

City of Mexico Mayor and Council for 2014



Councilman Steve Nichols

2005-2017

Councilman Greg Miller

2011-2017

Mayor Dan Botts

2003 - 2015

Councilman Chris Williams

2010-2016

Chairman Pro Tem Ronald W. Loesch

2006-2015

A Message from the City Manager and Deputy City Manager

Mexico Citizens:

We are once again pleased to present to you the City of Mexico's Popular Annual Financial Report (PAFR) for the fiscal year ending September 30, 2014. This report is intended to increase awareness throughout the community of the financial operations of the City. As such, this report is written in a manner that will summarize and communicate, in a user friendly manner, the City's financial condition.

The PAFR is an unaudited summary report of the financial activities of the City and is prepared primarily from detailed information contained in the City's 2014 Comprehensive Annual Financial Report (CAFR). The CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and includes audited financial statements by the CPA firm, Williams-Keepers, LLC. It provides more detail as well as full disclosure of all material events, both financial and non-financial.

The information in the CAFR by its nature can be technical and complex and as such not as useful to citizens wishing to gain an overview of the City's finances. The PAFR has been prepared to simplify the information in the CAFR and better inform the public about the overall financial condition of the City, without the heavy use of technical accounting terms or excessive detail.

The City adheres to the highest standards of accounting principles to ensure full financial disclosure, accountability, and legal compliance. In evidence of this is the fact that the City has been awarded the Certificate of Achievement for Excellence in Financial Reporting for its CAFR for twenty-five consecutive years from the Government Finance Officers Association of the United States and Canada.

The City Staff is proud to prepare this PAFR as a means of increasing public awareness and confidence in City government and your elected officials through straightforward, user-friendly information. As you review our PAFR for Fiscal Year 2014, we invite you to contact us to share any questions or comments you may have at (573) 581-2100 or finance@mexicomissouri.org.



Bruce R. Slagle
City Manager



Roger D. Haynes
Deputy City Manager
Director of
Administrative Services

Bruce R. Slagle
City Manager

Roger D. Haynes
Deputy City Manager

Looking Back on Fiscal Year 2014



As we look at this past year, some great things have happened. Our local economy is changing and we are seeing solid signs of improvement. Our employment numbers in the community improved steadily during the past year. As of September 2014, the City's unemployment rate maintained at 5%, which was consistently lower than the State's rate of 6% and the national rate of 5.7%. In September of 2014, we had 500 more people employed in our community than we did in September of 2013.

The City issued building permits during this fiscal year with an estimated value over \$19.1M dollars. Retail sales were up over 5% on the five-year average and hotel/motel usage was up by an average of 10%. A slow, steady recovery from the recent recession seems to be occurring.

As a community, we need to cultivate an environment that promotes investment by current residents, businesses and property owners, all while actively seeking new ventures from the regional, national and international realm. True community success will ultimately be achieved through on-going communication, cooperation, and a long-term commitment towards successful and sustainable community building efforts.

The City of Mexico provides residents with city services they expect and deserve, such as public safety, street and park maintenance, garbage collection, wastewater treatment, stormwater drainage systems, health and environmental protection services, recreation activities and inspections for buildings. The City is also committed to reinvesting in our community and continues to undertake important projects and facility improvements.

Some of the projects and facility improvements this past year included:

- Repairs and improvements to the wastewater treatment plant.
- We identified defects and made repairs to 5,346 feet of sewer lines, whereby eliminating excess water from entering the sewer system.
- Improvements to the City's wastewater lift stations for the efficient pumping of sewage.
- Completed and adopted the Parks Master Plan.
- Replaced tennis court lights.
- Sited and opened a community garden.
- Replaced skate park equipment.
- Installed picnic tables at Green Estates Park along the trail.
- New parking lot at Fairgrounds Park for the tennis courts and soccer fields.
- Implemented on-line registration capability for park and recreation programs.
- Demolished 20 dilapidated structures as a part of the community beautification efforts.
- Completed the asphalt sealing and painting project at the Mexico Municipal Airport.
- Reconstructed and/or resurfaced 37 blocks of city streets.
- Constructed 37 new Americans with Disabilities compliant sidewalk ramps.
- Retrofit 23 downtown street lights for improved lighting and efficiency.
- Voluntary annexation of land into the city limits for the VA Medical Clinic.
- Completed and adopted the 2014 edition of the City's Comprehensive Plan.
- Created a partnership with the Hart Career Center, the State Career Center, the Technical College of Missouri and Moberly Area Community College to begin the process to become a Certified Work Ready Community.
- Re-designed the City's web site to improve ease in navigation.



