

CITY OF MONROE CITY, MISSOURI

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2013

LUCK, HUMPHREYS AND ASSOCIATES, C.P.A., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

HANNIBAL, MISSOURI

CITY OF MONROE CITY, MISSOURI
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2013
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LUCK, HUMPHREYS AND ASSOCIATES, C.P.A., P.C.

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying general purpose financial statements of the City of Monroe City, Missouri, as of and for the year ended September 30, 2013, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Monroe City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements for the City's governmental activities and business-type activities are not reasonably determinable.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Monroe City, Missouri as of September 30, 2013, or the changes in its financial position or its cash flows, where applicable, for the year then ended.

Respectfully submitted,

Luck, Humphreys and Associates

LUCK, HUMPHREYS AND ASSOCIATES, C.P.A., P.C.
Certified Public Accountants

December 10, 2013

CITY OF MONROE CITY, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 2013

	Governmental Fund Types			Proprietary Fund Types	Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Debt Service		General Capital Assets	Long-Term Debt	
Assets:							
Cash	\$180,272	\$1,051,106	\$	\$ 2,465,560	\$	\$	\$ 3,696,938
Receivables	58,097	1,202,037		685,523			1,945,657
Due from other funds				598,000			598,000
Inventory of supplies, at cost	12,833			365,397			378,230
Restricted assets:							
Cash	39,273			39,300			78,573
Capital assets				8,367,496	10,405,622		18,773,118
Amount to be provided for retirement of long-term debt						2,010,195	2,010,195
Unamortized loan fees				24,782			66,835
Total Assets	<u>\$290,475</u>	<u>\$2,253,143</u>	<u>\$42,053</u>	<u>\$12,546,058</u>	<u>\$10,405,622</u>	<u>\$2,010,195</u>	<u>\$27,547,546</u>
Liabilities:							
Accounts payable	\$ 33,677	\$ 1,891	\$	\$ 403,246	\$	\$	\$ 438,814
Accrued expenses	59,239		15,025	45,075			119,339
Due to other funds		598,000					598,000
Deposits				39,900			39,900
Construction costs payable				91,963			91,963
Accrued interest				8,855			8,855
Certificates of participation				1,184,805		2,010,195	3,195,000
Total Liabilities	<u>\$ 92,916</u>	<u>\$ 599,891</u>	<u>\$15,025</u>	<u>\$ 1,773,844</u>	<u>\$</u>	<u>\$2,010,195</u>	<u>\$ 4,491,871</u>

CITY OF MONROE CITY, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 2013

(CONTINUED)

	Governmental Fund Types			Proprietary Fund Types	Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Debt Service		General Capital Assets	General Long-Term Debt	
<u>Fund Equity:</u>							
Contributed capital	\$ ----	\$ ----	\$ ----	\$ 3,688,509	\$ ----	\$ ----	\$ 3,688,509
Investment in general capital assets	----	----	----	----	10,405,622	----	10,405,622
Retained earnings:							
Unreserved	----	----	----	7,083,705	----	----	7,083,705
Fund balances:							
Nonspendable	12,833	29,849	42,053	----	----	----	84,735
Restricted	39,273	321,645	----	----	----	----	360,918
Committed	----	----	----	----	----	----	----
Assigned	----	632,158	(15,025)	----	----	----	617,133
Unassigned	145,453	669,600	----	----	----	----	815,053
<u>Total Fund Equity</u>	<u>\$197,559</u>	<u>\$1,653,252</u>	<u>\$ 27,028</u>	<u>\$10,772,214</u>	<u>\$10,405,622</u>	<u>\$ ----</u>	<u>\$23,055,675</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$290,475</u>	<u>\$2,253,143</u>	<u>\$ 42,053</u>	<u>\$12,546,058</u>	<u>\$10,405,622</u>	<u>\$2,010,195</u>	<u>\$27,547,546</u>

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

CITY OF MONROE CITY, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Totals (Memorandum Only)</u>
<u>Revenues:</u>				
Taxes	\$ 735,631	\$ 330,440	\$ ---	\$ 1,066,071
Licenses and permits	11,680	---	---	11,680
Intergovernmental revenue	94,616	1,735	---	96,351
Charges for services	19,288	---	---	19,288
Fines and forfeits	16,543	428	---	16,971
Miscellaneous revenues	<u>893,420</u>	<u>157,066</u>	<u>35,694</u>	<u>1,086,180</u>
<u>Total Revenues</u>	<u>\$1,771,178</u>	<u>\$ 489,669</u>	<u>\$ 35,694</u>	<u>\$ 2,296,541</u>
<u>Expenditures:</u>				
Current:				
City administration	\$ 382,232	\$ ---	\$ ---	\$ 382,232
Public safety	592,887	11,713	---	604,600
Humane officer	4,315	---	---	4,315
Inspection and zoning	6,085	---	---	6,085
Street Department	284,461	---	---	284,461
Culture and recreation	141,110	58,565	---	199,675
Industrial Development	---	40,000	---	40,000
Airport	57,041	---	---	57,041
Cemetery	19,694	---	---	19,694
Capital outlay	---	1,565,306	---	1,565,306
Debt service	---	---	821,819	821,819
<u>Total Expenditures</u>	<u>\$1,487,825</u>	<u>\$ 1,675,584</u>	<u>\$ 821,819</u>	<u>\$ 3,985,228</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ 283,353</u>	<u>\$(1,185,915)</u>	<u>\$(786,125)</u>	<u>\$(1,688,687)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ---	\$ ---	\$ 149,580	\$ 149,580
Operating transfers out	(398,802)	(26,300)	---	(425,102)
C.O.P. - loan proceeds	---	1,500,000	510,195	2,010,195
<u>Total Other Sources (Uses)</u>	<u>\$ (398,802)</u>	<u>\$ 1,473,700</u>	<u>\$ 659,775</u>	<u>\$ 1,734,673</u>
<u>Excess of Revenues and Other Sources</u>				
<u>Over (Under) Expenditures and Other</u>				
<u>Uses</u>	\$ (115,449)	\$ 287,785	\$(126,350)	\$ 45,986
<u>Fund Balances, October 1</u>	<u>313,008</u>	<u>1,365,467</u>	<u>153,378</u>	<u>1,831,853</u>
<u>Fund Balances, September 30</u>	<u>\$ 197,559</u>	<u>\$ 1,653,252</u>	<u>\$ 27,028</u>	<u>\$ 1,877,839</u>

