900	167,854	7,954
Charges for services	66,745	61,104	60,448	(656)
Interest	1,200	1,200	238	(962)
Miscellaneous	9,400	11,400	15,438	4,038
Total revenues	237,245	233,604	243,978	10,374
EXPENDITURES				
Park	501,450	497,780	467,120	30,660
Capital outlay		14,865		14,865
Total expenditures	501,450	512,645	467,120	45,525
EXCESS OF REVENUES UNDER EXPENDITURES	(264,205)	(279,041)	(223,142)	55,899
OTHER FINANCING SOURCES				
Transfers in	282,490	282,490	282,490	
NET CHANGE IN FUND BALANCES	18,285	3,449	59,348	55,899
FUND BALANCE (DEFICIT), beginning of year - budget basis			(34,562)	
FUND BALANCE, end of year - budget basis			24,786	
Accrual adjustments			73,817	
FUND BALANCE, end of year - fund basis			98,603	

CITY OF HARRISONVILLE, MISSOURI
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2013

	Budget Original	Budget Final	Actual	Variance Positive (Negative)
REVENUES				
Interest				
EXPENDITURES				
Debt Service				
Principal	630,000	630,000	630,000	
Interest	179,665	179,665	181,412	(1,747)
Total expenditures	809,665	809,665	811,412	(1,747)
EXCESS OF REVENUES UNDER EXPENDITURES	(809,665)	(809,665)	(811,412)	(1,747)
OTHER FINANCING SOURCES				
Transfers in	809,665	809,665	807,163	(2,502)
NET CHANGE IN FUND BALANCES			(4,249)	(4,249)
FUND BALANCE, beginning of year			1,005	
FUND BALANCE (DEFICIT), end of year, fund basis			(3,244)	

CITY OF HARRISONVILLE, MISSOURI
ALL PROPRIETARY FUNDS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2013

	Electric Fund				Water/Sewer Fund				Aquatic Center Fund			
	Budget Original	Budget Final	Actual	Actual Over (Under) Budget	Budget Original	Budget Final	Actual	Actual Over (Under) Budget	Budget Original	Budget Final	Actual	Actual Over (Under) Budget
REVENUES												
Charges for services	11,668,780	11,668,780	12,167,304	498,524	4,455,450	4,455,450	4,361,039	(94,411)	138,820	123,820	109,665	(14,155)
Grants						99,978		(99,978)				
Total revenues	11,668,780	11,668,780	12,167,304	498,524	4,455,450	4,555,428	4,361,039	(194,389)	138,820	123,820	109,665	(14,155)
EXPENSES												
Production					1,224,765	1,224,765	1,160,608	64,157				
Distribution	8,000,000	8,000,000	8,704,181	(704,181)	746,130	746,130	542,240	203,890				
Administration	2,883,885	2,884,365	2,414,675	469,690	800,935	800,935	780,118	20,817	178,210	224,710	173,958	50,752
Capital outlay	993,035	1,743,740	778,712	965,028	1,300,975	2,044,873	746,846	1,298,027	4,000	4,000	22,082	(18,082)
Total expenses	11,876,920	12,628,105	11,897,568	730,537	4,072,805	4,816,703	3,229,812	1,586,891	182,210	228,710	196,040	32,670
INCOME (LOSS) FROM OPERATIONS	(208,140)	(959,325)	269,736	1,229,061	382,645	(261,275)	1,131,227	1,392,502	(43,390)	(104,890)	(86,375)	18,515
OTHER INCOME (EXPENSE)												
Transfers in									33,265	33,265	33,265	
Interest income	8,400	8,400	14,243	5,843	6,500	6,500	134,451	127,951	1,100	1,100	687	(413)
Other income	17,700	17,700	3,898	(13,802)	5,000	5,000	126,873	121,873				
Payments of long-term debt	(200,000)	(200,000)	(198,744)	1,256	(757,657)	(757,657)	(757,657)					
Interest expense	(77,430)	(77,430)	(74,591)	2,839	(104,483)	(104,483)	(239,839)	(135,356)				
Total other income (expense)	(251,330)	(251,330)	(255,194)	(3,864)	(850,640)	(850,640)	(736,172)	114,468	34,365	34,365	33,952	(413)
REVENUES OVER (UNDER) EXPENSES	(459,470)	(1,210,655)	14,542	1,225,197	(467,995)	(1,111,915)	395,055	1,506,970	(9,025)	(70,525)	(52,423)	18,102
NET POSITION, January 1, 2013, budget basis			3,818,811				4,490,594				188,784	
NET POSITION, December 31, 2013, budget basis			3,833,353				4,885,649				136,361	
Accrual adjustments			4,654,036				19,268,005				864,181	
NET POSITION, December 31, 2013,			8,487,389				24,153,654				1,000,542	

CITY OF HARRISONVILLE, MISSOURI
ALL PROPRIETARY FUNDS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2013

	Refuse Fund				Total			
	Budget Original	Budget Final	Actual	Actual Over (Under) Budget	Budget Original	Budget Final	Actual	Actual Over (Under) Budget
REVENUES								
Charges for services	477,435	477,435	469,297	(8,138)	16,740,485	16,725,485	17,107,305	381,820
Grants						99,978		(99,978)
Total revenues	477,435	477,435	469,297	(8,138)	16,740,485	16,825,463	17,107,305	281,842
EXPENSES								
Production					1,224,765	1,224,765	1,160,608	64,157
Distribution					8,746,130	8,746,130	9,246,421	(500,291)
Administration	472,205	472,205	468,685	3,520	4,335,235	4,382,215	3,837,436	544,779
Capital outlay					2,298,010	3,792,613	1,547,640	2,244,973
Total expenses	472,205	472,205	468,685	3,520	16,604,140	18,145,723	15,792,105	2,353,618
INCOME (LOSS) FROM OPERATIONS	5,230	5,230	612	(4,618)	136,345	(1,320,260)	1,315,200	2,635,460
OTHER INCOME (EXPENSE)								
Transfers in					33,265		33,265	33,265
Interest income	100	100	44	(56)	16,100	16,100	149,425	133,325
Other income					22,700	22,700	130,771	108,071
Payments of long-term debt					(957,657)	(957,657)	(956,401)	1,256
Interest expense					(181,913)	(181,913)	(314,430)	(132,517)
Total other income (expense)	100	100	44	(56)	(1,067,505)	(1,100,770)	(957,370)	143,400
REVENUES OVER (UNDER) (EXPENSES)	5,330	5,330	656	(4,674)	(931,160)	(2,421,030)	357,830	2,778,860
NET POSITION, January 1, 2013, budget basis			24,726				8,522,915	
NET POSITION, December 31, 2013, budget basis			25,382				8,880,745	
Accrual adjustments			62,608				24,848,830	
NET POSITION, December 31, 2013			87,990				33,729,575	

STATISTICAL SECTION
(Unaudited)

This part of the City of Harrisonville'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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 54 in 2011; schedules that include governmental fund balance classifications for years prior to 2011 are presented in pre-GASB 54 format.

Information presented in this section is required by GASB 44 to include current year plus nine years of subsequent data. In many cases, the City has not presented nine years of subsequent data as it is not readily available or has not been tracked by the City in the past.

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

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	10,365,100	2,781,772	9,633,168	10,352,096	10,653,678	11,264,304	12,728,792	13,911,126	14,660,071	16,629,597
Restricted	4,604,770	9,074,255	2,163,749	2,914,819	2,959,767	2,180,313	2,184,248	2,662,683	1,186,071	1,007,888
Unrestricted (deficit)	3,560,840	8,433,882	2,713,047	1,268,017	1,823,309	1,557,045	859,829	(903,485)	344,053	(1,427,705)
Total governmental activities net assets	18,530,710	20,289,909	14,509,964	14,534,932	15,436,754	15,001,662	15,772,869	15,670,324	16,190,195	16,209,780
Business-type activities										
Invested in capital assets, net of related debt	11,707,657	11,926,787	14,601,242	15,296,549	15,656,284	17,241,269	21,441,550	22,603,002	22,757,615	24,103,550
Restricted	4,472,772	5,062,744	2,106,963	1,947,727	2,131,131	2,044,493	2,054,861	2,557,484	2,194,593	2,170,113
Unrestricted	1,872,470	1,462,099	3,436,005	4,757,742	5,467,973	5,513,489	4,316,580	5,600,624	7,506,505	7,455,912
Total business-type activities net assets	18,052,899	18,451,630	20,144,210	22,002,018	23,255,388	24,799,251	27,812,991	30,761,110	32,458,713	33,729,575
Primary government										
Invested in capital assets, net of related debt	22,072,757	14,708,559	24,234,410	25,648,645	26,309,962	28,505,573	34,170,342	36,514,128	37,417,686	40,733,147
Restricted	9,077,542	14,136,999	4,270,712	4,862,546	5,090,898	4,224,806	4,239,109	5,220,167	3,380,664	3,178,001
Unrestricted	5,433,310	9,895,981	6,149,052	6,025,759	7,291,282	7,070,534	5,176,409	4,697,139	7,850,558	6,028,207
Total primary government net position	36,583,609	38,741,539	34,654,174	36,536,950	38,692,142	39,800,913	43,585,860	46,431,434	48,648,908	49,939,355

CITY OF HARRISONVILLE, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Governmental activities										
General Government	1,367,852	1,493,889	1,603,302	1,710,746	1,774,334	1,794,612	1,787,553	1,974,816	1,795,064	1,905,925
Administration of Justice	2,069,482	2,107,865	2,285,891	2,461,933	2,816,808	2,592,948	2,643,954	2,663,787	2,688,722	2,662,905
Fire and Emergency	566,472	508,970	601,405	575,410	588,701	367,525				
Street	661,579	775,628	1,158,699	1,104,687	1,157,618	1,258,830	1,398,582	1,217,982	871,419	997,572
Economic Development	175,428	146,492	219,247	177,994	201,947	155,637	179,210	191,704	225,041	293,097
Animal Control	123,536	126,134	125,710	151,092	156,545	143,313	143,878	162,758	167,154	176,656
Airport	286,368	317,388	304,269	325,579	391,387	347,264	331,203	321,968	319,622	359,292
Ambulance	1,212,598	1,111,446	1,727,803	950,069	945,798	2,017,191	2,237,316	2,489,922	2,472,147	2,273,547
Park	448,005	384,071	412,841	452,080	466,886	470,549	530,106	529,697	590,728	578,777
Community Center	56,253	1,008,296	1,271,835	1,289,607	1,277,944	1,413,738	1,367,488	1,450,404	1,506,078	1,650,035
Towne Center Project			5,990,284	1,074,469	5,678	15,923	18,726	10,187	12,766	13,046
CDBG pass-through expenses								753,740	6,500	
Interest on long-term debt	30,375	515,560	529,657	1,169,186	919,217	902,258	873,168	860,401	772,777	615,807
Total governmental activities expenses	6,997,948	8,495,739	16,230,943	11,442,852	10,702,863	11,479,788	11,511,184	12,627,366	11,428,018	11,526,659
Business-type activities										
Electric	7,920,827	9,399,627	10,493,071	11,320,839	11,171,665	10,820,766	11,029,794	10,637,961	11,247,956	11,427,822
Water and Sewer	3,302,385	3,380,979	3,673,566	3,908,279	4,245,705	4,031,290	4,214,590	3,652,972	3,703,248	3,693,731
Aquatic Center	244,723	212,027	205,686	204,045	233,572	252,734	229,978	289,610	276,719	260,514
Refuse	395,955	468,035	381,763	388,345	367,444	416,592	452,778	466,719	473,660	468,685
Total business-type activities expenses	11,863,890	13,460,668	14,754,086	15,821,508	16,018,386	15,521,382	15,927,140	15,047,262	15,701,583	15,850,752
Total primary government expenses	18,861,838	21,956,407	30,985,029	27,264,360	26,721,249	27,001,170	27,438,324	27,674,628	27,129,601	27,377,411
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General Government	1,693,836	1,683,963	1,849,033	1,922,835	2,269,442	1,943,791	2,024,687	1,985,007	1,936,801	1,915,453
Administration of Justice	264,794	266,771	259,829	253,109	248,580	235,958	226,217	239,292	251,138	293,448
Ambulance	972,945	809,767	823,444	874,553	981,217	1,104,773	1,362,127	1,423,372	1,399,295	1,280,799
Park	38,973	11,570	13,192	28,503	25,313	23,276	22,609	24,015	28,807	60,448
Community Center		639,621	822,254	807,219	750,617	784,011	870,262	850,019	926,252	953,512
Operating grants and contributions	111,019	548,062	250,797	632,643	184,774	36,610	218,541	939,601	144,163	187,359
Capital grants and contributions							320,525	423,327	85,219	
Total governmental activities program revenues	3,081,567	3,959,754	4,018,549	4,518,862	4,459,943	4,128,419	5,044,968	5,884,633	4,771,675	4,691,019
Business-type activities										
Charges for services										
Electric	7,434,758	9,236,930	11,278,076	12,185,598	11,712,338	11,355,377	11,529,975	11,200,157	11,688,342	12,020,203
Water and Sewer	3,627,557	3,823,889	4,277,089	4,503,439	4,651,353	4,866,050	4,588,165	4,458,249	4,581,605	4,313,059

CITY OF HARRISONVILLE, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PROGRAM REVENUES										
Business-type activities (Continued)										
Charges for services (Continued)										
Aquatic Center	138,370	127,512	141,807	135,088	133,344	125,189	125,450	166,394	137,666	109,665
Refuse	433,625	414,649	386,359	398,383	399,814	424,579	451,427	469,763	462,386	465,954
Capital grants and contributions							2,017,313	982,687	280,500	
Total business-type activities program revenues	11,634,310	13,602,980	16,083,331	17,222,508	16,896,849	16,771,195	18,712,330	17,277,250	17,150,499	16,908,881
Total primary government program revenues	14,715,877	17,562,734	20,101,880	21,741,370	21,356,792	20,899,614	23,757,298	23,161,883	21,922,174	21,599,900
NET (EXPENSE) REVENUE										
Governmental activities	(3,916,381)	(4,535,985)	(12,212,394)	(6,923,990)	(6,242,920)	(7,351,369)	(6,466,216)	(6,742,733)	(6,656,343)	(6,835,640)
Business-type activities	(229,580)	142,312	1,329,245	1,401,000	878,463	1,249,813	2,785,190	2,229,988	1,448,916	1,058,129
Total primary government net expense	(4,145,961)	(4,393,673)	(10,883,149)	(5,522,990)	(5,364,457)	(6,101,556)	(3,681,026)	(4,512,745)	(5,207,427)	(5,777,511)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Taxes	5,051,726	5,629,641								
Property taxes			745,358	867,421	906,279	864,193	896,169	816,771	915,825	965,993
Sales taxes			3,234,247	3,523,837	3,605,629	3,388,455	3,978,397	4,186,070	4,239,538	4,231,748
Franchise taxes			1,360,063	1,485,734	1,969,979	1,657,903	1,762,577	1,622,045	1,572,099	1,590,453
Other taxes			153,767	161,988	152,724	215,065	211,217	152,046	157,339	352,997
Unrestricted investment earnings	162,454	304,196	630,951	649,256	313,661	118,459	37,719	33,593	29,815	36,838
Miscellaneous	605,554	361,347	308,063	260,722	196,470	458,050	351,344	320,148	294,193	169,275
Transfers	(30,323)							(490,485)	(32,595)	(33,265)
Total governmental activities	5,789,411	6,295,184	6,432,449	6,948,958	7,144,742	6,702,125	7,237,423	6,640,188	7,176,214	7,314,039
Business-type activities										
Unrestricted investment earnings	293,695	260,171	363,335	456,808	374,907	294,050	228,550	227,646	216,092	149,424
Miscellaneous		(3,752)								130,771
Transfers	30,323							490,485	32,595	33,265
Total business-type activities	324,018	256,419	363,335	456,808	374,907	294,050	228,550	718,131	248,687	313,460
Total primary government	6,113,429	6,551,603	6,795,784	7,405,766	7,519,649	6,996,175	7,465,973	7,358,319	7,424,901	7,627,499
CHANGE IN NET POSITION										
Governmental activities	1,873,030	1,759,199	(5,779,945)	24,968	901,822	(649,244)	771,207	(102,545)	519,871	478,399
Business-type activities	94,438	398,731	1,692,580	1,857,808	1,253,370	1,543,863	3,013,740	2,948,119	1,697,603	1,371,589
Total primary government	1,967,468	2,157,930	(4,087,365)	1,882,776	2,155,192	894,619	3,784,947	2,845,574	2,217,474	1,849,988

