

## Annual Report Pursuant to SEC Rule 15c2-12

**Issuer/Obligated Person:** Platte City, Missouri (the “City”)

### Issues

**to which this**

**Report relates:** (See Attached Exhibit A)

**Fiscal Year End:** October 31, 2016

### Financial Information Enclosed:

Included below is certain of the operating data for the City for the year ended October 31, 2016. Together, the City’s operating data and its audited financial statements for each year, constitute the City’s Annual Report for that year, which is required to be filed pursuant to the City’s continuing disclosure undertakings.

### Current Indebtedness of the City

The City has the following general obligation debt outstanding, as of October 31, 2016.

#### *General Obligation Bonds*

<u>Name of Issue</u>	<u>Date</u>	<u>Principal Amount</u>	<u>Amount Outstanding</u>
General Obligation Refunding, Series 2012A	3/15/2012	\$1,255,000	\$1,015,000
General Obligation Refunding, Series 2012B	3/15/2012	2,790,000	2,370,000
General Obligation Refunding, Series 2013	7/3/2013	1,790,000	1,245,000
General Obligation, Series 2016	4/5/2016	1,900,000	<u>1,900,000</u>
Total			\$5,930,000

### Legal Debt Capacity

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation indebtedness for a city to 10 percent of the assessed valuation of the city by a two-thirds (four-sevenths at certain elections) vote of the qualified voters. Article VI, Section 26(d) provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not to exceed an additional 10 percent for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues, and sanitary or storm sewer systems, provided the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. Article VI, Section 26(e) provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not exceeding an additional 10 percent for the purpose of purchasing or constructing waterworks, electric or other light plants to be owned exclusively by the city, provided that the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. As of October 31, 2016, the legal debt capacity of the City was \$14,939,850 and the legal debt margin of the City was \$7,039,850.

### Sources of Revenue

The City finances its general operations through the following, representing the total revenues in the General Fund, Parks and Recreation Fund, Debt Service Fund, Capital Project Fund and Nonmajor Governmental Funds, as indicated below for fiscal year 2016:

<u>Source</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$3,660,387	70.4%
Licenses and permits	55,038	1.1
Intergovernmental	773,765	14.9
Charges for services	167,896	3.2
Fines and forfeitures	93,610	1.8
Interest	79,180	1.5
Other	<u>370,319</u>	<u>7.1</u>
	<u>\$5,200,195</u>	<u>100.0%</u>

Source: City of Platte City, Missouri, Financial Statements for the year ended October 31, 2015

### Property Valuations

#### *Assessment Procedure:*

All taxable and personal property within the City is assessed annually by the County Assessor. Missouri law requires that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the Missouri General Assembly adopted a maintenance law in 1986. Beginning January 1, 1987, and every odd-numbered year thereafter, each County Assessor must adjust the assessed valuation of all real property located within his or her county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The assessment ratio for personal property is general 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 1/2%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

#### *Current Assessed Valuation:*

The following table shows the total assessed valuation, by category, of all taxable tangible property situated in the City as of July 28, 2016 (after Board of Equalization):

	<u>Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>
Real Estate:			
Residential	\$39,266,645	19%	\$206,666,553
Agricultural	56,004	12	466,700
Commercial	<u>25,178,426<sup>(1)</sup></u>	32	<u>78,682,581</u>
Sub-Total	64,501,075		285,815,834
Personal Property	<u>10,198,176<sup>(2)</sup></u>	33 1/3 <sup>(3)</sup>	<u>30,625,153</u>
Total	<u>\$74,699,251</u>		<u>\$316,440,987</u>

<sup>(1)</sup> Includes Railroad and Utility State and Locally Assessed Real Property of \$1,196,627.

<sup>(2)</sup> Includes Railroad and Utility State and Locally Assessed Personal Property of \$182,572.

<sup>(3)</sup> Assumes all personal property is assessed at 33 1/3%. The assessment ratio for personal property is generally 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 1/2%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%. Because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above.

### **Tax Rates and Major Property Taxpayers**

*Debt Service Levy.* Once indebtedness has been approved by the constitutionally required percentage of the voters voting therefore and bonds are issued, the City is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The City Council may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

*Operating Levy.* The current operating levy of the City is \$0.5317 per \$100 of assessed valuation. The operating levy does not require annual voter approval but the City Council cannot raise the rate above that approved in the last election without the approval of a majority of the voters voting thereon.

The following table shows the City's tax levies (per \$100 of assessed valuation) for each of the last five years:

<u>Fiscal Year Ended</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Levy</u>
2016	\$0.5317	\$0.5569	\$1.0886
2015	0.5317	0.5569	1.0886
2014	0.5317	0.5569	1.0886
2013	0.5317	0.5569	1.0886
2012	0.5244	0.5642	1.0886

Source: Missouri State Auditor

### *Tax Collection Record:*

The following table sets forth tax collection information for the City for the fiscal years as shown:

<u>Year Ended October 31</u>	<u>Amount Levied</u>	<u>Total Amount Collected (Current &amp; Delinquent)</u>	<u>Percent Collected</u>
2016	\$689,147	\$723,702	105.01%
2015	695,285	729,250	104.88
2014	696,484	732,365	105.15
2013	680,979	726,392	106.66
2012	697,456	700,440	100.43

*Major Property Taxpayers*

The following table sets forth the ten largest real property taxpayers in the City based upon assessed valuation as of 2015:

<u>Top Taxpayers</u>	<u>Assessed Valuation</u>
Williamsburg Plaza Apartments LLC	\$2,432,000
1900 Associates LLC	1,911,040
Heartland Regional Medical Center	1,438,720
Platte Valley Bank of Missouri	1,432,000
VNRR Holdings LLC	936,544
Marina Bay Group of Kansas City Ltd	665,600
Platte City Drug Store LLC	656,000
WBS III LLC	618,240
North American Savings Bank	608,000
Martin House Realty Inc.	606,860

Source: Platte County Assessor's Office

**The information contained in this Report is current as of October 31, 2015 and has been submitted by the City pursuant to contractual undertakings the City made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Report is, or should be construed as, a representation by the City that the financial information and operating data included in this Report constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the City. Nothing contained in this Report obligates the City to update any of the financial information or operating data contained in this report to any date beyond October 31, 2016.**

**For additional information, contact:**

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**PLATTE CITY, MISSOURI**

**Exhibit A**

**Schedule of Bond Issues and CUSIP Numbers**

\$1,255,000 General Obligation Refunding Bonds, Series 2012A

\$2,790,000 General Obligation Refunding Bonds, Series 2012B

\$1,790,000 General Obligation Refunding Bonds, Series 2013

\$1,900,000 General Obligation Bonds (Kentucky Road Project), Series 2016