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

CITY OF MONROE CITY, MISSOURI

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>General Funds</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Taxes	\$ 737,991	\$ 735,631	\$ (2,360)
Licenses and permits	11,654	11,680	26
Intergovernmental revenue	94,383	94,616	233
Charges for services	19,288	19,288	----
Fines and forfeits	16,542	16,543	1
Miscellaneous revenues	<u>897,876</u>	<u>893,420</u>	<u>(4,456)</u>
<u>Total Revenues</u>	<u>\$1,777,734</u>	<u>\$1,771,178</u>	<u>\$ (6,556)</u>
<u>Expenditures:</u>			
<u>Current:</u>			
City administration	\$ 339,639	\$ 382,232	\$(42,593)
Public safety	584,569	592,887	(8,318)
Humane officer	4,156	4,315	(159)
Inspection and zoning	5,806	6,085	(279)
Street Department	268,983	284,461	(15,478)
Culture and recreation	139,831	141,110	(1,279)
Airport	57,189	57,041	148
Cemetery	19,101	19,694	(593)
Economic Development	----	----	----
Capital outlay	----	----	----
<u>Total Expenditures</u>	<u>\$1,419,274</u>	<u>\$1,487,825</u>	<u>\$(68,551)</u>
<u>Excess of Revenues Over (Under)</u>			
<u>Expenditures</u>	<u>\$ 358,460</u>	<u>\$ 283,353</u>	<u>\$(75,107)</u>
<u>Other Financing Sources (Uses):</u>			
Operating transfers in	\$ ----	\$ ----	\$ ----
Operating transfers out	(398,802)	(398,802)	----
C.O.P. loan proceeds	----	----	----
<u>Total Other Sources (Uses)</u>	<u>\$ (398,802)</u>	<u>\$ (398,802)</u>	<u>\$ ----</u>
<u>Excess of Revenues and Other Sources</u>			
<u>Over (Under) Expenditures and Other</u>			
<u>Uses</u>	<u>\$ (40,342)</u>	<u>\$ (115,449)</u>	<u>\$(75,107)</u>
<u>Fund Balances, October 1</u>		<u>313,008</u>	
<u>Fund Balances, September 30</u>		<u>\$ 197,559</u>	

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

Special Revenue Funds

<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
\$ 320,621	\$ 330,440	\$ 9,819
----	----	----
1,734	1,735	1
----	----	----
420	428	8
215,278	157,066	(58,212)
<u>\$ 538,053</u>	<u>\$ 489,669</u>	<u>\$(48,384)</u>
\$ ----	\$ ----	\$ ----
11,739	11,713	26
----	----	----
----	----	----
----	----	----
58,393	58,565	(172)
----	----	----
----	----	----
38,675	40,000	(1,325)
1,543,457	1,565,306	(21,849)
<u>\$ 1,652,264</u>	<u>\$ 1,675,584</u>	<u>\$(23,320)</u>
<u>\$(1,114,211)</u>	<u>\$(1,185,915)</u>	<u>\$(71,704)</u>
\$ ----	\$ ----	\$ ----
(57,272)	(26,300)	30,972
1,473,700	1,500,000	26,300
<u>\$ 1,416,428</u>	<u>\$ 1,473,700</u>	<u>\$ 57,272</u>
<u>\$ 302,217</u>	\$ 287,785	<u>\$(14,432)</u>
	<u>1,365,467</u>	
	<u>\$ 1,653,252</u>	

CITY OF MONROE CITY, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - ALL PROPRIETARY FUND TYPES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Enterprise Funds</u>
<u>Operating Revenues:</u>	
Charges for services	\$6,017,863
Other	4,431
<u>Total Operating Revenues</u>	<u>\$6,022,294</u>
<u>Operating Expenses:</u>	
Administration	\$1,137,277
Utility production/treatment	442,130
Utility purchases/interconnect	3,915,910
Utility distribution/collection	648,905
Depreciation	438,242
<u>Total Operating Expenses</u>	<u>\$6,582,464</u>
<u>Operating Income</u>	<u>\$ (560,170)</u>
<u>Non-Operating Revenues (Expenses):</u>	
Interest income	\$ 21,072
Pole rental income	4,180
DNR fees	----
Sales tax adjustment	(4,519)
Interest expense and fiscal charges	(54,443)
Amortization - origination fees	(118,013)
Gain on sale of restricted assets	82,892
Miscellaneous	2,061
Recycling program	3,735
Atrazine settlement	140,189
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ 77,154</u>
<u>Net Income before Other Financing Sources (Uses)</u>	<u>\$ (483,016)</u>
<u>Other Financing Sources (Uses):</u>	
Operating transfers in	\$ 275,521
Operating transfers out	----
<u>Total Other Financing Sources (Uses)</u>	<u>\$ 275,521</u>
<u>Net Income</u>	<u>\$ (207,495)</u>
<u>Retained Earnings, October 1</u>	<u>7,291,200</u>
<u>Retained Earnings, September 30</u>	<u>\$7,083,705</u>