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL FUND										
Nonspendable								137,711	148,835	170,485
Restricted								113,630	114,065	114,159
Unassigned								5,930,458	6,304,295	5,384,287
Reserved	96,836	98,729	145,388	120,742	134,148	122,118	101,466			
Unreserved	5,354,289	5,907,713	6,889,715	7,585,851	8,203,393	8,179,575	7,202,484			
Total General Fund	5,451,125	6,006,442	7,035,103	7,706,593	8,337,541	8,301,693	7,303,950	6,181,799	6,567,195	5,668,931
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable								112,270	101,248	114,063
Restricted								2,549,053	1,073,822	851,553
Assigned								1,064,581	907,262	772,069
Unassigned								(183,323)	(318,367)	(470,882)
Reserved	4,488,718	8,975,526	3,145,133	1,150,442	1,020,234	1,081,070	1,107,459			
Unreserved, reported in:										
Special revenue funds	1,986,099	1,951,151	1,367,780	3,380,010	3,532,205	2,350,584	2,523,616			
Total all other governmental funds	6,474,817	10,926,677	4,512,913	4,530,452	4,552,439	3,431,654	3,631,075	3,542,581	1,763,965	1,266,803

CITY OF HARRISONVILLE, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - MODIFIED ACCRUAL
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES										
Taxes	5,218,302	5,655,312								
Property			838,427	848,607	911,262	874,222	923,255	891,842	915,825	965,993
Sales			3,234,247	3,523,837	3,605,629	3,388,455	3,978,397	4,186,070	4,239,538	4,231,748
Franchise			1,360,063	1,485,734	1,969,979	1,657,903	1,762,577	1,622,045	1,572,099	1,590,453
Other			153,767	156,076	152,724	215,065	211,217	152,046	157,339	352,997
Licenses, fees, and permits	218,957	168,712	177,356	225,187	411,668	140,049	193,055	162,417	161,692	129,094
Fines and forfeitures	264,794	266,771	259,829	253,109	248,580	235,958	226,217	239,292	251,138	293,448
Charges for services	2,486,797	2,976,209	3,330,567	3,407,923	3,614,921	3,715,802	4,086,630	4,119,996	4,129,463	4,081,118
Grants	111,019	548,062	250,797	632,643	184,774	36,610	539,066	1,362,928	229,382	187,359
Investment earnings	162,454	304,196	630,951	649,256	313,661	118,459	37,719	33,593	29,815	36,838
Miscellaneous	300,271	361,347	308,063	260,722	196,470	458,050	351,583	336,855	294,193	169,275
Total revenues	8,762,594	10,280,609	10,544,067	11,443,094	11,609,668	10,840,573	12,309,716	13,107,084	11,980,484	12,038,323
EXPENDITURES										
General Government	1,272,272	1,397,997	1,431,657	1,615,486	1,675,957	1,705,939	1,686,829	1,875,373	1,667,057	1,787,238
Administration of Justice	1,963,411	2,009,591	2,089,362	2,374,198	2,720,316	2,481,177	2,529,476	2,554,360	2,581,042	2,571,510
Fire and Emergency	493,252	436,963	468,515	494,272	514,913	305,195				
Street	523,318	605,250	919,331	860,268	888,273	986,420	1,139,023	962,085	635,787	770,736
Economic Development	174,691	140,205	202,192	161,770	186,738	140,428	164,220	176,936	210,273	275,794
Animal Control	120,403	123,001	114,109	145,331	149,789	136,557	137,122	156,002	160,398	171,273
Airport	219,711	220,636	209,147	222,207	275,850	232,654	219,903	180,079	171,867	210,681
Ambulance	1,112,618	1,022,975	1,631,773	865,527	859,740	1,914,395	2,087,034	2,324,734	2,389,722	2,163,113
Park	373,674	308,696	318,377	378,458	396,746	395,146	462,220	462,593	488,375	463,459
Community Center	56,253	840,759	965,729	994,485	979,138	1,112,725	1,066,878	1,151,513	1,197,703	1,322,084
Towne Center Project		34,300	5,955,984	1,248,099	5,678	15,923	18,726	10,187	12,766	13,046
CDBG pass-through expenses								753,740	6,500	
Capital outlay	8,864,084	4,003,841	589,934	1,254,285	849,141	1,142,304	1,938,203	1,837,010	1,020,483	2,152,920
Debt service										
Principal	450,000	500,000	525,000	7,410,000	575,000	780,000	825,000	733,926	815,940	942,088
Interest and fiscal fees	534,407	515,560	508,060	1,165,574	879,454	862,495	833,404	820,637	699,696	556,542
Total expenditures	16,158,094	12,159,774	15,929,170	19,189,960	10,956,733	12,211,358	13,108,038	13,999,175	12,057,609	13,400,484
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,395,500)	(1,879,165)	(5,385,103)	(7,746,866)	652,935	(1,370,785)	(798,322)	(892,091)	(77,125)	(1,362,161)

CITY OF HARRISONVILLE, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - MODIFIED ACCRUAL
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
OTHER FINANCING SOURCES (USES)										
Proceeds from sale of assets	444,783									
Proceeds of long-term debt		6,886,342		8,435,895				171,931		
Payments to escrow agent									(1,283,500)	
Transfers in	1,642,286	1,170,714	1,236,060	1,307,535	1,343,412	1,425,335	3,779,288	2,680,436	2,578,093	2,228,146
Transfers out	(1,672,609)	(1,170,714)	(1,236,060)	(1,307,535)	(1,343,412)	(1,425,335)	(3,779,288)	(3,170,921)	(2,610,688)	(2,261,411)
Total other financing sources (uses)	414,460	6,886,342		8,435,895				(318,554)	(1,316,095)	(33,265)
NET CHANGES IN FUND BALANCES	(6,981,040)	5,007,177	(5,385,103)	689,029	652,935	(1,370,785)	(798,322)	(1,210,645)	(1,393,220)	(1,395,426)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	13.5%	8.4%	6.7%	47.8%	14.4%	14.8%	14.8%	12.8%	13.7%	13.3%

CITY OF HARRISONVILLE, MISSOURI
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Real Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate
2004	83,590,337	25,542,567	109,132,904	0.75
2005	90,182,211	24,702,214	114,884,425	0.75
2006	92,956,701	24,305,736	117,262,437	0.75
2007	91,927,554	23,243,342	115,170,896	0.77
2008	93,646,146	21,440,771	115,086,917	0.78
2009	93,250,444	25,538,774	118,789,218	0.66
2010	94,022,248	25,241,452	119,263,700	0.66
2011	94,424,728	23,546,390	117,971,118	0.67
2012	95,845,535	22,091,806	117,937,341	0.68
2013	94,552,735	22,682,321	117,235,056	0.69

Source: Cass County Assessor's Office

Note: A statewide real property reassessment program was implemented January 1, 1985, to create a more equitable sharing of the property tax burden by owners of real property.

Assessed value was determined by applying one of three percentages to the "Market Value." Those percentages are 32 for commercial, 19 for residential, and 12 for agriculture.

Tax rates are per $100 of assessed value.

CITY OF HARRISONVILLE, MISSOURI
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	City Direct Rates				Overlapping Rates			
	General Fund	Ambulance Fund	Park Fund	Total Direct	State	Other	Total Overlapping Rates	Total Direct and Overlapping
2004	0.5129	0.1161	0.1161	0.7451	0.03	5.58	5.61	6.36
2005	0.5129	0.1161	0.1161	0.7451	0.03	6.00	6.03	6.78
2006	0.5129	0.1161	0.1161	0.7451	0.03	6.04	6.07	6.82
2007	0.5278	0.1195	0.1195	0.7668	0.03	6.04	6.07	6.84
2008	0.5358	0.1213	0.1213	0.7784	0.03	6.19	6.22	7.00
2009	0.5422	0.0000	0.1227	0.6649	0.03	6.19	6.22	6.88
2010	0.5422	0.0000	0.1227	0.6649	0.03	6.20	6.23	6.89
2011	0.5501	0.0000	0.1245	0.6746	0.03	6.20	6.23	6.90
2012	0.5585	0.0000	0.1264	0.6849	0.03	6.18	6.21	6.90
2013	0.5658	0.0000	0.1280	0.6938	0.03	6.18	6.21	6.91

Source: Cass County Collector

Note: The City's direct property tax rate may be increased only by a majority vote of the City's residents.

CITY OF HARRISONVILLE, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO

	2013			2004		
Taxpayer	Taxable Assessed Value	Rank	Percentages of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentages of Total Assessed Valuation
Church & Dwight/USA Detergents	9,319,120	1	7.95	5,313,970	1	4.87
Wal-Mart	2,978,540	2	2.54	3,252,530	2	2.98
Harrisonville MP II LLC	1,995,180	3	1.70			
Sutherlands Lumber Co.	1,514,000	4	1.29			
HFMD Properties LLC	1,471,060	5	1.25			
Harrisonville MP LLC	1,377,660	6	1.18			
Mill-Walk Mall	1,372,800	7	1.17	1,447,390	3	1.33
Harrisonville Crossings Properties	930,630	8	0.79			
Universal Forest Products	798,290	9	0.68	912,640	6	0.84
H.V. Hotel Investment LLC	746,450	10	0.64			
Eaglepicher Pharmaceutical				1,322,150	4	1.21
AHG, Inc.				1,087,910	5	1.00
Vista Productions				622,781	7	0.57
Crown Properties, LC				573,050	8	0.53
Camden Regency Healthcare				527,850	9	0.48
Southern Union Co.				467,280	10	0.43
TOTALS	22,503,730		18.87	15,527,551		14.23

Data provided by the Cass County Collector

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

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2004	813,143	618,866	76.11	59,899	678,765	83.47	134,378	16.53
2005	856,078	767,070	89.60	52,999	820,069	95.79	36,009	4.21
2006	873,722	806,434	92.30	52,926	859,360	98.36	14,362	1.64
2007	883,130	728,365	82.48	79,768	808,133	91.51	74,997	2.73
2008	895,837	858,631	95.85	19,441	878,072	98.02	17,765	1.98
2009	789,830	763,896	96.72	16,587	780,483	98.82	9,347	1.18
2010	792,984	721,512	90.99	9,515	731,027	92.19	61,957	7.81
2011	795,833	746,929	93.85	13,051	759,980	95.49	35,853	4.51
2012	807,753	732,284	90.66	52,050	784,334	97.10	23,419	2.90
2013	813,377	728,785	89.60	79,026	807,811	99.32	5,566	0.68

NOTES: Amounts relating to railroad and utility property taxes are not included above.

Taxes paid under protest are held by the respective County Collector until the protest is resolved. This schedule presents taxes paid under protest at June 30 as delinquent, and subsequent remittances to the City are included as delinquent tax collections.

CITY OF HARRISONVILLE, MISSOURI
DIRECT AND OVERLAPPING
SALES TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	City Rate	Cass County	State	Total
2004	1.500	1.250	4.225	6.975
2005	1.500	1.250	4.225	6.975
2006	1.500	1.250	4.225	6.975
2007	1.500	1.250	4.225	6.975
2008	1.500	1.250	4.225	6.975
2009	1.875	1.250	4.225	7.350
2010	1.875	1.250	4.225	7.350
2011	1.875	1.250	4.225	7.350
2012	1.875	1.750	4.225	7.850
2013	1.875	1.750	4.225	7.850

Source: Missouri Department of Revenue

CITY OF HARRISONVILLE, MISSOURI
TAXABLE RETAIL SALES
LAST TEN CALENDAR YEARS
(in thousands of dollars)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL RETAIL SALES	177,596	188,185	189,753	199,144	200,585	198,251	192,046	201,671	204,736	203,559

Note: This report does not break out taxable sales by retail category as some detail information is considered confidential by state law.

Source: Missouri Department of Revenue

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

	Governmental Activities				Business-Type Activities				
Fiscal Year Ended December 31,	Certificates of Participation	Revenue Bonds	Promissory Note	Capital Lease Payable	Revenue Bonds	Promissory Note	Total Primary Government	Percentage of Personal Income	Per Capita
2004	12,385,000			502,164	11,730,000		24,617,164	0.13	2,462
2005	11,885,000			478,160	12,685,000		25,048,160	0.13	2,444
2006	11,360,000			452,732	11,860,000		23,672,732	0.12	2,287
2007	10,810,000	8,630,000		425,794	11,175,000		31,040,794	0.15	2,985
2008	10,235,000	8,630,000		397,257	10,290,000		29,552,257	0.15	2,842
2009	9,635,000	17,450,000		367,027	9,580,000		37,032,027	0.18	3,561
2010	9,010,000	17,250,000		335,002	9,059,375		35,654,377	0.18	3,428
2011	8,530,000	17,030,000	171,931	301,076	11,718,541	380,000	38,131,548	0.17	3,806
2012	7,295,000	16,785,000	171,931	265,136	11,556,672	380,000	36,453,739	0.16	3,634
2013	6,665,000	16,520,000	162,916	227,063	10,711,700	278,869	34,565,548	0.15	3,443

CITY OF HARRISONVILLE, MISSOURI
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2013
(UNAUDITED)

	General Obligation Bonds		
	Ordinary (1)	Additional (2)	Total
Assessed valuation	117,235,056		117,235,056
Constitutional debt limit	11,723,505	11,723,505	23,447,010
Less general obligation bonds payable			
	11,723,505	11,723,505	23,447,010
Cash and securities available for retirement			
	11,723,505	11,723,505	23,447,010

(1) Article VI, Sections 26(b) and (c) of the State Constitution permits the City, by vote of two-thirds of the voting electorate, to incur an indebtedness for City purposes not to exceed 10% of the taxable tangible property therein as shown by the last completed assessment.