Report to Residents

The PAFR includes financial information presented in the City of Mexico's FY14 Comprehensive Annual Financial Report (CAFR) and future information as estimated in the City's FY15 adopted budget. All financial numbers in the PAFR are actual and not estimates unless otherwise noted.

Since the PAFR is a summary, it does not comply with the Generally Accepted Accounting Principles (GAAP) requirements. Residents who prefer to review an independently audited GAAP compliant report should review the City's audited CAFR document.

The PAFR, CAFR and adopted budget are all available on the City's website at www.mexicomissouri.org. A resident may also call the Finance Department at 573-581-2100 to request a copy of these documents (subject to availability).

Financial Activity Statements for Years Ended September 30, 2013 and 2014

All Governmental Fund Types		
Revenues	2014	2013
Property Taxes	\$1,059,357	\$1,254,316
Gross Receipts Tax	\$1,924,513	\$1,885,224
Sales Tax	\$3,916,683	\$3,520,641
Intergovernmental	\$365,398	\$187,907
Licenses and Permits	\$201,748	\$160,623
Fines and Forfeitures	\$55,229	\$33,229
Charges for Services	\$21,206	\$37,229
Investment Income	\$58,693	\$30,585
Miscellaneous	\$751,552	\$811,194
Total Revenues	\$8,354,379	\$7,920,948
Expenditure by Function		
General Government	\$1,089,993	\$1,114,937
Public Safety	\$2,247,577	\$2,232,667
Streets	\$820,953	\$801,903
Cemetery	\$118,230	\$113,694
Parks & Recreation	\$802,909	\$721,214
Public Health	\$301,392	\$324,331
Economic Development	\$145,399	\$186,200
Airport	\$60,099	\$68,129
Community Development	\$443,095	\$366,888
Capital Outlay	\$1,093,689	\$837,625
Debt Service (Princ & Int)	\$250,460	\$259,992
Total Expenditures	\$7,373,796	\$7,027,580
Other Financing Sources/(Uses)		
Debt proceeds from NID bonds	\$0	\$22,003
Transfers-In	\$471,781	\$668,826
Transfers-Out	(\$471,781)	(\$668,826)
Net Change in Fund Balance	\$980,583	\$915,371
Fund Balances, October 1	\$6,486,182	\$5,570,811
Fund Balances, September 30	\$7,466,765	\$6,486,182

Enterprise Funds		
Revenues	2014	2013
Wastewater Revenues	\$2,762,403	\$2,605,383
Sanitation Revenues	\$566,374	\$565,407
Total Revenues	\$3,328,777	\$3,170,790
Operating Expenses		
Wastewater Expenses	\$2,248,900	\$1,932,335
Sanitation Expenses	\$539,860	\$421,438
Total Operating Expenses	\$2,788,760	\$2,353,773
Non-Operating Revenue (Expenses)		
Investment Income	\$35,120	\$21,656
Interest Expense	(\$485,469)	(\$253,626)
Contribution to Others	\$0	\$0
Gain/(Loss) on Assets	\$5,100	\$0
Capital Contributions	\$0	\$0
Change in Net Position	\$94,768	\$585,047
Net Assets, October 1 (as restated)	\$10,975,942	\$10,390,895
Net Assets, September 30	\$11,070,710	\$10,975,942

Governmental Fund Types

What does this mean? Governmental Funds track the general and non-enterprise activities of the City.

During 2014, the city's revenues exceeded expenditures in its Governmental Funds. The increase in Fund Balance resulted from savings in expenditures, some deferred capital project expenses, and a strong finish in our gross receipts and sales tax revenue .