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

CITY OF MONROE CITY, MISSOURI
COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Enterprise Funds</u>
<u>Operating Activities:</u>	
Net income (loss) from operations	\$ (560,170)
Adjustments to reconcile net income to net cash provided by operations:	
Depreciation	438,242
Other income	228,538
Operating transfers in (out)	275,521
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	3,861
Inventories	26,021
Increase (decrease) in:	
Accounts payable	104,886
Accrued expenses	18,946
Construction costs payable	91,963
Customer deposits	600
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>\$ 628,408</u>
<u>Investing Activities</u>	
Interest income	\$ 21,072
Restricted cash activity (net)	280,949
<u>Net Cash Provided (Used) by Investing Activities</u>	<u>\$ 302,021</u>
<u>Capital and Related Financing Activities:</u>	
Additions to capital assets	\$ (263,002)
Debt issuance costs	(24,782)
Interest expense and fiscal charges	(54,443)
Principal payments	(552,745)
<u>Net Cash Provided (Used) by Capital Financing Activities</u>	<u>\$ (894,972)</u>
<u>Increase (Decrease) in Cash</u>	<u>\$ 35,457</u>
<u>Cash at Beginning of Year</u>	<u>2,430,103</u>
<u>Cash at End of Year</u>	<u>\$2,465,560</u>

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

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

The accounting methods and procedures adopted by the City of Monroe City, Missouri conform to generally accepted accounting principles as applied to governmental entities (except for the presentation of the government-wide financial statements and the management discussion and analysis as defined by GASB No. 34). The following notes to the financial statements are an integral part of the City's general purpose financial statements.

1. Summary of Significant Accounting Policies:

The City of Monroe City, Missouri (the City) was incorporated as a town on April 6, 1889 by order of the Monroe County Court. The City operates under a Board of Aldermen - Mayor form of government and provides the following services as authorized by its charter: public safety, street, culture and recreation, public improvements, planning and zoning, electric, water, sewer and gas utilities, airport operations, cemetery and general administrative services.

The financial statements of the City are prepared in accordance with the pre-GASB No. 34 reporting model. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in the subsequent section of this note. The remainder of the notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2013.

A. Reporting Entity

The City, for financial purposes, includes all of the funds and account groups relevant to the operations of the City of Monroe City, Missouri. The financial statements presented herein do not include agencies which have been formed under applicable state laws and are separate and distinct units of government apart from the City of Monroe City.

The financial statements of the City include those of separately administered organizations that are financially controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

Based on the foregoing criteria, the financial statements of the following organizations are included in the accompanying financial statements: Special Fire Department Fund - Special Revenue Fund, Monroe City Public Library - Special Revenue Fund, and Monroe City, Missouri Community Foundation - Special Revenue Fund.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

Based on the foregoing criteria, the financial statements of the following organization are not included: Mosswood Golf Course.

B. Funds and Account Groups

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

Governmental Fund Types - These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Fund - This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes.

Debt Service Fund - This fund is established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds.

Capital Projects Fund - This fund is established to account for financial resources to be used for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Proprietary Fund Types - These funds account for operations that are organized to be self-supporting through user charges. The funds included in this category are the Enterprise Funds.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

Enterprise Funds - These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Account Groups - In addition to the three broad types of governmental funds, the City also maintains two account groups as described below:

General Fixed Assets Account Group - This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Funds.

General Long-Term Debt Account Group - This is not a fund but rather an account group that is used to account for the outstanding principal balances of general obligation bonds and other long-term debt not reported in proprietary funds.

C. Basis of Accounting and Measurement Focus

The basis of accounting determines when transactions and economic events are reflected in financial statements, and measurement focus identifies which transactions and events should be recorded.

Governmental fund types use the modified accrual basis of accounting and the flow of expendable financial resources (measurement focus). Under the modified basis of accounting, revenues are recorded when they are both measurable and available (often referred to as *susceptible to accrual*). Revenues are measurable when they are subject to reasonable estimation, while the available criterion is satisfied when revenues are collectible during the period and the actual collection will occur either (1) during the current event or (2) after the end of the period but in time to pay fund liabilities. The City considers revenues to be available if they are expected to be collected within 60 days of the end of the year. Generally, tax revenues (including taxpayer-assessed taxes), fees, and nontax revenues are recognized when received. Grants, entitlements, and shared revenues are recorded when they are susceptible to accrual. Expenditure-based grants are recorded as revenue when the conditions of the grants are satisfied. Property tax revenues are recognized when they are levied, with proper allowances made for estimated uncollectible accounts and delinquent accounts. Expenditures, if measurable, are recorded when they have been used or are expected to use current expendable financial resources.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

Proprietary fund types and fiduciary fund types use the accrual basis of accounting and the flow of all economic resources (measurement focus). The basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred.

D. Cash and Cash Equivalents

The City pools cash resources of its various funds into a common interest-bearing bank account to facilitate the management of cash and to maximize investment opportunities.