(2) Article VI, Sections 26(d) and (e) of the State Constitution provides that the City may become indebted not exceeding the aggregate and additional 10% for the purpose of acquiring rights-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation.

CITY OF HARRISONVILLE, MISSOURI
COMPUTATION OF DIRECT AND ESTIMATED OVERLAPPING DEBT
DECEMBER 31, 2013

Taxing Jurisdiction	Gross Debt Less Sinking Fund (1)	Approximate Percentage Applicable to Harrisonville (1)	Approximate Amount Applicable to Harrisonville (1)
School Districts, Cass R-IX	21,875,000	64%	14,000,000
Direct debt obligations of the City of Harrisonville (general obligation bonds), net of debt service funds		0%	
Total direct and estimated overlapping debt	21,875,000		14,000,000

(1) On the basis of assessed valuation.

NOTE: Other government entities whose boundaries overlap the City have outstanding bonds payable from ad valorem taxes. This schedule of direct and estimated overlapping ad valorem debt was compiled from information furnished by the jurisdictions responsible for debt. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no representation regarding the reliability of such information is made.

Furthermore, certain entities listed in the statement may have issued additional bonds and such entities may have programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

Lease purchase agreements are not included in this schedule but have been included in the past. This change accounts for the significant difference among this year and previous years' schedules.

CITY OF HARRISONVILLE, MISSOURI
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) School Enrollment	(2) Unemployment Rate
2004	10,000	185,000,000	18,500	2,442	4.00%
2005	10,250	194,750,000	19,000	2,436	4.30%
2006	10,350	201,825,000	19,500	2,507	4.30%
2007	10,400	205,920,000	19,800	2,500	4.30%
2008	10,400	201,040,000	19,331	2,504	6.10%
2009	10,400	201,040,000	19,331	2,580	10.00%
2010	10,400	201,040,000	19,331	2,580	10.00%
2011	10,019	218,915,150	21,850	2,580	7.90%
2012	10,030	230,630,000	23,063	2,585	6.40%
2013	10,040	235,000,000	23,400	2,590	6.40%

Data Sources:

1 Bureau of Census and City estimates
2 KCADC and City estimates
3 School District

CITY OF HARRISONVILLE, MISSOURI
PRINCIPAL EMPLOYERS
THIS FISCAL YEAR AND SIX YEARS AGO

	2013			2008	
Employer	Employees	Rank	% of Total Employment	Employees	Rank
Wal-Mart Distribution Center	775	1	25.01%	775	1
Cass Medical Center	412	2	13.29%	330	4
Wal-Mart	397	3	12.81%	390	2
Cass R-IX Schools	386	4	12.46%	367	3
Cass County Government	285	5	9.20%	285	5
Church & Dwight Co., Inc.	231	6	7.45%	208	8
City of Harrisonville	214	7	6.91%	225	6
Casco Area Workshop	200	8	6.45%	220	7
Crown Care Center	101	9	3.26%	101	9
Family Center	98	10	3.16%	98	10
Total Employment	3,099			2,999	

Source: Harrisonville Area Chamber of Commerce and Economic Development

CITY OF HARRISONVILLE, MISSOURI
SCHEDULE OF PROPERTY VALUE, CONSTRUCTION PERMITS ISSUED, AND TOTAL DOLLARS ON DEPOSIT AT YEAR-END WITH LOCAL BANKS AND SAVINGS AND LOANS
LAST TEN YEARS

	Construction Permits and Value (1) and (2)				Total Year-End Deposits	Total Property
	Residential		Commercial		at Local Banks	Value
Year	Number	Value	Number	Value	(Thousands)	(3)
December 2004	316	13,415,449	144	13,083,218	237,597	109,132,904
December 2005	355	7,176,302	189	3,676,090	286,990	114,894,425
December 2006	400	5,132,062	267	9,475,391	249,989	117,262,437
December 2007	861	6,049,296	154	14,936,040	339,313	115,170,896
December 2008	319	3,054,774	93	59,978,221	277,759	115,086,917
December 2009	245	1,672,246	68	1,180,815	295,081	118,789,218
December 2010	276	1,283,561	95	18,650,228	317,327	119,263,700
December 2011	318	1,403,626	98	3,392,188	329,770	117,971,118
December 2012	240	2,103,410	76	3,685,500	341,344	117,937,341
December 2013	176	1,331,781	73	5,293,503	379,785	117,235,056

(1) Permit totals include additions to existing structures.

(2) Information obtained from Codes Administration Department.

(3) Assessed valuation.

CITY OF HARRISONVILLE, MISSOURI
CAPITAL ASSET STATISTICS
BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Function/Program	Fiscal Year 2006	2007	2008	2009	2010	2011	2012	2013
Police								
Patrol units	23	23	23	23	23	20	20	20
Police stations	1	1	1	1	1	1	1	1
Fire								
Fire stations	1	1	1	1	1	1	1	1
Fire hydrants	660	660	670	678	678	678	678	678
Streets								
Miles	69	69	69	69	69	69	69	69
Streetlights	900	900	900	900	900	900	900	900
Miles of storm sewers	9	9	9	9	9	9	9	9
Parks								
Parks	6	6	6	6	6	6	6	6
Acreage	250	250	250	250	250	250	250	250
Golf courses	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2
Tennis courts	4	4	4	4	4	4	4	4
Community centers	7	7	7	7	7	7	7	7
Sewer								
Sanitary sewer (miles)	54.0	54.0	54.0	54.0	54.0	54.0	54.0	54.0
Plant capacity (mgl)	1.3	1.3	1.5	1.5	2.0	2.0	2.0	2.0
Treatment plants	1	1	1	1	1	1	1	1
Service connections	4,079	4,094	4,102	4,084	4,071	4,037	4,062	4,061
Maximum daily capacity of treatment plant in gallons	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Water								
Miles of water mains	56	56	56	56	56	56	56	56
Service connections	4,152	3,984	3,992	3,978	3,966	3,923	3,937	3,950
Daily average consumption in gallons	1,300,000	1,300,000	1,300,000	950,000	950,000	950,000	950,000	950,000

Source: City Department Heads

CITY OF HARRISONVILLE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

	Fiscal Year							
Function/Program	2006	2007	2008	2009	2010	2011	2012	2013
General Government								
Management	5	5	5	5	5	4	4	3
Finance	7	7	8	7	6	7	6	7
Codes	4	4	4	4	4	4	2	2
Community Development	2	2	1	2	2	2	3	3
Police								
Officers	20	20	20	21	23	25	23	23
Civilians	6	6	5	6	6	6	6	5
Animal control	2	2	1	2	2	2	1	2
Court	1	1	1	1	1	1	1	1
Fire/EMS								
Firefighters/Director	5	5	5	1	1	1	1	1
Firefighters/Paramedics/EMT's	4	2	3	19	17	15	19	21
Clerk	1	1	1	1	1	1	1	1
Public Works								
Engineering	1	1	1	1	1	1	1	1
Streets	8	8	8	8	7	7	8	8
Electric	9	9	9	9	8	8	7	8
Water	13	13	13	13	13	12	12	12
Wastewater	4	5	5	4	4	4	4	4
Airport	1	1	1	1	1	1	1	1
Community Center/Parks	10	9	11	11	11	10	8	10
Total	103	101	102	116	113	111	108	113

Source: Jan Harper, City of Harrisonville

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and
Members of the Board of Aldermen
City of Harrisonville, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Harrisonville, Missouri, which comprise the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of and for the year ended December 31, 2013, and have issued our report thereon dated June 26, 2014.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies as item 2013-001.

Compliance and Other Matters

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

City of Harrisonville, Missouri's Response to Findings

The City of Harrisonville, Missouri's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City of Harrisonville, Missouri's response, and accordingly, we express no opinion on it.

Purpose of this Report

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

Overland Park, Kansas
June 26, 2014

CITY OF HARRISONVILLE, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2013

2013-001 RELIANCE UPON THE AUDITOR

Criteria

As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements in conformity with accounting principles generally accepted in the United States of America.

Condition and Context

Management should possess the ability to reconcile all accounts and prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors. The auditors drafted the financial statements and related note disclosures from a trial balance and other documentation provided by City personnel.

Cause

City personnel do not obtain the expertise necessary to draft the year-end financial statements, supplementary information, and notes to the financial statements.

Potential Effect

The potential exists that a material misstatement of the financial statements could occur and not be prevented or detected by the City's internal control.

Recommendation

We recommend that the City review and approve the proposed auditor adjusting entries, the adequacy of financial statement disclosures prepared by the auditors, and apply analytic procedures to the draft financial statements among other procedures as considered necessary by management.

Views of Responsible Officials and Corrective Action Plan

The City relies on the auditor to propose adjustments necessary to prepare the financial statements including the related note disclosures. The City reviews such financial statements and approves all adjustments. The City also uses analytic procedures among other procedures necessary to complete the Management's Discussion and Analysis.

CITY OF HARRISONVILLE, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2013

2012-1 RELIANCE UPON THE AUDITOR

Management should possess the ability to reconcile all accounts and prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors. See current year finding 2013-001.

City of Harrisonville est. 1836

STAFF REPORT

TO: Board of Aldermen

FROM: Keith Moody, City Administrator

DATE: June 20, 2014

SUBJECT: Approve Mission, Goals and Values

<u>Type of Item:</u> *Approval*

C. Action Item (ID # 1450)

Approve the Mission, Goals and Values of the City of Harrisonville and the Mayor and Board of Aldermen

Attachments:

BA- Review Mission-Goals-Values (DOC)

Mission-Goals-Values- Final (PDF)

LETTER TO THE BOARD OF ALDERMEN Harrisonville, Missouri

FROM: **Keith Moody, City Administrator**

AGENDA ITEM: **Review of Mission, Goals, and Core Values**

DATE OF REVIEW: **June 16, 2014**

Background: It is appropriate to review the Mission Statement, Organization Goals, and Core Values each year as we begin the budget development process. Though revision to these statements would not be anticipated each year, it is a good idea to give thought to changes that have occurred in the community that may have an impact on the accuracy of these elements. The results of the Citizen Satisfaction Survey, Strategic Planning Directives, ICMA Performance Measures and the Single Family Cost of Living Comparison should also be considered.

The six Organizational Goals provide direction to the department heads as they work on specific objectives for the up coming fiscal year. These goals identify performance areas common to municipal organizations.

Review: In reviewing the Mission Statement, ask yourself if you find that it still reflect the status of Harrisonville.

Does our “Mission” to “serve” and “ensure safety and well-being” remain applicable?

Do the “Core Values” still represent a cornerstone to how we should conduct business?

The Organizational Goals should be broad in nature so that all departments may contribute to each. These goals generated 21 objectives for 2014. Consider if the goals are consistent with the “Major Categories of Service” and “City Services That Should Receive the Most Emphasis Over the Next Two Years” which were areas measured in the Citizen Satisfaction Survey.

Recommendation: I recommend adoption of these items with any proposed revisions. This will reaffirm the Board’s commitment and again establish direction for department heads to follow as they prepare their objectives and budgets.

City of Harrisonville est. 1836

Mission

*The **Mission** of the City of Harrisonville is to objectively serve the citizens, provide the services necessary to ensure the safety and well-being of all, and provide the quality of life expected by the Community.*

Organizational Goals

***Enhance Communication and Engagement with the Community** – by expanding opportunities to inform and engage citizens in an open and participatory manner.*

***Improve Community Assets** – through timely maintenance and replacement as well as improving assets to modern standards.*

***Keep Our Community Safe** & Secure – for all citizens, businesses, and visitors.*

***Provide Great Customer Service** – with professional, timely and friendly staff.*

***Cultivate a Rewarding Work Environment-** where creativity, efficiency and productivity are continuous pursuits.*

***Encourage Investment in Our Community** – whether it be redevelopment, new development or maintenance.*

Core Values

Utilized by the Board of Aldermen and staff in striving to achieve our Mission and Goals

Transparency Honesty Accessibility Impartiality Efficiency Courtesy

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **John Hofer, Director**

DATE: **June 30, 2014**

SUBJECT: **2014-15 SRO Contract**

Type of Item: *Contract*

Issue: Renewal of the SRO (School Resource Officer) contract between the City of Harrisonville and the Cass R-IX School District for the 2014-2015 school year.

Background: The implementation of the Harrisonville SRO program started in October of 1998 when an Officer was assigned to Harrisonville High School. The objective of this program was and still remains the safety and security of our children and provides an excellent opportunity for our department to interact and build positive relationships with many students. In 2004, the SRO program was modified by adding another officer to the Middle School. The prior year contract (2013-2014) stated that the District would pay the City $28.00 per hour, while the officers were in school, to assist with this officer's wages and benefits. Currently, Officer Steve Nichols is the SRO assigned to the Middle School while Officer Doug Rose is assigned to the High School.

The SRO contract has been updated and the school district has agreed to reimburse the City at an hourly rate of $29.00 per hour. The hourly rate, dates, and the address update for the police department were the only modifications to the contract from last year. The updated contract was recently approved by the Board of Education. The terms of the agreement shall be for the 2014-2015 school year from August 14, 2014 until the end of the school year, which is scheduled for approximately May 21, 2015.

Recommendation: Staff recommends approval of this contract to continue to provide the SRO protection for the Harrisonville School District for the school year 2014-2015.

Attachments: 2014-2015 Contract

D. Action Item (ID # 1465)

Approval of the 2014-15 School Resource Officer (SRO) Contract

Attachments:

SRO Contract 2014-15 Signed (PDF)

CONTRACT FOR POLICE SERVICES

(School Resource Officer: High School and Middle School)

2014-2015 School Year

THIS CONTRACT FOR POLICE SERVICES ("Agreement"), made and entered into as of this 24th day of June, 2014, by and between the City of Harrisonville, Missouri, (the "City") and the Harrisonville School District.

WHEREAS, the Harrisonville School District has requested the City assign SRO(s) (School Re-ource Officers/police officer(s)) during regular School hours, for a minimum of 186 days, for the Harrisonville School District, located within Harrisonville city limits; and WHEREAS, the City has SRO(s)/police officer(s) who will be assigned to both the High School and Middle School during regular school hours.

The purpose of this Agreement is for the City to assign a police officer to provide law enforcement services as specified herein: 2 officers for the Harrisonville School District. The police officers will work with school personnel in providing alcohol and other drug education, maintaining a safe campus environment, serving as law enforcement problem-solving resource persons, and providing the appropriate response regarding on-campus or school related criminal activity.

Term: The term of this Agreement shall be from August 7, 2013 until the end of the 2014-2015 school year, May 21, 2015, provided the term may be mutually extended by the parties as they deem necessary to satisfy attendance requirements that may have been affected by weather or other factors. During days that schools are not in session, the officers shall perform regular police duties at a duty station as determined by the Chief of Police.