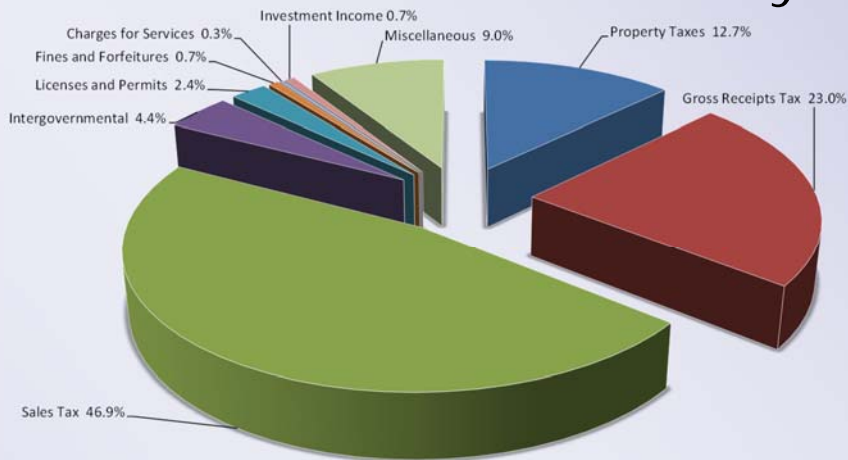
Enterprise Funds

The Enterprise Funds record the financial activity of the operational, debt service, and CIP activities of the wastewater and sanitation funds.

The operating gain in the wastewater fund continues to help generate funds for ongoing collection system improvements and bond payments. The sanitation fund also realized a gain due to another favorable adjustment to the City's landfill post-closure liability, as well as positioning the City to resume operation of the Brush Yard drop off site.



Where Did the Money Come From?



Governmental Fund Revenues	2014
Property Taxes	\$1,059,357
Gross Receipts Tax	\$1,924,513
Sales Tax	\$3,916,683
Intergovernmental	\$365,398
Licenses and Permits	\$201,748
Fines and Forfeitures	\$55,229
Charges for Services	\$21,206
Investment Income	\$58,693
Miscellaneous	\$751,552
Total Revenues	\$8,354,379

Sales Tax: Generated from the various general, capital improvement, cigarette, and lodging sales taxes.

Gross Receipts Tax: Generated from the city's business license tax on gross receipts of utilities.

Property Tax: Revenue generated from the city's tax on real estate and personal property.

Intergovernmental: Revenues from grants and pass-through monies from the

State of Missouri and the U.S. government, including gasoline tax, auto sales tax, and road and bridge money.

Miscellaneous: Includes reimbursements, donations, sales of equipment, and other sources.

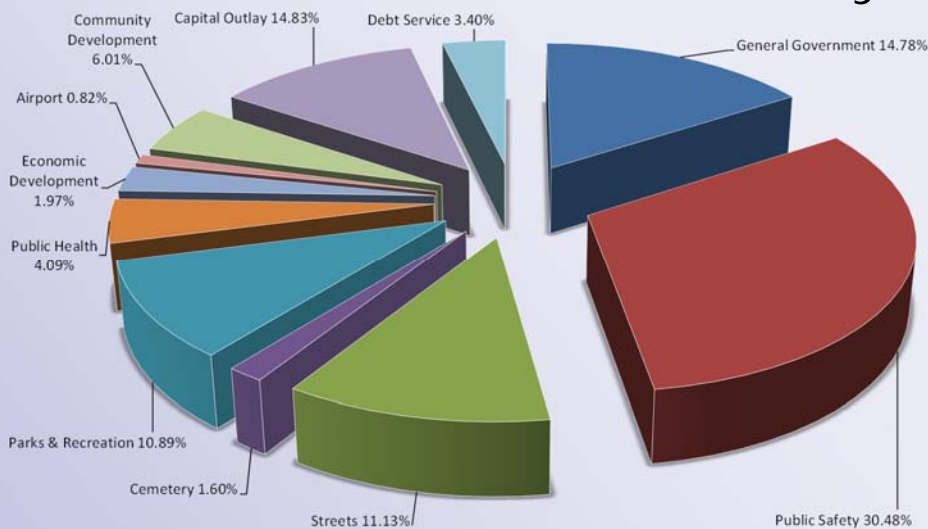
Licenses and Permits: Derived from licenses and permits, such as building permits, motor vehicle and business licenses, required by the city's code or state law.