E. Receivables

All receivables and amounts due from other governments are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

F. Inventories

The City has not maintained perpetual inventory cost records. For the Enterprise Funds and the General Fund (Airport Fuel), a physical inventory as of the balance sheet date was taken and priced using the lower of cost (on a first in, first out (FIFO) basis) or market value. Inventories of all other governmental funds are deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

G. Restricted Assets

Because of certain revenue bond covenants, the City is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. These assets are stated at cost. The difference between cost and fair market value is not material. The Series 2012 Certificates of Participation has no such covenants.

H. Property, Plant and Equipment

Capital assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks and

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

bridges, are not capitalized. Capital assets acquired or constructed for general governmental operations are recorded as an expenditure in the fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group.

Capital assets acquired for proprietary funds are capitalized in the respective funds to which they apply.

Capital assets are stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds' balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

I. Unamortized Loan Fees

The cost of origination of the Series 2012 Certificates of Participation is being amortized, on the interest method, over the life of the debt.

J. Retirement

The provision for retirement cost is recorded on an accrual basis, and the City's policy is to fund retirement costs as they accrue.

K. Fund Equity

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors of be enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the City Council through approval of resolutions. Assigned fund balances is a limitation imposed by the City Council. Unassigned fund balance is the net resources in excess of what can be properly classified in one of the above four categories.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

L. Revenues and Expenditures/Expenses

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and nontax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized in essentially the same manner as used in commercial accounting.

M. Property Tax Revenue

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid taxes become delinquent January 1 of the following year.

The tax levy per \$100 of the assessed valuation of tangible taxable property for calendar year 2012 for the purposes of local taxation was:

General Fund	\$0.7407
Library Fund	<u>0.2000</u>
	<u>\$0.9407</u>

Property taxes are recorded as revenue using the modified accrual basis of accounting and include amounts collected through November, 2013.

N. Vacation, Sick Leave, and Other Compensated Absences

City employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences either vest or accumulate and are accrued when they are earned. The amount accrued at September 30, 2013 totaled \$85,702 and was allocated to the following funds:

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

General	\$47,541
Electric	11,233
Water	16,184
Sewer	5,372
Gas	<u>5,372</u>
	<u>\$85,702</u>

O. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund transactions have not been eliminated from the total column of each financial statement.

2. Stewardship, Compliance, and Accountability:

Compliance with Bond Covenants - The City is in compliance with the terms of the Series 2012 Certificates of Participation debt issue.

3. Deposits and Temporary Cash Investments:

At year-end, the City's deposits consisted of an interest bearing checking account in a local FDIC insured financial institution. The carrying amount of the City's deposits was \$3,775,014 and the bank balance was \$3,783,310. Of the bank balance, \$250,000 was covered by federal depository insurance, and the balance was collateralized with securities held by the pledging financial institution's agent in the City's name.

4. Receivables:

Receivables as of year end for the City's individual funds, including the applicable allowances for uncollectible accounts, are as follows:

CITY OF MONROE CITY, MISSOURI

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

(CONTINUED)

4. Receivables: (Continued)

<u>Governmental Fund Types</u>	<u>General</u>	<u>Library</u>	<u>Sales Tax</u>	<u>Park Sales Tax</u>	<u>Industrial Development</u>	<u>Total</u>
Property taxes	\$ 463	\$ 125	\$ ---	\$ ---	\$ ---	\$ 588
Sales tax	23,060	---	10,774	10,774	---	44,608
Motor fuel tax	1,575	---	787	787	---	3,149
Notes receivable:	8,134	---	---	---	---	8,134
Mosswood						
Golf Course	24,864	---	---	---	---	24,864
Lakeside						
Casting LLC	---	---	---	---	1,178,790	1,178,790
Allowance for uncollectible accounts	---	---	---	---	---	---
<u>Total</u>	<u>\$58,096</u>	<u>\$ 125</u>	<u>\$11,561</u>	<u>\$11,561</u>	<u>\$1,178,790</u>	<u>\$1,260,133</u>

<u>Proprietary Fund Types</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Natural Gas</u>	<u>Total</u>
Billings	\$560,094	\$30,194	\$73,799	\$85,665	\$749,752
Allowance for uncollectible accounts	(49,448)	(2,316)	(5,446)	(7,019)	(64,229)
<u>Total</u>	<u>\$510,646</u>	<u>\$27,878</u>	<u>\$68,353</u>	<u>\$78,646</u>	<u>\$685,523</u>

5. Capital Assets:

A summary of changes in general capital assets follows:

	<u>Balance 10-1-12</u>	<u>Additions</u>	<u>Retirements/ Trade-Ins</u>	<u>Balance 9-30-13</u>
Total General Capital Assets	<u>\$8,877,519</u>	<u>\$1,528,103</u>	<u>\$ ---</u>	<u>\$10,405,622</u>

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

5. Capital Assets: (Continued)

A summary of changes in proprietary fund type capital assets follows:

	Balance 10-1-12	Additions	Retirements/ Trade-Ins	Balance 9-30-13
Electric system	\$ 8,760,881	\$ 10,000	\$ ----	\$ 8,770,881
Water system	6,430,098	14,662	----	6,444,760
Sewerage system	2,318,340	----	----	2,318,340
Natural gas system	<u>1,436,555</u>	<u>-----</u>	<u>-----</u>	<u>1,436,555</u>
	\$ 18,945,874	\$ 24,662	\$ ----	\$ 18,970,536
Less: Accumulated depreciation	<u>(10,409,135)</u>	<u>(438,242)</u>	<u>-----</u>	<u>(10,847,377)</u>
Net fixed assets	<u>\$ 8,536,739</u>	<u>\$ (413,580)</u>	<u>\$ ----</u>	<u>\$ 8,123,159</u>
Construction in progress	<u>\$ 6,000</u>	<u>\$ 238,340</u>	<u>\$ ----</u>	<u>\$ 244,340</u>