The City and the assigned police officers shall have the status of an independent contractor for purposes of this Agreement. The police officers assigned to Harrisonville School District shall be considered to be employees of the City and shall be subject to its control and supervision, except as such control and supervision is subject to the terms and conditions of this Agreement. The assigned officers will be subject to current procedures in effect for the City and the Harrisonville Police Department, including attendance at all mandated training and testing to maintain state law enforcement officer certification. The City reserves the right to direct and control the actions of any officer covered by this Agreement, including but not limited to directing said officer to leave the school to respond to emergencies, disturbances, or some other duties while school is in session, if necessary, for the good of the City. In such an event, the time spent shall not be considered hours worked under this Agreement.

Termination:

This Agreement may be terminated without cause by either party upon 30 days prior written notice and any outstanding sums due City shall be paid and brought current within the 30 day period immediately following such termination.

Cass R-IX agrees to:

a) Provide funding to the City equal to the cost of each SRO's hourly rate, not to exceed $29.00 per hour, which shall include the SRO's actual wages, benefits and overhead, multiplied by the number of hours the SRO actually dedicates to the School Resource Officer duties. The Harrisonville School District will provide payment to the City within thirty (30) days of its receipt of a detailed invoice showing the dates of service, description of services provided, and charge for those services. This funding structure shall be followed as long as the Agreement remains in force.

b) Provide the SRO's with access to all school buildings necessary to accomplish the intent of this Agreement.

c) Provide the SRO an office and such equipment as are necessary at his/her assigned schools. This equipment shall include a telephone and filing space capable of being secured and access to a computer and printer.

City agrees to:

a) Provide SRO(s)/police officers(s) to the Harrisonville School District during normal school hours while the school is in session, which are anticipated to be from 7:00 a.m. to 3:00 p.m., for a minimum of 186 days. The maximum number of hours that a SRO will provide in a calendar month shall be 168 hours, and the minimum shall be 40 hours per week.

b) The City will endeavor to have police officers available for duty at their assigned school each day that school is in session during the regular school year. The City is not required to furnish substitute officers on days when regular School Resource Officers are absent due to illness or police department requirements.

c) The City agrees to provide and pay the assigned police officers salaries and employment benefits in accordance with the applicable salary schedules and employment practices of the City, including, but not necessarily limited to: sick leave, annual leave, retirement compensation, life insurance, dental insurance, and medical/hospitalization insurance.

Basic Qualifications for a SRO:

To be an SRO, an officer must first meet all of the following basic qualifications:

a) Shall be a commissioned law enforcement officer with at least two years of law enforcement experience;

b) Shall possess a sufficient knowledge of the applicable Federal and State laws, City and County ordinances, and Board of Education policies and regulations;

c) Shall be capable of conducting in-depth criminal investigations;

d) Shall possess even temperament and set a good example for students; and

e) Shall possess communication skills that would enable the officer to function effectively within the school environment.

SRO responsibilities:

a) Protect lives and property for the citizens and public school students of the Harrisonville School District.

b) Enforce Federal, State, and Local criminal laws and ordinances, and assist school officials with the enforcement of Board of Education Policies and Administrative Regulations regarding student conduct.

c) Investigate criminal or suspicious activity committed on or adjacent to school property, taking the appropriate steps consistent with federal and state laws.

d) Inform and alert other emergency personnel about potentially dangerous and/or hazardous situations.

e) Gather information regarding potential problems such as criminal activity, gang activity and student unrest and attempt to identify particular individuals who may be a disruptive influence to the school and/or students.

f) Work with the principal or his/her designee to develop crisis procedures and protocols.

g) Act as a communication liaison with law enforcement agencies: providing basic information concerning students on campuses served by the officer without breaching student confidentiality as outlined in the section entitled, "Access to Education Records."

h) Provide a program of law and education-related issues to the school community, including parents, on such topics as: tobacco, alcohol, and other drug issues, and in addressing violence diffusion, violence prevention, and other safety issues in the school community.

i) Provide security for special events or functions, such as sporting events, PTA meetings, etc., at the request of the principal.

j) Provide informational in-services and be a general resource for the staff on issues related to alcohol, and other drugs, violence prevention, gangs, safety and security.

k) Present educational programs to students and school staff on topics agreed upon by both parties.

l) Refer students and/or their families to the appropriate agencies for assistance when a need is determined.

m) The SRO shall obtain approval from the School's Principal or his/her designee before making contact with a student regarding any investigation.

n) The SRO shall insure that the Principal or his/her designee is present whenever the SRO speaks with a student in the course of an investigation.

o) Unless in the officer's opinion circumstances prevent it, the officer will attempt to advise the school principal prior to taking legal action, subject to the officer's duties under the law.

p) Perform other related duties as assigned by the principal or his/her designee.

q) The SRO shall not act as a school disciplinarian, nor make recommendations regarding school discipline.

SRO activities will be restricted to their assigned school grounds except for:

a) Follow up home visits when needed as a result of school related student problems.

b) School related off-campus activities when officer participation is requested by the principal and approved by the supervising Lieutenant or Chief of Police.

c) Attending juvenile court and/or criminal cases arising from and/or out of his/her employment as a SRO.

Transporting Students:

a) The SRO shall not transport any student in a police vehicle except when:

b) In response to off-campus, but school related, criminal activity.

c) In response to emergency police activities.

1. The student is a victim of a crime, under arrest, or some other emergency circumstances exist; or

2. The student is suspended and sent home from school pursuant to school disciplinary action AND the student's parent or guardian has refused or is unable to pick up the student within a reasonable time period AND the student is disruptive/disorderly, causing his/her continued presence on campus to be a threat to the safety and welfare of other students and school personnel, as determined by the SRO or his/her supervisor; or

3. The student is to be transported from home to school at the request of a school official.

d) If circumstances require that the SRO transport a student, then school officials must provide a school official or employee to accompany the officer in the vehicle.

e) If the student to be transported off campus is not under arrest, a victim of a crime, or violent or disruptive, the school administration shall provide transportation for the student, and the SRO may accompany the school official in transporting the student.

f) A student shall not be transported to any location unless it is determined that the student's parent, guardian or custodian is at the destination to which the student is being transported.

g) The SRO shall notify the school principal before removing a student from campus.

Investigation of Crimes Committed on School Grounds or at a School Function:

The SRO shall investigate crimes committed on School Grounds or at a school function in accordance with Board of Education policies, regulations and administrative procedures established by the Harrisonville School District.

Investigation of Crimes Committed Off Campus:

a) Crimes committed at school bus stops or while students are walking to and from school.

1. Law enforcement officials are responsible for enforcing the law on public streets, including at school bus stops. Therefore, the SRO shall assist school officials and coordinate with the appropriate local law enforcement agency in the investigation of crimes that occur at bus stops and while students are walking to and from school.

b) Other crimes committed off campus.

1. The SRO or investigating officer should contact the school principal in advance and inform him/her of the reason(s) to conduct an investigation within the school.
2. The SRO or investigating officer and the principal shall mutually agree on a convenient time during the school day to conduct the investigation.
3. The SRO and other law enforcement officials may interview and interrogate students (suspects or witnesses) at school during school hours, provided items 1 and 2 of this section have been adhered to.
4. Parental consent is not required to interview a witness or victim; however, the SRO or investigating officer shall make a reasonable effort to notify the student's parent(s) or guardian(s) to make them aware of the interview.
5. The SRO or investigating officer shall notify a suspect's parent(s) or guardian(s) prior to interrogation to offer them the opportunity to be present during the interrogation.
6. When Law enforcement officials find it necessary to question students during the school day or periods of extra-curricular activities, the school principal or designee will be present and the interview will be conducted in private.

Controlled Substances:

a) School officials shall notify the SRO in all cases involving ALL possessions, sales, or distribution of controlled substances at school or school activities.

b) Any controlled substances or suspected controlled substances confiscated by school officials shall be turned over to the SRO for proper identification and eventual destruction.

c) If there is probable cause to believe that a student or any other person has sold or is selling controlled substances at or near a school, the SRO shall be notified, and the SRO should file a juvenile petition or seek a criminal warrant. However, the decision to initiate a juvenile petition or criminal warrant will be the discretion of the SRO and the Cass County Juvenile Officer.

Access to Education Records:

a) School officials shall allow the SRO to inspect and copy any public records maintained by the school including student directory information such as yearbooks. However, law enforcement officials may not inspect and/or copy confidential student education records except in accordance with Board of Education Policies and Regulations.

b) If some information in a student's cumulative record is needed in an emergency to protect the health or safety of the student or other individuals, school officials may disclose to the SRO that information which is needed to respond to the emergency situation based on the seriousness of the threat to someone's health or safety.

1. A full explanation as to the need of the information to meet the emergency situation and the extent to which time is of the essence shall be articulated in the SRO's official policy report.

c) If confidential student record information is needed, but no emergency situation exists, the information may be released only upon the issuance of a search warrant or subpoena to produce the records.

Waiver:

The Harrisonville School District hereby waives any and all claims against City for damages and compensation for any failure to act, delay, mistake, loss, damage, personal injury, death or any other matter occurring as a consequence rendering the services contemplated under this Agreement.

City hereby waives any and all claims against the Harrisonville School District for damages and compensation for any failure to act, delay, mistake, loss, damage, personal injury, death or any other matter occurring as a consequence rendering the services contemplated under this Agreement.

Nothing in this Agreement shall be construed as a waiver of sovereign or governmental immunity by either Harrisonville School District or the City.

Amendment:

Any amendments to this Agreement must be in writing and signed by both parties.

NOTICE:

All notices to be provided regarding this Agreement shall be in writing and shall be given by personal delivery or by ordinary mail and, if to Harrisonville School District shall be addressed to Superintendent of Schools, 503 South Lexington, Harrisonville, Missouri, 64701, and if to the City shall be addressed to the Chief of Police of Harrisonville, Missouri, at 205 North Lexington, Harrisonville, Missouri, 64701.

This Agreement may be executed in duplicate.

IN WITNESS WHEREOF, the Cass R-IX School District has caused this agreement to be executed by its President of the Board of Education and attested by it's Secretary of the Board of Education. The City of Harrisonville has caused this instrument to be executed by its Mayor and attested by its City Clerk being duly authorized by its Board of Alderman by ordinance adopted on _____, June, 2014.

Cass R-IX School District:

Mari Vallee

(President Board of Education)

City of Harrisonville, Missouri

____

(City Administrator)

Attest:

Susan M. Brooker

(Secretary Board of Education)

Attest:

____

(City Clerk)

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Rick Deluca, Director**

DATE: **June 18, 2014**

SUBJECT: A RESOLUTION SUPPORTING A PROPOSED DEVELOPMENT TO BE CALLED BURRIS RIDGE TOWNHOMES

Type of Item: *Approval*

Issue:

The applicant is requesting a resolution of support for their MHDC application.

Background:

This item is a continuation of the Burris Ridge MHDC application that the Board granted their support for at the last meeting. MHDC will require a resolution supporting this application.

At the last meeting, the applicant provided a project narrative, photographs (from similar developments), architectural renderings, list of materials and preliminary plat are attached for your information at the last meeting. These items have not changed.

Council Bill No. 033

Resolution No.

A RESOLUTION SUPPORTING A PROPOSED DEVELOPMENT TO BE CALLED BURRIS RIDGE TOWNHOMES BY FOUR CORNERS DEVELOPMENT TO BE LOCATED NEAR THE INTERSECTION OF STATE ROUTE 7 & BURRIS DRIVE IN HARRISONVILLE, MISSOURI

WHEREAS, Four Corners Development is proposing to develop up to forty-two (42) units of senior housing for seniors living on moderate to low fixed incomes; and

WHEREAS, the Federal and State tax credits and financing available through the Missouri Housing Development Commission and Missouri Department of Economic Development will provide the financial resources to construct the apartments, and

WHEREAS, the financing available through the Missouri Housing Development Commission and the Missouri Department of Economic Development is a limited and competitive resource, and

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, AS FOLLOWS:

1. The City of Harrisonville recognizes the need for the affordable senior housing.
2. The City of Harrisonville supports the Four Corners Development in their endeavor to design and construct up to forty-four (42) apartment units for the exclusive use of seniors age 62 and over.
3. That the Harrisonville Board of Aldermen authorizes the Mayor and any Aldermen to submit a letter of support for the Four Corners Development to the Missouri Housing Development Commission.

Passed and approved on this 7th day of July 2014, and approved by the Board of Aldermen and the Mayor of the City of Harrisonville, Missouri this 7th day of July 2014.

____

Kevin W. Wood, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

SET MY HAND AND SEAL this 7th day of July, 2014.

City of Harrisonville est. 1836

STAFF REPORT

TO: Board of Aldermen

FROM: Keith Thomas, Director

DATE: June 30, 2014

SUBJECT: Vermeer BC 1500 Brush Chipper

Type of Item: *Bid*

Issue:

Replacement of 2002 Vermeer BC 1400 Diesel Brush Chipper.

Background:

The brush chipper operated by the Tree Department was purchased in 2002 for $42,000 from Vermeer (estimated current value $4,500). It is budgeted for replacement in 2014 for an estimated price of $60,500. This chipper is used extensively on a daily basis and is critical in our tree trimming cycle program.

Recommendation:

Bids were requested from the three commercial brush chipper manufacturers. Altec, Mopar, and Vermeer. Only Vermeer responded with a quote and they are the preferred manufacturer of brush chippers used by the department. We estimate the residual value of the existing Vermeer chipper to be $4,500 and will be offering it to the Parks Department. If they are not interested the unit will be sold on-line. The trade in allowance is minimal and the City's experience with selling the equipment on-line has been favorable.

It's staff's recommendation to purchase a Vermeer BC1500 Brush Chipper with 15" capacity, winch, and controls for $50,097.32. This is the replacement unit for our current model.

Council Bill No. 034

Resolution No.

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AN AGREEMENT WITH VERMEER MANUFACTURING FOR THE PURCHASE OF A VERMEER BC1500 BRUSH CHIPPER FOR THE ELECTRIC DEPARTMENT IN AN AMOUNT NOT TO EXCEED $50,097.32

WHEREAS, the City of Harrisonville has funds budgeted for a replacement brush chipper for the Electric Department, and

WHEREAS, Vermeer Manufacturing was the only bidder for the equipment with a price of $50,097.32

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI AS FOLLOWS:

Section 1: That the City Administrator is authorized to execute an agreement with with Vermeer Manufacturing for the purchase of Vermeer BC1500 Brush Chipper for the Electric Department in an amount not to exceed $50,097.32

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri this 7th day of July 2014.