Fines and Forfeitures: Revenues from fines and costs levied in the court.

Charges for Services: Includes fees collected for burial permits, administrative reimbursements, use of city facilities, and play admissions.

Investment Income: Revenue earned by investing city funds throughout the year, pursuant to the city's investment policy.

How Was the Money Spent?



Governmental Fund Expenditures	2014
General Government	\$1,089,993
Public Safety	\$2,247,577
Streets	\$820,953
Cemetery	\$118,230
Parks & Recreation	\$802,909
Public Health	\$301,392
Economic Development	\$145,399
Airport	\$60,099
Community Development	\$443,095
Capital Outlay	\$1,093,689
Debt Service	\$250,460
Total Expenditures	\$7,373,796

Public Safety: Expenditures relating to the police and fire department, including administration, investigation, and patrol.

Capital Outlay: Purchases of capital items and the construction or acquisition of major capital facilities. Includes projects financed with the city's Capital Improvement Sales Tax.

General Government: Expenditures relating to city council, city clerk, city manager, municipal court, administrative services, engineering, insurance, and other related functions.

Community Development: Expenditures relating to planning, zoning, building inspection, code enforcement.

Streets: Expenditures relating to the maintenance of streets, roadways, sidewalks, and storm water drainage.

Parks & Recreation: Expenditures for maintenance of City Parks, playgrounds, recreation programs, swimming pool, community arts activities.

Public Health: Expenditures for support of public health nursing, environmental sanitation, enforcement of animal control, code enforcement, and operation of the Animal Shelter.

Debt Service: Expenditures relating to various principal and interest payments on capital items.

Economic Development: Expenditures for administration and operation of the City's economic development activities, including job creation, and industry recruitment.

Cemetery: Expenditures for operation and maintenance of the City-owned Elmwood Cemetery.

Airport: Expenditures relate to maintenance and operation of the City-owned, Mexico Memorial Airport. Includes activity for the airport terminal building, airport hangars, and runway.

The City of Mexico's Balance Sheet

(\$ in millions)	Governmental Activities		Business-type Activities		Total	
	2014	2013 (as restated)	2014	2013 (as restated)	2014	2013 (as restated)
Assets						
Current and Other Assets	\$10.30	\$9.36	\$3.98	\$4.13	\$14.28	\$13.49
Capital Assets	\$43.48	\$43.21	\$18.40	\$18.62	\$61.88	\$61.83
Total Assets	\$53.78	\$52.57	\$22.38	\$22.75	\$76.16	\$75.32
Liabilities						
Long-Term Obligations	\$2.93	\$3.24	\$11.01	\$11.36	\$13.94	\$14.59
Other Liabilities	\$0.20	\$0.22	\$0.29	\$0.41	\$0.49	\$0.63
Total Liabilities	\$3.13	\$3.46	\$11.30	\$11.77	\$14.43	\$15.23
Deferred Inflows of Resources	\$1.04	\$1.05	\$0.00	\$0.00	\$1.04	\$1.05
Total Deferred Inflows	\$1.04	\$1.05	\$0.00	\$0.00	\$1.04	\$1.05
Net Position	\$49.61	\$48.06	\$11.08	\$10.98	\$60.69	\$59.04

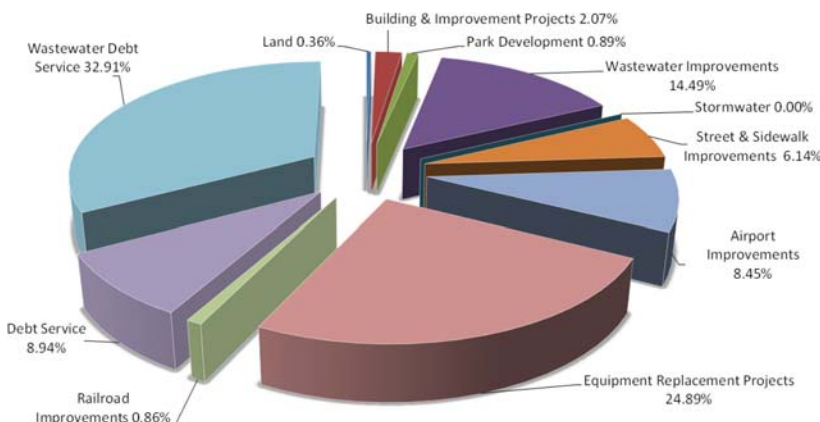
Capital Improvement Projects (CIP)

The Capital Improvement Projects are the city's investment in improvements to infrastructure, parks, other community facilities, vehicles, equipment, and land. It is a systematic approach to replacing deteriorating assets and adding new facilities that enhance the quality of life in Mexico.