6. Long-Term Debt:

The following is a summary of bonds payable and capitalized lease transactions of the City for the year ended September 30, 2013:

	Balance 10-1-12	Additions	Principal Payments	Balance 9-30-13
Revenue bonds	\$ 25,000	\$ ----	\$ (25,000)	\$ ----
Capitalized Lease Certificates of Participation, Series 2008	2,450,000	----	(2,450,000)	----
Lease Refunding and Improvements Certificates of Participation, Series 2012	<u>-----</u>	<u>3,195,000</u>	<u>-----</u>	<u>3,195,000</u>
<u>Totals</u>	<u>\$2,475,000</u>	<u>\$3,195,000</u>	<u>\$(2,475,000)</u>	<u>\$3,195,000</u>

Long-term debt at September 30, 2013 consists of the following issue:

\$3,195,000 Lease Refunding and Improvements Certificates of Participation, Series 2012 dated November 15, 2012, due in annual installments of \$415,000 to \$430,000 through September 30, 2017; \$315,000 in September, 2018; and \$60,000 to \$100,000 from September, 2019 through September, 2033, plus interest of .75 percent to 3.75 percent. Fund allocation of this obligation is as follows:

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

6. Long-Term Debt: Continued

Long-Term Debt Account Group -	
General Fund	\$ 510,195
Park Sales Tax Fund	1,500,000
Electric Fund	700,035
Water Fund	<u>484,770</u>
 <u>Total</u>	 <u>\$3,195,000</u>

The annual requirements to amortize this issue as of September 30, 2013 follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 415,000	\$ 60,739	\$ 475,739
2015	420,000	57,082	477,082
2016	430,000	52,402	482,402
2017	430,000	46,813	476,813
2018	315,000	41,282	356,282
2019	65,000	37,950	102,950
2020	65,000	36,325	101,325
2021	70,000	34,638	104,638
2022	70,000	32,712	102,712
2023	70,000	30,613	100,613
2024	75,000	28,438	103,438
9-25	75,000	26,074	101,074
9-26	75,000	23,656	98,656
9-27	80,000	21,138	101,138
9-28	80,000	18,437	98,437
9-29	85,000	15,550	100,550
9-30	90,000	12,375	102,375
9-31	90,000	9,000	99,000
9-32	95,000	5,531	100,531
9-33	<u>100,000</u>	<u>1,875</u>	<u>101,875</u>
 <u>Total</u>	 <u>\$3,195,000</u>	 <u>\$592,630</u>	 <u>\$3,787,630</u>

There are a number of limitations and restrictions contained in the certificate of participation issue. The City is in compliance with all significant limitations and restrictions.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

(CONTINUED)

6. Long-Term Debt: (Continued)

The City has adopted the policy of acquiring certain fixed assets through the use of lease-purchase agreements. For the lease-purchases backed by the full faith and credit of the City, debt service is accounted for in the Debt Service Fund. Assets acquired through lease-purchase for the Electric, Water, and Sewer Departments are accounted for in the Enterprise Fund.

7. Interfund Transactions:

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The Governmental and Proprietary Type Funds financial statements generally reflect such transactions as operating transfers.

8. Litigation:

As of September 30, 2013, there were no lawsuits pending or claims outstanding against the City that would have a material effect on the financial statements.

9. Contingent Liabilities:

The City has in the past participated in various federally assisted grant programs, principal of which is the Community Development Block Grant. These programs are subject to program compliance audits by the grantor or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

10. Segment Information on Enterprise Funds:

The City maintains four Enterprise Funds which provide electric, water, sewer and natural gas services. Segment information for the year ended September 30, 2013 is as follows:

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

10. Segment Information on Enterprise Funds: (Continued)

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Natural Gas</u>
Operating Revenues	\$3,766,295	\$ 581,473	\$ 600,349	\$1,074,177
Depreciation and Amortization Expense	269,390	206,455	58,879	21,531
Operating Income (Loss)	(586,656)	(169,868)	149,478	46,876
Net Income (Loss)	(470,284)	51,720	153,956	57,113
Property, Plant and Equipment:				
Additions	10,000	14,662	238,340	----
Deletions	----	----	----	----
Net Working Capital	984,175	321,865	244,845	1,766,311
Total Assets	4,520,997	4,579,705	1,426,104	2,019,252
Bonds and Other Long-Term Liabilities:				
Payable from operating revenues	553,420	383,240	----	----
Total Equity	3,466,631	4,036,954	1,306,707	1,961,922

11. Modified Accrual Basis to Generally Accepted Auditing:

Budget Adjustment - Enterprise Funds - The City prepares budgets for its Enterprise Funds on a modified accrual basis (whereby capital outlay and debt principle are budgeted as expenditures and depreciation is not booked) and reports such funds using the accrual basis of accounting as prescribed by generally accepted accounting principles (GAAP). Following is a detail, by fund, of the adjustment required to convert the budgetary basis financial statements to the accrual basis:

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Natural Gas</u>
Increase (Decrease) to Income:				
Capital outlay	\$ 10,000	\$ 14,662	\$238,340	\$ ----
Debt service	311,815	215,930	25,000	----
Depreciation	(200,008)	(158,408)	(58,295)	(21,531)
Amortization	(69,832)	(48,047)	(584)	----
Operating transfers	----	----	----	----
	<u>\$ 52,425</u>	<u>\$ 24,137</u>	<u>\$204,461</u>	<u>\$(21,531)</u>

12. Contributed Capital:

Contributed capital on September 30, 2013 consists of:

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Natural Gas</u>
City, state and federal contributions	\$39,617	\$2,351,003	\$388,459	\$226,929
Electric Fund contributions	----	256,064	51,089	----
Natural Gas Fund contributions	----	375,346	----	----
	<u>\$39,617</u>	<u>\$2,982,415</u>	<u>\$439,548</u>	<u>\$226,929</u>

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

(CONTINUED)

12. Contributed Capital: (Continued)

The City has elected not to amortize contributed capital in conjunction with property, plant and equipment acquired with such funds. Such amortization is reported as depreciation and deducted from unappropriated, unreserved retained earnings.

13. Retirement Plans:

Deferred Compensation Plan - The City government offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government 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 (until paid or made available to the employee or other beneficiary) solely the property and rights of the government subject only to the claims of the government's general creditors. Participants' rights under the plan are equal to those of general creditors of the government in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the government's legal counsel that the government has no liability for losses under the plan, but does have the duty of care that would be required of an ordinary prudent investor.

Pension Plan - The City of Monroe City retirement plan is a single employer defined contribution pension plan established by the City of Monroe City to provide benefits at retirement for all of its employees. Plan members are required to contribute at least 4 percent of their wages to a matching deferred compensation plan. The City is required to contribute 4 percent to match the employee's contribution. Plan provisions and contribution requirements are established, and may be amended by, the Board of Aldermen. The City has contracted with Security Financial Resources, Inc. to provide administration of the plan. Retirement plan financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the period in which the contributions become due.

14. Risk Management:

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disaster. These risks are covered through the purchase of commercial insurance with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage to the prior year.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013
(CONTINUED)

15. Unfavorable Fund Variances:

Departments within the General Fund which incurred unfavorable expenditure variance when compared to the budget include the following:

City Administration	<u>\$42,593</u>
Public Safety	<u>\$ 8,318</u>
Humane Officer	<u>\$ 159</u>
Inspection and Zoning	<u>\$ 279</u>
Street Department	<u>\$15,478</u>
Culture and Recreation	<u>\$ 1,279</u>
Cemetery	<u>\$ 593</u>

16. Committed Contracts:

At September 30, 2013, the City owed Huey Construction Company \$234,593 and Klingner and Associates, P.C. \$44,300 for contracts related to the Waste Water System Improvement Project.

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Taxes:</u>				
Property taxes	\$186,082	\$182,709	\$182,277	\$ (432)
Railroad and utility	6,178	6,413	6,413	---
Surtax	7,800	7,719	7,719	---
Financial institution	1,257	2,018	2,019	1
Sales tax	303,317	318,901	317,003	(1,898)
Use tax	---	3,214	3,182	(32)
Cigarette tax	15,500	14,923	14,923	---
Telephone franchise tax	22,194	25,193	25,194	1
Cable TV franchise tax	17,840	17,793	17,793	---
Municipal utilities franchise tax	159,100	159,108	159,108	---
<u>Total Taxes</u>	<u>\$719,268</u>	<u>\$737,991</u>	<u>\$735,631</u>	<u>\$ (2,360)</u>
<u>Licenses and Permits:</u>				
Liquor licenses	\$ 3,525	\$ 2,950	\$ 2,950	\$ ---
Business licenses	5,600	5,600	5,625	25
Building permits	1,420	1,844	1,845	1
Animal licenses	300	280	280	---
Street excavation permits	500	500	500	---
Planning and zoning fees	500	480	480	---
<u>Total Licenses and Permits</u>	<u>\$ 11,845</u>	<u>\$ 11,654</u>	<u>\$ 11,680</u>	<u>\$ 26</u>
<u>Intergovernmental Revenue:</u>				
Grant income	\$ ---	\$ 3,761	\$ 3,761	\$ ---
Motor vehicle taxes	95,110	90,622	90,855	233
<u>Total Intergovernmental Revenue</u>	<u>\$ 95,110</u>	<u>\$ 94,383</u>	<u>\$ 94,616</u>	<u>\$ 233</u>
<u>Charges for Services:</u>				
Swimming pool/Route J	\$ 14,383	\$ 19,113	\$ 19,113	\$ ---
Animal control and shelter fees	150	175	175	---
<u>Total Charges for Services</u>	<u>\$ 14,533</u>	<u>\$ 19,288</u>	<u>\$ 19,288</u>	<u>\$ ---</u>
<u>Fines and Forfeits:</u>				
Fines and court costs	\$ 16,515	\$ 16,542	\$ 16,543	\$ 1