____

Kevin W. Wood, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

WITNESS my hand and seal this 7th day of July 2014

Vermeer® Great Plains

19812 W. Kellogg Drive
Goddard, KS 67052
Phone 316-794-3500
Fax 316-794-2793
Toll Free 800-835-2301

15505 S. 169 Highway
Olathe, KS 66062
Phone 913-782-3655
Fax 913-829-6709
Toll Free 800-932-3655

www.vermeergreatplains.com

QUOTATION

Customer Name:	CITY OF HARRISONVILLE ELECTRIC DEPARTMENT	**Date:**	June 25, 2014
Address:	2108 ROYAL STREET HARRISONVILLE, MO. 64701	**Modified:**	
		Terms:	NET CASH
Ship to:	SAME	**Phone:**	
		Fax:	
		Sales Rep:	PAUL HAVERLAND
Contact:		**Date needed:**	
Email:			

			TOTAL
Description:	BC1500 Brush Chipper (15" capacity drum style) w/ 130 hp Cummins 4.5L Tier 4i turbocharged diesel engine, high coolant temperature and low oil pressure automatic shutdown; isolated engine and cutter housing; spring loaded clutch; live hydraulics, variable speed dual vertical feed rollers; selectable SmartFeed; Ecoidle; telescoping tongue; pintle hitch; lockable toolbox; lockable engine shield; infeed curtain; dual-edged knives; and infeed table with lower feed stop bar (007); domestic trailer option (090); domestic 6-way round trailer plug (040); non-winch (028); electric brake (021); manual chute rotation right side (016); LT285/75R16E flotation tires (076); right side controls and instrumentation (050)		$46,190.32
	Options:		
	Winch w/ manual right side hydraulic controls (029) **ADD**	$3,432.00	$3,432.00
	Lockable Instrument Panel Cover (110) **ADD**	$154.00	
	Biodegradeable Oil (998) **ADD**	$353.00	
	Extended warranty - 24 months parts and labor (PL2) **ADD**	$2,121.00	
	Extended warranty - 36 months parts and labor (PL3) **ADD**	$3,180.00	
	Extended warranty - 24 months parts only (PO2) **ADD**	$1,272.00	
	Extended warranty - 36 months parts only (PO3) **ADD**	$1,908.00	

Trade-in Details:

Trade Amount Allowed $0.00

Sub Total	**$49,622.32**
Freight & Prep	**$475.00**
Less Trade-in	**$0.00**
Sales Tax	
KS Excise Tax	**$0.00**
Total Net	**$50,097.32**

Vermeer Great Plains **Customer:** ______________________

By:______________________ **By:** ______________________

Quotation valid for 30 days. To order, please sign, date and return to Vermeer Great Plains or your Sales Representative. Sales tax, if applicable, not included.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Keith Thomas, Director**

DATE: **June 30, 2014**

SUBJECT: **Mutual Aid Agreement through APPA**

Type of Item: *Agreement*

Board of Alderman action is needed for this item.

REVIEW:

The American Public Power Association Mutual Aid Program , sponsored by the American Public Power Association (APPA), is needed for agencies that respond to the call of others municipalities requesting assistance.

The American Public Power Association (APPA) and its members determined a need existed for cities to offer assistance to each other in the event of an emergency that affects the operation of their utility. This program is only open to municipal utility members of APPA.

For many years, the APPA Mutual Aid Program has helped member utilities face the risks of storm damage and other unpredictable emergency needs. Emergency readiness has grown in importance with heightened customer demands and concerns about a broader range of potential threats and vulnerabilities. The program is being geared for all relevant types of municipal utilities - electric, gas & water.

In order to participate, the City of Harrisonville simply needs to have the Board of Aldermen adopt an ordinance indicating its intention to participate and to submit certain necessary system information. The APPA Mutual Aid Committee will then act to accept the utility as a participant in the program. Cities may continue to participate in other mutual aid arrangements along with the APPA program in order to maintain relationships with non-municipal utilities in other states.

Benefits to the Mutual Aid Program:

An organizational structure provides more localized readiness, with periodic contact that promotes continuing awareness of the program.

Further improvements of the program will be possible without requiring Board action on minor changes.

Compilation of up-to-date information on participating utility systems will help responders arrive on the scene with a better understanding of the system they are assisting.

An implementation manual provides step-by-step "how to" guidance for basic emergency response readiness.

The program is being geared for all relevant types of municipal utilities - electric, gas & water.

SUMMARY:

The City does not have to use this mutual aid in the event of an emergency, but it is beneficial to have an agreement in place for reimbursement from FEMA and SEMA. A mutual aid agreement is also a requirement for the RP3 award we are working towards. We are also not required to send assistance to other municipalities to participate. It is the recommendation of staff to approve the Mutual Aid Agreement with APPA.

Council Bill No. 035

Resolution No.

A RESOLUTION TO AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE A MUTUAL AID AGREEMENT FOR EMERGENCY ASSISTANCE BETWEEN THE CITY OF HARRISONVILLE, MISSOURI, AND MEMBER AGENCIES OF THE AMERICAN PUBLIC POWER ASSOCIATION

WHEREAS, the City of Harrisonville is a member of the American Public Power Association (APPA), and,

WHEREAS, the American Public Power Association and its members determined a need existed for member cities to offer assistance to each other in the event of an emergency that affects the operation of their utility, and

WHEREAS, participation in this program is required for the city to attain its RP3 award,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to execute a mutual aid agreement for emergency assistance with member agencies of the American Public Power Association.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

READ and DULY PASSED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri, this 7th day of July 2014.

____

Kevin W. Wood, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

WITNESS my hand and seal this 7th day of July 2014

MUTUAL AID AGREEMENT

In consideration of the mutual commitments given herein, each of the Signatories to this Mutual Aid Agreement agrees to render aid to any of the other Signatories as follows:

1.) Request for aid. The Requesting Signatory agrees to make its request in writing to the Aiding Signatory within a reasonable time after aid is needed and with reasonable specificity. The Requesting Signatory agrees to compensate the Aiding Signatory as specified in this Agreement and in other agreements that may be in effect between the Requesting and Aiding Signatories.

2.) Discretionary rendering of aid. Rendering of aid is entirely at the discretion of the Aiding Signatory. The agreement to render aid is expressly not contingent upon a declaration of a major disaster or emergency by the federal government or upon receiving federal funds.

3.) Invoice to the Requesting Signatory. Within 90 days of the return to the home work station of all labor and equipment of the Aiding Signatory, the Aiding Signatory shall submit to the Requesting Signatory an invoice of all charges related to the aid provided pursuant to this Agreement. The invoice shall contain only charges related to the aid provided pursuant to this Agreement.

4.) Charges to the Requesting Signatory. Charges to the Requesting Signatory from the Aiding Signatory shall be as follows:

- a.) Labor force. Charges for labor force shall be in accordance with the Aiding Signatory's standard practices.
- b.) Equipment. Charges for equipment, such as bucket trucks, digger derricks, and other special equipment used by the Aiding Signatory, shall be at the reasonable and customary rates for such equipment in the Aiding Signatory's location.
- c.) Transportation. The Aiding Signatory shall transport needed personnel and equipment by reasonable and customary means and shall charge reasonable and customary rates for such transportation.
- d.) Meals, lodging and other related expenses. Charges for meals, lodging and other expenses related to the provision of aid pursuant to this Agreement shall be the reasonable and actual costs incurred by the Aiding Signatory.

5.) Counterparts. The Signatories may execute this Mutual Aid Agreement in one or more counterparts, with each counterpart being deemed an original Agreement, but with all counterparts being considered one Agreement.

6.) Execution. Each party hereto has read, agreed to and executed this Mutual Aid Agreement on the date indicated.

Date ___________________________ Entity ______________________________________ (*name/ state*)

By ____ (*please print*)

Title ____

Please send signed agreement to:
American Public Power Association
ATTN: Michael Hyland
Sr. Vice President, Engineering Services
1875 Connecticut Ave, N.W. Suite 1200 | Washington, D.C. 20009-5715
E-mail: MutualAid@publicpower.org | **Fax:** 202/ 467-2932

Questions about this agreement should be directed to APPA's Engineering Services department at MutualAid@publicpower.org or 202/467-2900.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Eric Patterson, Asst. Director**

DATE: **July 1, 2014**

SUBJECT: **2014 Annual Micro-Pave Program**

Type of Item: *Approval*

This item is for the award of the Construction Contract on the 2014 Micro-Pave Program construction at various locations in town.

Issue:

To maintain our street infrastructure and provide for safe vehicular traffic this program is done at various locations throughout the City of Harrisonville on an annual basis.

Background:

The General Fund budget contains $150,000.00 for the Asphalt Overlay/Micro-Pave Program . On June 19, the following 1 bid was received:

- Pavement Management $29,322.00

Pavement Management is a new company (been in business for about 3 years) but the owner was formerly with Musselman Hall for several years.

Recommendations:

Based on this bid, staff request Board of Alderman approval of contract with Pavement Management for $29,322.00 for the base bid and an additional $5,548.50 for our alternate streets for a total of $34,870.50.

Council Bill No. 036

Resolution No.

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH PAVEMENT MANAGEMENT FOR MICRO-SURFACING IN AN AMOUNT NOT TO EXCEED $34,870.50

WHEREAS, the City of Harrisonville has an annual micro-pave program as part of its street maintenance efforts, and

WHEREAS, Pavement Management, a paving contractor, can provide such a micro-paving service for a base bid of $29,322 and additional alternate streets for $$5,548.50,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with Pavement Management for micro-surfacing in an amount not to exceed $34,870.50.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri this 7th day of July 2014.

____

Kevin W. Wood, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

WITNESS my Hand and Seal this 7th day of July 2014

Mill & overlay ASPHALT CIP

Micro-Pave

N

NOT TO SCALE

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Eric Patterson, Asst. Director**

DATE: **July 1, 2014**

SUBJECT: **2014 Annual Asphalt Overlay Program**

Type of Item: *Approval*

This item is for the award of the Construction Contract on the 2014 Asphalt Mill & Overlay Program construction at various locations in town.

Issue:

To maintain our street infrastructure and provide for safe vehicular traffic this program is done at various locations throughout the City of Harrisonville on an annual basis.

Background:

The General Fund budget contains $150,000.00 for the Asphalt Overlay Program and $120,000 for Bird Street for a total of $270,000. On June 19, the following 3 bids were received:

- Hanrahan Asphalt Paving Company, Inc $181,135.00
- Wil-Pav, Inc $200,613.70
- Barkley Asphalt Co., Inc $211,395.20
- Thorne & Son Asphalt, Inc bid dropped off at Courthouse instead of here. Could not accept

Hanrahan has done our Mill & Overlay Program in the past; they did a good job with no major problems.

Recommendations:

Based on these bids, staff request Board of Alderman approval of a contract with Hanrahan Asphalt Paving Company, Inc for $181,135.00 for the base bid and an additional $28,554.50 for our alternate streets for a total of $209,689.50.

Council Bill No. 037

Resolution No.

A RESOLUTON AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH HANRAHAN ASPHALT PAVING FOR ASPHALT OVERLAY SERVICES AND ADDITIONAL CONSTRUCTION IN AN AMOUNT NOT TO EXCEED $209,689.50

WHEREAS, the City of Harrisonville has an annual asphalt mill and overlay program as part of its street maintenance efforts and requires construction at various other locations in town, and

WHEREAS, Hanrahan Asphalt Paving, a paving contractor, can provide such services for a total of $209,689.50

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with Hanrahan Asphalt Paving for asphalt overlay services and additional construction in an amount not to exceed $209,689.50.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri this 7th day of July 2014.

____

Kevin W. Wood, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

WITNESS my Hand and Seal this 7th day of July 2014

Mill & overlay ASPHALT CIP

Micro-Pave

N

NOT TO SCALE

Attachment: asphalt and micro overview (1468 : 2014 Annual Asphalt Overlay Program)

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Rick Deluca, Director**

DATE: **July 3, 2014**

SUBJECT: **A Resolution to Induce Sapp Bros. Inc.**

Type of Item: *Approval*

Issue:

Consideration of Sapp Brothers Inducement Resolution

Background:

Staff has been working with Sapp Brothers Travel Center to establish their business at 275th Street and Brookhart. It should be noted that they are most concerned about the cost of the sanitary sewer infrastructure. A *rough cost estimate* of the necessary public infrastructure (Street and Sanitary Sewer) for this project will be about $2.5 - 3 million.

Sapp Brothers anticipates establishing a travel center (retail and fuel sales), a truck repair facility, and a restaurant. They have acquired the fireworks retailer site (the fireworks retailer would remain in business). The entire development would be about 20-22 acres. They anticipate approximately 80 full-time employees (7 management, 50 customer service, and 10 truck service technicians). I am making the assumption that the remaining jobs would be in the restaurant. They anticipate additional businesses locating around them (such as a hotel) soon after they open.

Roadway Improvements. The following is a summary of the roadway improvements recommended per their traffic study. This is a MoDOT roadway. *East 275th Street should be widened from South Brookhart Road/SW Outer Road to where the four lanes begin just west of the I-49 Southbound Ramp terminal. The existing two-lane roadway is planned to be widened to a three-lane cross section with a two-way left turn lane (TWLTL) provided.* All new drives will be constructed as part of the site improvements. This would be approximately 900 feet of roadway improvements.

Sanitary Sewer Improvements. Staff has been researching and discussed numerous scenarios for addressing sanitary sewer. Bartlett and West is currently working on a study to determine how this area is to be serviced. Additional information about how this would be accomplished will be available in the near future.

Route 7 interchange. If sanitary sewer service is extended to the area, this would open up hundreds of acres for commercial and industrial development; it would place the City in a much better position for attracting commercial and industrial business.

Options:

The Board may:

- Approve the Inducement Resolution.
- Modify or conditionally approve the Inducement Resolution.
- Do not approve the Inducement Resolution.

Council Bill No. 038

Resolution No.

A RESOLUTION TO INDUCE SAPP BROS., INC. TO UNDERTAKE AND IMPLEMENT A REDEVELOPMENT PROJECT (EAST SIDE OF SITE) TO REMOVE BLIGHT AND TO IMMEDIATELY REMOVE HEALTH AND SAFETY HAZARDS WITHIN THE PROPERTY AND TO UNDERTAKE A DEVELOPMENT PROJECT (WEST SIDE OF SITE) - GENERALLY LOCATED AT THE SOUTHWEST CORNER OF THE INTERSECTION OF I-49 AND 275TH STREET, SAID PROJECT WILL PROMOTE THE GENERAL HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF HARRISONVILLE, CASS COUNTY, MISSOURI.