During Fiscal Year 2014, the City continued to make improvements to the Wastewater Collection System with Slip Lining, purchased a new Sludge Truck, made improvements to the Tennis Court lighting, began work on the Fairgrounds Restroom, continued work on the Airport Parallel Taxiway project, completed work on Commerce Road, and continued to make strategic equipment replacements.

CIP Program Expenses	2014
Land	\$10,106
Building & Improvement Projects	\$57,896
Park Development	\$24,928
Wastewater Improvements	\$405,942
Stormwater	\$0
Street & Sidewalk Improvements	\$172,017
Airport Improvements	\$236,809
Equipment & Replacement Projects	\$697,369
Railroad Improvements	\$24,150
Debt Service	\$250,460
Wastewater Debt Service	\$922,055
Total CIP Program Expenses	\$2,801,732

Capital Improvement Projects



Street Improvements on Boulevard St.

Mexico's Form of Government



Mexico Residents

Mexico residents elect five at-large city council members that serve staggered three year terms.



Mayor and Council

The Council elects a Mayor and Chairman Pro Tem
The Mayor and Council appoint a City Clerk,
City Manager, and City Attorney.
They also appoint members of the community to
various Boards and Commissions.

Boards & Commissions

Planning & Zoning
Parks & Recreation
Tourism
Land Clearance
Zoning Board of Adjustments
and Various Others

15-20 boards and commissions
that provide recommendations
to the council for improvements
and betterment of the
community.

Lou Leonatti
City Attorney

The City Attorney provides expert
legal advice and support to the
Mayor and Council and City Staff.

Bruce Slagle
City Manager

The City Manager oversees the
day-to-day operations of
City Departments.

Marcy LeCount
City Clerk

The City Clerk provides
administrative and clerical assistance
to the Mayor and Council,
and manages the election process.

Susan Rockett
Public Safety
Chief of Public Safety

Roger Haynes
**Deputy City Manager and
Administrative Services**
Director

Russell Runge
**Assistant City Manager and
Economic Development**
Director

Chad Shoemaker
Parks & Recreation
Director

Rita Jackson
Community Development
Director

Kensley Russell
Public Works
Director



City of Mexico, Missouri
300 North Coal
Mexico, MO 65265

Mission Statement

“To maintain and enhance the quality of life for the residents of Mexico, Missouri.”

Miscellaneous Statistical Data

Date of Incorporation: 1855
Government: Mayor/Council/City Manager
Area: 12.38 sq. miles
Miles of streets (center line): 80.28 (city maintained)
Number of street lights: approx. 1381 (193 city maintained)
Total employees, full-time: 86
City-imposed Tax Rates:

- Business License Tax on Gross Receipts:
Water 7%, Electric 6.3%,
Gas 7%, Telephone 7.0%, Cable TV 5%
- Property Tax: General \$0.42, Public Health \$0.20,
Parks \$0.10 (per \$100 of assessed value)
- Lodging Tax: 3.0%
- Sales Tax: General 1.0%, Capital Improvement 0.5%,
Parks & Recreation 0.5%
- Cigarette Tax: \$0.05 per pack

Demographic Data

Population (2012): 11,551
Registered Voters: 7,051
Median Household Income (2012): \$37,681
Per Capita Income (2012): \$19,137
Median Value of Owner-Occupied Housing (2012):
\$80,376
Median Gross Rent (2012): \$650
Unemployment Rate (Nov 2014):
4.0% Local, 5.6% Missouri, 5.8% National

Audrain County Clerk, www.city-data.com/city/Mexico-Missouri.html, and
www.missourieconomy.org/indicators/laus/default.aspx

Contact Information

City of Mexico, Missouri
300 North Coal
Mexico, MO 65265
573-581-2100

www.mexicomissouri.net

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