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Miscellaneous Revenues:</u>				
Interest	\$ 3,660	\$ 2,500	\$ 2,559	\$ 59
Administrative fee income	782,874	801,458	801,459	1
Agent fees	37,962	37,858	38,597	739
Airport retail sales	52,200	41,216	43,228	2,012
Rent income	1,700	1,700	1,700	---
Sale of graves	4,000	1,450	1,450	---
Return check charges	40	26	26	---
Sale of fixed assets	1,000	---	---	---
Contributions	50	---	---	---
Transfer from Mosswood	7,267	7,267	---	(7,267)
Other	2,000	4,401	4,401	---
<u>Total Miscellaneous Revenues</u>	<u>\$ 892,753</u>	<u>\$ 897,876</u>	<u>\$ 893,420</u>	<u>\$ (4,456)</u>
<u>Total Revenues</u>	<u>\$1,750,024</u>	<u>\$1,777,734</u>	<u>\$1,771,178</u>	<u>\$ (6,556)</u>
<u>Expenditures:</u>				
<u>City Administration:</u>				
Payroll	\$ 188,237	\$ 171,500	\$ 193,491	\$(21,991)
Payroll taxes	14,400	12,000	12,006	(6)
Employee benefits	40,135	30,425	30,242	183
Office expense	28,000	27,600	28,156	(556)
Advertising	5,300	5,824	5,869	(45)
Supplies and maintenance	18,125	24,723	24,251	472
Professional services	28,500	31,400	28,877	2,523
Telephone	4,000	4,608	4,810	(202)
Transportation and training	500	589	1,114	(525)
Insurance	10,000	11,480	11,479	1
Utilities - City Hall	4,500	4,700	4,759	(59)
Election expense	5,000	6,271	6,270	1
Assessments and memberships	1,200	1,439	1,438	1
Donations	10,950	6,245	6,245	---
Meals and mileage	25	35	31	4
Miscellaneous	600	800	23,194	(22,394)
<u>Total City Administration</u>	<u>\$ 359,472</u>	<u>\$ 339,639</u>	<u>\$ 382,232</u>	<u>\$(42,593)</u>

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Public Safety:</u>				
<u>Municipal Court:</u>				
Office expense	\$ 1,378	\$ ---	\$ ---	\$ ---
Incarceration fees	250	150	150	---
Professional services	8,000	9,813	9,189	624
Transportation and training	150	---	---	---
Miscellaneous	---	---	---	---
<u>Total Municipal Court</u>	<u>\$ 9,778</u>	<u>\$ 9,963</u>	<u>\$ 9,339</u>	<u>\$ 624</u>
<u>Police Department:</u>				
Payroll	\$249,500	\$262,000	\$271,294	\$ (9,294)
Payroll taxes	19,050	19,620	19,635	(15)
Employee benefits	51,585	41,719	41,633	86
Employee clothing allowance	4,200	4,866	4,866	---
Office expense	5,000	5,650	5,635	15
Automobile expense	13,500	15,844	16,482	(638)
Supplies and maintenance	9,350	11,822	13,660	(1,838)
Drug enforcement	15,460	4,331	4,418	(87)
DARE expenses	---	---	---	---
Telephone	5,700	6,436	6,690	(254)
Insurance	14,000	17,174	17,174	---
Utilities	7,000	7,350	7,413	(63)
Transportation and training	1,500	1,700	1,553	147
Miscellaneous	1,700	100	24	76
Dispatching fees	<u>68,680</u>	<u>68,680</u>	<u>68,680</u>	<u>---</u>
<u>Total Police Department</u>	<u>\$466,225</u>	<u>\$467,292</u>	<u>\$479,157</u>	<u>\$(11,865)</u>

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Revised</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Fire Department:</u>				
Payroll	\$ 41,210	\$ 35,500	\$ 34,065	\$ 1,435
Payroll taxes	3,153	2,716	2,570	146
Contract labor	---	---	1,100	(1,100)
Office expense	3,500	820	831	(11)
Truck expense	5,500	5,670	5,696	(26)
Fire prevention/investigation	2,500	1,750	1,114	636
Supplies and maintenance	17,500	20,838	20,544	294
Emergency preparedness	3,000	3,511	1,963	1,548
Telephone	2,700	2,623	2,698	(75)
Transportation and training	6,000	1,580	1,536	44
Insurance	18,000	19,199	19,199	---
Utilities	6,000	6,663	6,631	32
Public relations	4,000	5,151	5,151	---
Assessments and memberships	500	475	475	---
Miscellaneous	1,900	818	818	---
<u>Total Fire Department</u>	<u>\$115,463</u>	<u>\$107,314</u>	<u>\$104,391</u>	<u>\$ 2,923</u>
<u>Total Public Safety</u>	<u>\$591,466</u>	<u>\$584,569</u>	<u>\$592,887</u>	<u>\$ (8,318)</u>
<u>Humane Officer:</u>				
Payroll	\$ 2,200	\$ 2,200	\$ 2,280	\$ (80)
Payroll taxes	168	168	168	---
Supplies and maintenance	800	794	873	(79)
Telephone	---	---	---	---
Insurance	400	283	283	---
Utilities	800	711	711	---
Animal transfers	800	---	---	---
Miscellaneous	---	---	---	---
<u>Total Humane Officer</u>	<u>\$ 5,168</u>	<u>\$ 4,156</u>	<u>\$ 4,315</u>	<u>\$ (159)</u>
<u>Inspection and Zoning</u> <u>Department:</u>				
Payroll	\$ 4,400	\$ 4,629	\$ 4,941	\$ (312)
Payroll taxes	337	339	339	---
Office expense	200	341	341	---
Advertising	100	87	54	33
Transportation and training	500	410	410	---
<u>Total Inspection and Zoning</u> <u>Department</u>	<u>\$ 5,537</u>	<u>\$ 5,806</u>	<u>\$ 6,085</u>	<u>\$ (279)</u>