WHEREAS, the City of Harrisonville, Missouri (the "City") intends to annex the property generally located at the southwest corner of the intersection of I-49 and 275th Street (the “Property”). Sapp Bros., Inc. (The "Developer") is the fee owner of the Property and has indicated its willingness to cooperate and support the annexation of the Property into the City; and

WHEREAS, the Developer proposes: (a) construction of an approximately 14,400 square foot travel center with auto and truck fueling and restaurant; (b) construction of an approximately 9,000 square foot truck maintenance and repair facility; (c) retention of approximately 10,000 square feet of existing retail space; (d) as a later phase, construction of approximately 61,000 square feet of commercial space which may include, without limitation, a hotel, retail, restaurant or fast food restaurant with a drive through lane; and (e) appurtenant private and public infrastructure improvements, including parking lots, street improvements, storm water detention and drainage facilities, and sanitary sewer facilities necessary to remove blighting conditions on the Property; and

WHEREAS, implementation will extend public sanitary sewer infrastructure to the Property and surrounding areas, upgrade existing infrastructure in the area, and will open up surrounding areas for development and redevelopment; and

WHEREAS, the expense to extend the public sanitary sewer infrastructure to the property is significant and will benefit numerous property owners and existing businesses; and

WHEREAS, the City of Harrisonville acknowledges that this expense should be shared and not solely rest on Sapp Bros., Inc.; and

WHEREAS, the City of Harrisonville is willing to consider establishing funding mechanisms to reimburse Sapp Bros., Inc. For certain of the development costs of public infrastructure which includes the removal of the existing sewage treatment lagoon on the property; and

WHEREAS, the City of Harrisonville does not intend to establish funding mechanisms to fund on-site private improvements; and

WHEREAS, the City of Harrisonville intends to fund certain development costs of the public infrastructure and does not intend to provide funding in excess of the aforementioned costs; and

WHEREAS, the City of Harrisonville is willing to consider establishing a Community Improvement District (CID) to help fund the public infrastructure improvements; and

WHEREAS, the Developer anticipates that the rate of the CID sales tax will be 1% on eligible retail sales within the CID; and

WHEREAS, the City of Harrisonville is willing to consider entering into a sales tax reimbursement agreement ("Reimbursement Agreement") to help fund the public infrastructure improvements; and

WHEREAS, the Reimbursement Agreement could provide for the reimbursement to the Developer of 50% of the City's general sales tax revenue generated within the Property and could include City cooperation with the Developer to obtain the consent of the Cass County Commission to reimburse to the Developer 50% of the county's general sales tax and 50% of the county's road and bridge sales generated within the Property; and

WHEREAS, if necessary, the City of Harrisonville is willing to consider establishing a Transportation Development District (TDD), to help fund the public roadway infrastructure improvements if necessary; and

WHEREAS, the Developer anticipates that the rate of the TDD sales tax will be 1% on eligible retail sales within the TDD; and

WHEREAS, IF the aforementioned CID, Reimbursement Agreement and TDD will not fund a significant amount of the public infrastructure necessary for the development, resulting in a project that is not economically viable, THEN City will work with Developer to consider alternative funding mechanisms; and

WHEREAS, the Board of Aldermen desires to induce the Developer to develop the site and the Board of Aldermen acknowledges and declares that it is in the best interest of the City to allow blight removal activities to commence and continue on the Property in advance of the Board of Aldermen's consideration of the aforementioned funding mechanisms.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI:

Section 1. That the Board of Aldermen acknowledges that the proposed development will benefit the City by removing health and safety hazards within the Property and by bringing new and updated infrastructure and services to an area currently underserved and that the Developer must continue to remove the blight on the site to develop the property. The Board of Aldermen further acknowledges that this inducement for the Developer to initiate the removal of the health and safety hazards contained within the Property prior to the Board of Aldermen's consideration of the CID Formation Petition shall not preclude the Board of Aldermen from making all requisite findings and conclusions.

Section 2. That the Board of Aldermen hereby expresses its intent to consider the CID Formation Petition, and the Reimbursement Agreement, the TDD and other funding mechanisms in due course and that the Developer's reclamation and blight removal efforts shall not preclude or impact the ability of the City to make a determination on blight or otherwise prejudice or negatively impact the Board of Aldermen's consideration of the Project, the CID Formation Petition, the TDD and the Reimbursement Agreement.

Section 3. That the Board of Aldermen shall not be obligated to consider or implement any tax abatement in favor of Developer and that any tax abatement the Board of Aldermen elects to consider or implement may be offset by applicable PILOTs or other payments made by the Developer.

Section 4. That this Resolution shall be in full force and effect from and after the date of its approval.

READ by title only and DULY PASSED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri, this 7th day of July, 2014.

____

Mayor Kevin Wood and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

WITNESS my hand and seal this 7th day of July, 2014.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Rick Deluca, Director**

DATE: **June 20, 2014**

SUBJECT: **Coffey Addition Final Plat**

Type of Item: *Approval*

Issue:

The Applicant has requested approval of the final plat Coffey's Addition.

Background:

Location:	1411 S. Commercial Street	
Applicant:	John Coffey	
Owner:	John Coffey	
Existing Zoning:		"C-2" Service Business District
Adjacent Zoning:	North:	"R-1" Single Family Residential
	South:	"C-2" Service Business District
	East:	"R-1" Single Family Residential
	West:	"C-2" Service Business District
Acres:	Approximately 2.06 acres	
Lots:	1	

The applicant is requesting that the subject property, located approximately 200 feet south of the South Commercial and Sanders Intersection be platted and developed for commercial uses. This application qualifies as a small subdivision plat as allowed by the subdivision regulations. Additional easements/right-of-way would be dedicated with this plat. Minimal City infrastructure will be necessary for this project.

The Board of Aldermen recently approved a development agreement which would allow construction of the building concurrently with the platting process (see attached).

Options:

The Board may:

- Approve the requests.

- Conditionally approve the requests.
- Deny the request(s).

Recommendation:

Planning and Zoning Commission:

Approval (June 19, 2014)

Staff Recommendation:

Approval

Council Bill No. 039

Ordinance No.

AN ORDINANCE TO ACCEPT THE FINAL PLAT OF COFFEY'S ADDITION, A SUBDIVISION OF LAND IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI.

WHEREAS, the Planning and Zoning Commission on June 19, 2014 recommended approval of the final plat; and

WHEREAS, after considering the property for the purpose of promoting the public health, safety, morals and considering the general welfare of the community, it is determined that this final plat be approved.

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

<u>Section 1.</u> That the final plat and dedication of easements of the City of Harrisonville for Coffey's Addition, as shown by the plat, filed with the City Clerk of the City of Harrisonville, is hereby accepted and approved contingent upon compliance with the improvements and standards as outlined in Harrisonville's land use regulations and any applicable agreements between the City and the applicant.

<u>Section 2.</u> That the final plat comprises the following described real estate in Harrisonville, Cass County, Missouri, to wit:

All that part of a tract of land described in Book 3507, at Page 761, referenced as being Tract I, Tract II and Tract III in the office of the Recorder of Deeds in Cass County, Missouri, being part of the West half of Lot 2 of the Northwest Quarter of Section 4, Township 44, Range 31, Cass County, Missouri, described as follows: Beginning at the South and Easterly most corner of Lot 58, of the Resurvey of Harvey's Subdivision, a subdivision of land in the City of Harrisonville, Cass County, Missouri, as previously platted and recorded, said point being the Northwesterly Corner of that tract of land described as Tract I in Book 3507 at Page 761, aforesaid, run thence North 45°25'00" East along the Easterly line of Lots 58 thru 62 in said Resurvey of Harvey's Subdivision, 244.00 feet to a Southeasterly Corner of said Lot 62; thence South 0°22'49" East, 37.02 feet; thence North 89°33'33" East 160.26 feet to the Northwest Corner of a certain tract of land described in Book 3383, Page 242, in the office of the Recorder of Deeds in Cass County, Missouri, thence South 0°40'50" East along the East line of said certain tract of land, 60.00 feet to the Southeast Corner thereof; thence South 89°33'33" West, 35.26 feet to the Northwest Corner of a certain tract of land described in Book 2364, at Page 3 in the office of the Recorder of Deeds in Cass County, Missouri; thence South 0°40'50" East along the West line of said certain tract of land described in Book 2364, at Page 3, also being the West line of a tract of land described in Book 2989, at Page 524 in the office of the Recorder of Deeds in Cass County, Missouri, 188.96 feet to the Southwest Corner of said tract of land described in Book 2989 at Page 524 thence South 89°43'49" West, 68.35 feet; thence South 43°23'26" West, 178.80 feet to a point on the Northeasterly right-of-way line of Commercial Street as now located; thence North 46°36'30" West along said right-of-way line, 251.71 feet; thence North 45°25'00" East, 101.23 feet to the point of beginning. Contains 2.06 acres, more or less, subject to any existing easements.

Section 3. *Effective Date*. That this ordinance shall become effective immediately upon its passage and approval.

Section 4. *Severability*. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Vote taken as follows:

Ayes:

Nays:

Absent:

Abstain:

READ TWO TIMES BY TITLE ONLY ON JULY 7, 2014 AND PASSED BY THE BOARD OF ALDERMEN THIS 7th DAY OF JULY 2014.

____

Kevin W. Wood, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

APPROVED by the Mayor this 7th day of July 2014.

DEVELOPMENT AGREEMENT

Coffey Site Development

THIS AGREEMENT, MADE THIS 27 day of May 2014, by and between, John Coffey, hereinafter referred to as "Subdivider" and the City of Harrisonville, Missouri, a Municipal Corporation, hereinafter referred to as "City".

WHEREAS, subdivider seeks to obtain approval from the City a subdivision to be known as Coffey addition, which is located in the City of Harrisonville, Cass County, Missouri, and;

WHEREAS, the subdivider, herein defined, agrees to assume all subdivision development obligations of the City as described in this agreement and City ordinances, and;

WHEREAS, the subdivider desires to construct the private on-site improvements concurrently with public infrastructure improvements and dedications during the plat approval process, and;

WHEREAS, the City desires to ensure that the subdivider will accomplish certain things in order to protect the public health, safety and welfare.

NOW, THEREFORE, in consideration of the promises and covenants herein set forth, and receipt by the City of fees and costs as required by the City Of Harrisonville, the parties agree as follows:

GEOGRAPHIC LOCATION:

1. The terms of this agreement apply to the following property:

ALL THAT PART OF A TRACT OF LAND DESCRIBED IN BOOK 3507, AT PAGE 761, REFERENCED AS BEING TRACT I, TRACT II AND TRACT III IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, BEING PART OF THE WEST HALF OF LOT 2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 44, RANGE 31, CASS COUNTY MISSOURI, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTH AND EASTERLY MOST CORNER OF LOT 58, OF THE RESURVEY OF HARVEY'S SUBDIVISION, A SUBDIVISION OF LAND IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI AS PREVIOUSLY PLATTED AND RECORDED, SAID POINT BEING THE NORTHWESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED AS TRACT I IN BOOK 3507 AT PAGE 761, AFORESAID, RUN THENCE NORTH 45°25'00" EAST ALONG THE EASTERLY LINE OF LOTS 58 THRU 62 IN SAID RESURVEY OF HARVEY'S SUBDIVISION, 244.00 FEET TO A SOUTHEASTERLY

CORNER OF SAID LOT 62; THENCE SOUTH 0°22'49" EAST, 37.02 FEET; THENCE NORTH 89°33'33" EAST 160.26 FEET TO THE NORTHWEST CORNER OF A CERTAIN TRACT OF LAND DESCRIBED IN BOOK 3383, PAGE 242 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, THENCE SOUTH 0°40'50" EAST ALONG THE EAST LINE OF SAID CERTAIN TRACT OF LAND, 60.00 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°33'33" WEST, 35.26 FEET TO THE NORTHWEST CORNER OF A CERTAIN TRACT OF LAND DESCRIBED IN BOOK 2364, AT PAGE 3 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI; THENCE SOUTH 0°40'50" EAST ALONG THE WEST LINE OF SAID CERTAIN TRACT OF LAND DESCRIBED IN BOOK 2364, AT PAGE 3, ALSO BEING THE WEST LINE OF A TRACT OF LAND DESCRIBED IN BOOK 2989, AT PAGE 524 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, 188.96 FEET TO THE SOUTHWEST CORNER OF SAID TRACT OF LAND DESCRIBED IN BOOK 2989 AT PAGE 524; THENCE SOUTH 89°43'49" WEST, 68.35 FEET; THENCE SOUTH 43°23'26" WEST, 178.80 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF COMMERCIAL STREET AS NOW LOCATED; THENCE NORTH 46°36'30" WEST ALONG SAID RIGHT-OF-WAY LINE, 251.71 FEET; THENCE NORTH 45°25'00" EAST, 101.23 FEET TO THE POINT OF BEGINNING. CONTAINS 2.06 ACRES, MORE OR LESS, SUBJECT TO ANY EXISTING EASEMENTS.

INSTALLATION OF INFRASTRUCTURE, COMPLETION OF THE FINAL PLAT & ISSUANCE OF BUILDING PERMIT/CERTIFICATE OF OCCUPANCY

1. The construction of the public infrastructure, compilation/approval of the final plat may be completed concurrently with the construction of the improvements on the subject property with the following conditions.

- A temporary certificate of occupancy may be granted at the discretion of the Building Official.
- The subdivider shall install all public improvements, as shown on the approved construction plans (and the City must accept) and as outlined in City ordinances, prior to receiving a certificate of occupancy. Said improvements shall include, but shall not be limited to, any required off site improvements.
- Subdivider must complete the final plat (including all dedications) and have the approved copy of the plat recorded prior to the issuance of any occupancy.

2. The subdivider shall be responsible for the installation of all improvements in accordance with the approved construction plans, subdivider hereby agrees to indemnify and hold harmless the City and its past, present and future employees, officers and agents from any and all claims arising from the construction of the improvements located on subdivider's property or off site improvement locations or from the City's plan review and inspection services, practices and policies relating to the improvements to be placed on the subdivider's property. Subdivider hereby agrees to pay to the City all damages, costs and reasonable attorney's fees incurred by the City and its employees, officers and agents in defending said claims.

3. The subdivider agrees to provide the City of Harrisonville "as-built" plans for all public improvements as required by the City Of Harrisonville subdivision regulations. Said plans shall be considered a part of the improvements for the purpose of acceptance by the City.

FEES & BONDS

1. The subdivider agrees to pay all fees as typically required by the City of Harrisonville.

GENERAL PROVISIONS

1. The parties agree that execution of this agreement in no way constitutes a waiver of any requirements of applicable City ordinances with which the subdivider must comply and does not in any way constitute prior approval of any future proposal for development.

2. The covenants herein shall run with the land described in this agreement and shall be binding and insure to the benefit of the parties hereto and their successors or assigns and on any future and subsequent purchasers.

3. This agreement shall constitute the complete agreement between the parties and any modification hereof shall be in writing, subject to the approval of the parties.

4. If, at any time, any part hereof has been breached by subdivider, the City may withhold or revoke approval of any or all building permits and/or certificates of occupancy applied for in the subdivision, until breach or breaches has or have been cured.

5. This agreement shall be enforced until the completion of the project.

6. Any provision of this agreement which is not enforceable according to law will be severed herefrom, and the remaining provisions shall be enforced to the fullest extent permitted by law.

7. The undersigned represent that they each have the authority and capacity from the respective parties to execute this Agreement. This Agreement shall not be effective

until approved by ordinance duly enacted by the Board of Aldermen of the City of Harrisonville, Missouri.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

John Coffey

Subdivider

Keith Moody
City Administrator

OWNER/DEVELOPER
JOHN'S TREE SERVICE
MR. JOHN COFFEY
1308 WHITE OAK ST.
HARRISONVILLE, MO 64701

Final Plat of " Coffey's Addition" a subdivision of land in the City of Harrisonville, Missouri

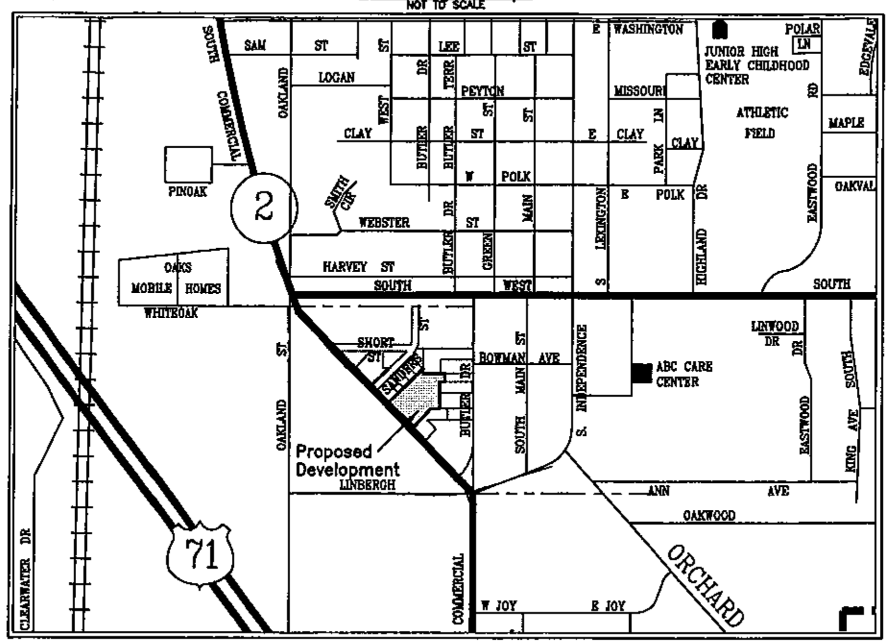
RECEIVED
JUN 10 2014
CITY OF HARRISONVILLE

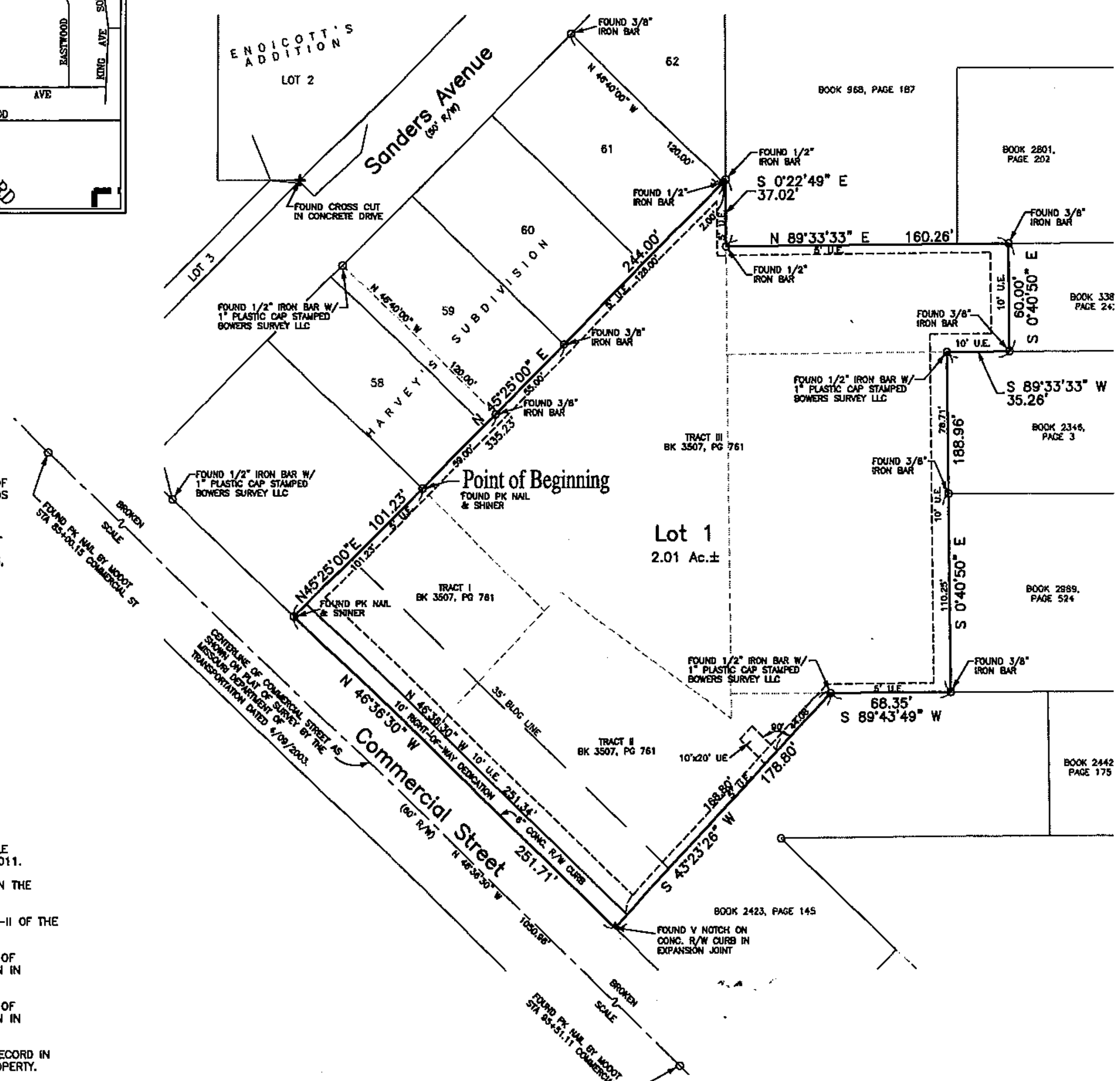
SCALE IN FEET SCALE: 1" = 40'

O = FOUND MONUMENT AS NOTED.

Vicinity Map

NOT TO SCALE





REVISED 6/09/14 AS PER CITY COMMENT LETTER DATED 5/30/14.

Description:

ALL THAT PART OF A TRACT OF LAND DESCRIBED IN BOOK 3507, AT PAGE 761, REFERENCED AS BEING TRACT I, TRACT II AND TRACT III IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, BEING PART OF THE WEST HALF OF LOT 2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 44, RANGE 31, CASS COUNTY MISSOURI, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTH AND EASTERLY MOST CORNER OF LOT 58, OF THE RESURVEY OF HARVEY'S SUBDIVISION, A SUBDIVISION OF LAND IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI AS PREVIOUSLY PLATTED AND RECORDED, SAID POINT BEING THE NORTHWESTERLY CORNER OF THAT TRACT OF LAND DESCRIBED AS TRACT I IN BOOK 3507 AT PAGE 761, AFORESAID, RUN THENCE NORTH 45°25'00" EAST ALONG THE EASTERLY LINE OF LOTS 58 THRU 62 IN SAID RESURVEY OF HARVEY'S SUBDIVISION, 244.00 FEET TO A SOUTHEASTERLY CORNER OF SAID LOT 62; THENCE SOUTH 0°22'49" EAST, 37.02 FEET; THENCE NORTH 89°33'33" EAST 160.26 FEET TO THE NORTHWEST CORNER OF A CERTAIN TRACT OF LAND DESCRIBED IN BOOK 3383, PAGE 242 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, THENCE SOUTH 0°40'50" EAST ALONG THE EAST LINE OF SAID CERTAIN TRACT OF LAND, 60.00 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°33'33" WEST, 35.26 FEET TO THE NORTHWEST CORNER OF A CERTAIN TRACT OF LAND DESCRIBED IN BOOK 2364, AT PAGE 3 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI; THENCE SOUTH 0°40'50" EAST ALONG THE WEST LINE OF SAID CERTAIN TRACT OF LAND DESCRIBED IN BOOK 2364, AT PAGE 3, ALSO BEING THE WEST LINE OF A TRACT OF LAND DESCRIBED IN BOOK 2989, AT PAGE 524 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI, 188.96 FEET TO THE SOUTHWEST CORNER OF SAID TRACT OF LAND DESCRIBED IN BOOK 2989 AT PAGE 524; THENCE SOUTH 89°43'49" WEST, 68.35 FEET; THENCE SOUTH 43°23'26" WEST, 178.80 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF COMMERCIAL STREET AS NOW LOCATED; THENCE NORTH 46°36'30" WEST ALONG SAID RIGHT-OF-WAY LINE, 251.71 FEET; THENCE NORTH 45°25'00" EAST, 101.23 FEET TO THE POINT OF BEGINNING. CONTAINS 2.06 ACRES, MORE OR LESS, SUBJECT TO ANY EXISTING EASEMENTS.

Notes:

BEARINGS SHOWN ARE BASED ON AN ASSUMED BEARING OF NORTH 46°36'30" WEST ALONG THE CENTERLINE OF COMMERCIAL STREET AS ESTABLISHED BY THE MISSOURI DEPARTMENT OF TRANSPORTATION BY SURVEY DATED APRIL 9, 2003.

THIS SURVEY MEETS OR EXCEEDS THE ACCURACY STANDARDS OF AN URBAN CLASS SURVEY AS DEFINED BY THE MISSOURI STANDARDS FOR PROPERTY BOUNDARY SURVEYS.

THIS PROPERTY IS NOT WITHIN THE BOUNDARIES OF THE 100 YEAR FLOOD ZONE AS LOCATED BY FLOOD INSURANCE RATE MAP NO. 29037C0188F, DATED JANUARY 2, 2013. BOWERS SURVEY COMPANY ASSUMES NO LIABILITY AND OFFERS NO WARRANTY AS TO THE LOCATION OF SAID FLOOD ZONE.

Easement Notes:

RECORD TITLE AND EASEMENT INFORMATION HAS BEEN PROVIDED BY THE CLIENT IN THE FORM OF A TITLE COMMITMENT PREPARED BY COFFELT LAND TITLE, INC., FILE NUMBER 201175829, DATED OCTOBER 11, 2011.

THE PROPERTY CONVEYANCE IS A MISSOURI SPECIAL WARRANTY DEED FILED IN BOOK 3507, PAGE 761 IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI.

THE PROPERTY IS SUBJECT TO THE FOLLOWING EASEMENTS AND CONDITIONS AS SHOWN IN SCHEDULE B-II OF THE TITLE COMMITMENT:

TERMS AND CONDITIONS OF EASEMENT FOR HIGHWAY PURPOSES BY INSTRUMENT FILED APRIL 17, 1998, OF RECORD IN BOOK 1657, PAGE 221. THIS IS A TEMPORARY CONSTRUCTION EASEMENT AND HAS NOT BEEN IN EFFECT SINCE THE COMPLETION AND ACCEPTANCE OF THE COMMERCIAL STREET IMPROVEMENT PROJECT.

TERMS AND CONDITIONS OF EASEMENT FOR HIGHWAY PURPOSES BY INSTRUMENT FILED APRIL 17, 1998, OF RECORD IN BOOK 1657, PAGE 222. THIS IS A TEMPORARY CONSTRUCTION EASEMENT AND HAS NOT BEEN IN EFFECT SINCE THE COMPLETION AND ACCEPTANCE OF THE COMMERCIAL STREET IMPROVEMENT PROJECT.

TERMS AND CONDITIONS OF A PARTY DRIVEWAY AGREEMENT BY INSTRUMENT FILED JULY 27, 1963, OF RECORD IN BOOK 464, PAGE 325. THIS DRIVEWAY EASEMENT NO LONGER APPEARS TO ENCUMBER THE SUBJECT PROPERTY.

TERMS AND CONDITION OF AN AGREEMENT BY INSTRUMENT FILED SEPTEMBER 6, 1951, OF RECORD IN BOOK 375, PAGE 552. THIS AGREEMENT IF FOR JOINT INGRESS AND EGRESS AND DOES NOT APPEAR TO ENCUMBER THE SUBJECT PROPERTY AT THIS TIME.

TERMS AND CONDITION OF AN AGREEMENT BY INSTRUMENT FILED SEPTEMBER 29, 1947, OF RECORD IN BOOK 362, PAGE 19. THIS AGREEMENT IS FOR THE USE OF A GAS WELL AND DOES NOT APPEAR TO ENCUMBER THE SUBJECT PROPERTY AT THIS TIME.

Owner's Certificate:

AS OWNER I HEREBY CERTIFY THAT I HAVE CAUSED THE LAND DESCRIBED ON THIS PLAT TO BE SURVEYED, DIVIDED, MAPPED, DEDICATED AND ACCESS RIGHTS RESERVED AS REPRESENTED ON THIS PLAT.

IN WITNESS WHEREOF, THE UNDERSIGNED PROPRIETORS HAVE HEREUNTO SET THEIR HANDS THIS

_______ DAY OF ____________________, 2014.

STATE OF ____________ }
COUNTY OF ____________ } SS

BE IT REMEMBERED THAT ON THIS ______ DAY OF ____________________, 2014,

BEFORE ME, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, CAME ____________

____________________, TO ME, PERSONALLY KNOWN TO BE THE SAME PERSON WHO EXECUTED THE FOREGOING INSTRUMENT OF WRITING AND DULY ACKNOWLEDGED THE EXECUTION OF SAME. IN TESTIMONY WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY NOTARIAL SEAL THE DAY AND YEAR ABOVE WRITTEN.

(SEAL)

NOTARY PUBLIC ____________________

MY COMMISSION EXPIRES: ____________________

Dedication:

THE UNDERSIGNED PROPRIETORS OF THE REAL ESTATE DESCRIBED HEREIN HAVE CAUSED THE SAME TO BE SUBDIVIDED IN THE MANNER AS SHOWN ON THIS PLAT, WHICH SUBDIVISION AND PLAT SHALL HEREAFTER BE KNOWN AS "COFFEY'S ADDITION". IT SHALL BE SUFFICIENT DESCRIPTION OF EACH LOT PLATTED HEREON TO BE DESIGNATED BY THE NUMBER WHICH APPEARS ON SAID LOT FOLLOWED BY THE WORDS "COFFEY'S ADDITION".

AN EASEMENT OR LICENSE IS HEREBY GRANTED TO THE CITY OF HARRISONVILLE, TO LOCATE, CONSTRUCT AND MAINTAIN OR TO AUTHORIZE THE LOCATION, CONSTRUCTION AND MAINTENANCE OF CONDUITS, WATER, GAS AND SEWER PIPES, POLES, WIRES AND ANCHORS AND ALL OR ANY OF THEM UPON THOSE AREAS IN THIS SUBDIVISION OUTLINED ON THIS PLAT AND DEDICATED BY THE WORDS "UTILITY EASEMENT" (U.E) OR "STORM DRAINAGE AND UTILITY EASEMENT" (S.D. & U.E.).

THE STREETS OR ROADS SHOWN ON THIS PLAT AND NOT ALREADY DEDICATED TO THE PUBLIC ARE HEREBY SO DEDICATED.

THE USE OF ALL LOTS ON THIS PLAT SHALL BE SUBJECT TO ANY AND ALL RESTRICTIONS RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS IN CASS COUNTY, MISSOURI.

THIS PLAT OF "COFFEY'S ADDITION" HAS BEEN SUBMITTED TO AND APPROVED BY THE HARRISONVILLE AND ZONING COMMISSION THIS ______ DAY OF ____________________, 2014.

____
PLANNING & ZONING COMMISSION CHAIRMAN

THIS PLAT OF "COFFEY'S ADDITION" INCLUDING EASEMENTS AND RIGHTS-OF-WAY ACCEPTED BY THE BOARD OF ALDERMAN HAS BEEN SUBMITTED TO AND APPROVED BY THE HARRISONVILLE BOARD OF ALDERMAN BY ORDINANCE NO. ____________, DULY PASSED AND APPROVED BY THE MAYOR OF HARRISONVILLE, MISSOURI, IN THE ______ DAY OF ____________, 2014.

(SEAL)

MAYOR: ____________________

ATTEST: ____________________
CITY CLERK

____
CITY ENGINEER

____
COMMUNITY DEVELOPMENT DIRECTOR

THE UNDERSIGNED REGISTERED LAND SURVEYOR HEREBY STATES THAT THE DESCRIBED PROPERTY HAS BEEN SURVEYED UNDER HIS DIRECT SUPERVISION AND SUBDIVIDED AS SHOWN ON THIS PLAT IN ACCORDANCE WITH THE CURRENT MISSOURI MINIMUM STANDARDS FOR PROPERTY BOUNDARY SURVEYS. HE FURTHER STATES THAT HE HAS COMPLIED WITH ALL STATUTES, ORDINANCES AND REGULATIONS GOVERNING THE PRACTICE OF SURVEYING AND THE PLATTING OF SUBDIVISIONS TO THE BEST OF HIS PROFESSIONAL KNOWLEDGE.

FOR: MR. JOHN COFFEY — HARRISONVILLE, MISSOURI

BOWERS SURVEY LLC
ESTABLISHED 1962
1908 WEST MECHANIC SUITE 104
HARRISONVILLE, MISSOURI 64701
PHONE (816) 380-4821
bowerssurvey@embarqmail.com

SECTION	TOWNSHIP	RANGE	COUNTY	STATE	DATE	JOB NO.
4	44	31	CASS	MISSOURI	4/23/14	20888-14

DRAWING NO. 20888FP.DWG — DRAWN BY: RB — CHECKED BY:

STATE OF MISSOURI
GREGORY B. BOWERS
NUMBER LS 2672
REGISTERED LAND SURVEYOR

GREGORY B. BOWERS

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **John Hofer, Director**

DATE: **July 3, 2014**

SUBJECT: **ROW Solicitation Ordinance Amendment**

Type of Item: *Amendment*

Issue: Recently the Walmart DC submitted a ROW permit application for a fundraiser to benefit the Children's Miracle Network that was denied by the BOA at the May 19, 2014 meeting. During that meeting there was discussion on removing the ordinance that allows for this type of fundraising within the City of Harrisonville.

Background: City Ordinance permits ROW solicitation at three specific intersections, Commercial and Hwy 291, Commercial and Wall and Commercial and Locust with Board of Aldermen approval. In the past, we would receive annual solicitation permit requests from the Harrisonville Fire Department (MDA Boot Block Fundraiser), the Harrisonville Rotary (Rotary Day Fundraiser), and the Civil Air Patrol (Civil Air Patrol Fundraiser). In 2007 the Board of Aldermen modified ordinance, 300.030 due to numerous safety concerns with this type of solicitation. City Ordinance mandates the use of safety vests (Ansi certified) for all solicitors and limits the number of solicitors to eight (8) per intersection along with required signage and postings in local newspapers. The most recent approved event was in 2009 by the Civil Air Patrol. Due to numerous safety concerns with this type of fundraising staff would like to have this ordinance removed. A copy of the changes to the current ordinance (300.030) is attached.

Recommendation: Staff is recommending approval for the amendment of this ordinance.

Council Bill No. 040

Ordinance No.

AN ORDINANCE TO AMEND SECTION 300.030, SELLING MERCHANDISE, DISTRIBUTING LITERATURE, SOLICITING MONEY ON PORTION OF STREETS TRAVELED BY VEHICULAR TRAFFIC

WHEREAS the City of Harrisonville Board of Aldermen desires to safeguard the public by prohibiting the practice of solicitation on the rights-of-way of city streets

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

Section 1: That Section 300.030 of the Code of Ordinances of the City of Harrisonville shall be amended to read as follows:

"No person shall stand upon that portion of the public streets of the City of Harrisonville on which there is vehicular traffic for the purpose of selling merchandise, distribution of literature or the solicitation of funds."

Section 2: That this order shall become effective upon its passage and approval.

Vote taken as follows:

Ayes:

Nays:

Abstain:

Absent:

Read one time by title only on July 7, 2014, and the second time by title only on July 7, 2014, and passed and approved by the Board of Aldermen this 7th day of July 2014.

____

Kevin Wood, Mayor & Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Kim Hubbard, City Clerk

APPROVED by the Mayor this 7th day of July 2014

Chapter 300. General Provisions

Section 300.030. Selling Merchandise, Distributing Literature, Soliciting Money On Portion of Streets Traveled By Vehicular Traffic.

[CC 1977 §33-9; Ord. No. 2804 §1(33-9), 1-20-2003; Ord. No. 3022 §§1 — 2, 1-21-2008]
A. No person shall stand upon that portion of the public streets of the City of Harrisonville on which there is vehicular traffic for the purpose of selling merchandise, distribution of literature or the solicitation of funds ~~unless a right-of-way solicitation permit has been obtained from the Board of Aldermen~~.
~~B. A person seeking the issuance of a right-of-way solicitation permit shall file an application with the City Clerk on forms provided by the City.~~
~~C. An application for a right-of-way solicitation permit shall be filed not less than seven (7) days prior to the meeting of the Board of Aldermen at the time the applicant requests to be heard. Such meeting shall be at least two (2) weeks prior to the proposed date(s) of the solicitation event.~~
~~D. The Board of Aldermen may issue a permit as provided for hereunder when they find that:~~
~~1. The solicitation will not substantially interrupt the safe and orderly movement of traffic.~~
~~2. The solicitation will not require the diversion of City resources as to prevent the normal provision of City services.~~
~~3. The solicitation event will not reasonably be likely to cause injury, damage property, provoke disorderly conduct or create a disturbance.~~
~~4. The solicitation is not to be held for the sole purpose of advertising any product, goods or event and is not designed to be held purely for private profit.~~
~~5. The solicitation is to be conducted by not-for-profit groups based in Harrisonville.~~
~~6. The solicitation may only be conducted at Highway 291 and Commercial, Commercial and Mechanic and/or Commercial and Locust.~~
~~7. The group/individual applying for the permit has performed no more than four (4) solicitation events within any given calendar year.~~
~~E. As a condition of the issuance of a right-of-way solicitation permit, the applicant shall:~~
~~1. Provide proof of liability insurance of at least one million dollars ($1,000,000.00) for the event and name the City of Harrisonville as additionally insured prior to the solicitation event.~~
~~2. Establish temporary signage along the applicable roadways announcing the solicitation immediately prior to starting the solicitation event. Said signage shall be placed approximately two hundred (200) feet on each side of the solicitor(s) and all signs shall be removed immediately after the solicitation is completed. Said signage shall be four (4) square feet in size and visible to oncoming traffic.~~
~~3. Advertise the solicitation event in a paper of general circulation in the City a minimum of seven (7) days prior to the event. Said advertisement shall outline the location(s), time(s), purpose and organization conducting the solicitation event.~~
~~4. Only solicit during daylight hours between the months of April and October.~~
~~5. Ensure that all solicitors are seventeen (17) years of age or older.~~
~~6. Limit the number of solicitors to eight (8) per intersection.~~
~~7. Ensure that all solicitors are wearing a safety vest meeting ANSI/ISEA (American National Safety Standard and International Safety Equipment Standard) I07-2004 standards (Class 2).~~

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **John Hofer, Director**

DATE: **July 3, 2014**

SUBJECT: **Urban Chicken Keeping Ordinance**

Type of Item: *Amendment*

Issue: In February of 2012 Director Rauscher proposed to amend Chapter 210, Animal Regulations, to allow chickens in an urban setting under specific limitations.

Background: The proposed amendment to the ordinance first went before the Board of Aldermen on March 19, 2012 and was sent back to staff for revisions. On April 2, 2012 the ordinance was presented again to the Board of Aldermen with the requested revisions and the proposed ordinance did not pass.

At a recent Board of Aldermen meeting Alderman Reece requested that the urban chicken keeping ordinance be revisited. Staff has amended Chapter 210, Animal Regulations, to allow chickens in an urban setting under specific limitation. The proposed ordinance repeals the term "chickens" from the existing keeping regulations in Section 210.190 and 210.200, and establishes and entire new Section 210.265 through 210.269, drafted just for chicken keeping. Requests by residents for keeping chickens may now be handled administratively without the need to get a permit from the Board of Aldermen.

Recommendation: Staff is recommending approval for this amended ordinance.

Council Bill No. 041

Ordinance No.

AN ORDINANCE AMENDING CHAPTER 210, ANIMAL REGULATIONS, AND ENACTING A NEW SECTION 210.265, KEEPING OF CHICKENS, OF THE CODE OF ORDINANCES OF THE CITY OF HARRISONVILLE, MISSOURI

WHEREAS the City of Harrisonville Board of Alderman desire to provide minimum standards to safeguard health, property, property values and public welfare by regulating and controlling the keeping of chickens in an urban environment.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMAN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That Section 210.190 of the Code of Ordinances of the City of Harrisonville, Missouri shall be amended to read as follows:

Delete: "including chickens" from the first paragraph.

Section 2: That Section 210.200 of the Code of Ordinances of the City of Harrisonville, Missouri shall be amended to read as follows:

Delete: "or chickens" from the first sentence.

Section 3: That a new Section 210.265, 210.266, 210.267, 210.268, and 210.269 is enacted to read as follows:

SECTION 210.265: KEEPING OF CHICKENS

(a) The maximum number of chickens allowed is six (6) per tract of land regardless of how many dwelling units are on the tract. Chickens shall be allowed in the rear yard only.

(b) Only female chickens are allowed. There is no restriction on chicken species. Roosters are prohibited.

(c) It shall be unlawful to engage in chicken breeding or fertilizer production for commercial purposes.

(d) The chicken owner is required to get written consent from all property owners and/or residents whose property is contiguous with the chicken owner's property.

Provided the chicken owner fails to receive written consent from all property owners and residents, the chicken owner may request an appeal before the Board of Alderman.

SECTION 210.266: ENCLOSURES

(a) Chickens must be kept in an enclosure or fenced area in the rear yard only at all times. Chickens shall be secured within a henhouse or chicken tractor during non-daylight hours.

(b) Enclosures must be kept in a clean, dry, odor-free, neat and sanitary condition at all times.

(c) Henhouses, chicken tractors and chicken pens must provide adequate ventilation and adequate sun and shade and must be impermeable to rodents, wild birds and predators, including dogs and cats.

(d) Henhouses, chicken tractors and chicken pens.

(1) Henhouses and chicken tractors shall be designed to provide safe and healthy living conditions for the chickens while minimizing adverse impacts to other residents in the neighborhood.

a. A henhouse or chicken tractor shall be enclosed on all sides and shall have a roof and doors. Access doors must be able to be shut and locked at night. Opening windows and vents must be covered with predator and bird proof wire of less than (1) inch openings.

b. The materials used in making a henhouse or chicken tractor shall be uniform for each element of the structure such that walls are made of the same material, the roof has the same shingles or other covering, and any windows or openings are constructed using the same materials. The use of scrap, waste board, sheet metal, or similar materials is prohibited. Henhouses and chicken tractors shall be well maintained.

c. Chicken henhouses, chicken tractors and chicken pens shall only be located in the rear yard.

d. Henhouses, chicken tractors and chicken pens must be located at least ten (10) feet from the property line and at least twenty-five (25) feet from any adjacent residential dwelling, church, school, or place of business.

SECTION 210.267: ODORS AND NOISE IMPACTS, PREDATORS, RODENTS, INSECTS AND PARASITES.

(a) Odors from chickens, chicken manure or other chicken related substances shall not be perceptible at the property boundaries.

(b) Perceptible noise from chickens shall not be loud enough at the property boundaries to disturb persons of reasonable sensitivity.

(c) The chicken owner shall take necessary action to reduce the attraction of predators and rodents and the potential infestation of insects and parasites. Chickens found to be infested with insects and parasites that may result in unhealthy conditions to human habitation may be removed by an Animal Control Officer.

SECTION 210.268: FEED, WATER, WASTE AND REMOVAL

(a) Chickens shall be provided with access to feed and clean water at all times. The feed and water shall be unavailable to rodents, wild birds, and predators.

(b) The chicken owner must provide for the storage and removal of chicken manure. All stored manure shall be covered by a fully enclosed structure with a roof or lid over the entire structure. No more than three (3) cubic feet of manure shall be stored. All other manure not used for composting or fertilizing shall be removed. The henhouse, chicken tractor, chicken pen and surrounding area must be kept free from trash and accumulated droppings. Uneaten feed shall be removed in a timely manner.

SECTION 210.269: CHICKENS AT LARGE, UNLAWFUL ACTS, NUISANCES, CONTINUING VIOLATIONS.

(a) No dog or cat which kills a chicken will, for that reason alone, be considered a dangerous or aggressive animal.

(b) It shall be unlawful for any person to keep chickens in violation of any provision of this article.

(c) It shall be unlawful for any owner, renter or leaseholder of property to allow chickens to be kept on the property in violation of the provisions of this article.

(d) Any violation of this article that constitutes a health hazard or that interferes with the use or enjoyment of neighboring property is a nuisance and may be abated under the general nuisance abatement provisions of Chapter 220.

(e) Each day that a violation of this article continues is a separate offense.

Section 4: That Section 210.320: ISSUANCE OF TAG, is amended to read as follows:

Delete “may” in the second sentence and **Insert** “will”.

Section 5: That this order shall become effective upon its passage and approval.

Vote taken as follows:

Ayes:

Nays:

Abstain:

Absent:

Read one time by title on July 7, 2014, and the second time by title only on July 7, 2014, and passed and approved by the Board of Alderman this 7th day of July 2014.

Kevin W. Wood, Mayor & Ex-Officio

Chairman of the Board of Alderman

ATTEST:

Kim Hubbard, City Clerk

APPROVED by the Mayor this 7th day of July 2014