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Parks Department:</u>				
Payroll	\$ 34,600	\$ 34,929	\$ 34,923	\$ 6
Payroll taxes	2,900	2,669	2,668	1
Employee benefits	2,160	1,791	1,790	1
Office expense	100	323	322	1
Contract payments	19,000	16,400	16,946	(546)
Transportation and training	778	274	274	---
Supplies and maintenance	21,000	21,602	21,216	386
Telephone	325	372	348	24
Insurance	2,500	5,511	5,510	1
Utilities	22,710	21,566	22,244	(678)
Mosswood Golf Course expenses	35,000	33,514	33,926	(412)
Park Board expenses	6,000	880	943	(63)
Miscellaneous	200	---	---	---
<u>Total Parks Department</u>	<u>\$147,273</u>	<u>\$139,831</u>	<u>\$141,110</u>	<u>\$ (1,279)</u>
<u>Street Department:</u>				
Payroll	\$125,500	\$140,975	\$154,818	\$ (13,843)
Payroll taxes	9,600	10,100	10,093	7
Employee benefits	34,341	31,614	31,575	39
Office expense	100	8	9	---
Uniforms	1,000	670	676	(6)
Fuel	20,000	23,000	22,249	751
Supplies and maintenance	20,000	21,171	21,446	(275)
Safety and compliance	2,500	2,065	2,218	(153)
Street maintenance materials	29,000	15,115	16,977	(1,862)
Paving	---	---	---	---
Telephone	1,200	1,577	1,702	(125)
Transportation and training	500	96	96	---
Insurance	13,535	15,851	15,850	1
Utilities	7,000	6,741	6,753	(12)
Miscellaneous	250	---	---	---
<u>Total Street Department</u>	<u>\$264,526</u>	<u>\$268,983</u>	<u>\$284,461</u>	<u>\$ (15,478)</u>

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Airport:</u>				
Contract payments	\$ 4,300	\$ 4,100	\$ 4,100	\$ ---
Office expense	1,500	1,500	1,381	119
Supplies and maintenance	2,500	2,500	2,490	10
Purchases for resale	51,831	40,365	40,299	66
Telephone	1,065	1,032	1,033	(1)
Insurance	2,855	2,477	2,477	---
Utilities	4,600	5,215	5,261	(46)
Miscellaneous	---	---	---	---
<u>Total Airport</u>	<u>\$ 68,651</u>	<u>\$ 57,189</u>	<u>\$ 57,041</u>	<u>\$ 148</u>
<u>Cemetery:</u>				
Payroll	\$ 3,800	\$ 3,810	\$ 3,977	\$ (167)
Payroll taxes	378	300	301	(1)
Employee benefits	1,454	1,211	1,209	2
Contract payments	10,000	12,600	13,021	(421)
Supplies and maintenance	500	833	833	---
Insurance	---	---	---	---
Utilities	600	347	353	(6)
Miscellaneous	---	---	---	---
<u>Total Cemetery</u>	<u>\$ 16,732</u>	<u>\$ 19,101</u>	<u>\$ 19,694</u>	<u>\$ (593)</u>
<u>Capital Outlay:</u>				
City administration	\$ ---	\$ ---	\$ ---	\$ ---
Municipal court	---	---	---	---
Police Department	---	---	---	---
Fire Department	---	---	---	---
Humane Officer	---	---	---	---
Parks Department	---	---	---	---
Street Department	---	---	---	---
Airport	---	---	---	---
Cemetery	---	---	---	---
<u>Total Capital Outlay</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
<u>Total Expenditures</u>	<u>\$1,458,825</u>	<u>\$1,419,274</u>	<u>\$1,487,825</u>	<u>\$(68,551)</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ 291,199</u>	<u>\$ 358,460</u>	<u>\$ 283,353</u>	<u>\$(75,107)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ---	\$ ---	\$ ---	\$ ---
Operating transfers out	<u>(379.158)</u>	<u>(398.802)</u>	<u>(398.802)</u>	<u>----</u>
<u>Total Other Financing Sources (Uses)</u>	<u>\$(379.158)</u>	<u>\$(398.802)</u>	<u>\$(398.802)</u>	<u>\$ ----</u>
 <u>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>	 <u>\$ (87.959)</u>	 <u>\$ (40.342)</u>	 \$(115,449)	 <u>\$(75.107)</u>
 <u>Fund Balance, October 1</u>			<u>313,008</u>	
 <u>Fund Balance, September 30</u>			<u>\$ 197,559</u>	

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

CITY OF MONROE CITY, MISSOURI

COMBINING BALANCE SHEET

ALL SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2013

	Library Fund	Fire Department Fund	Sales Tax Fund	Park Sales Tax Fund	Industrial Development Fund	Monroe City, Missouri Community Foundation	D.A.R.E.	St. Jude Cemetery Endowment Fund	Totals (Memorandum Only)
<u>Assets:</u>									
Cash	\$166,103	\$465,054	\$237,419	\$61,104	\$ 88,810	\$ 389	\$ 2,378	\$29,849	\$1,051,106
Receivables:									
Notes					1,178,790				1,178,790
Taxes	125		11,561	11,561					23,247
Due from other governments									
Construction in progress									
<u>Total Assets</u>	<u>\$166,228</u>	<u>\$465,054</u>	<u>\$248,980</u>	<u>\$72,665</u>	<u>\$1,267,600</u>	<u>\$ 389</u>	<u>\$ 2,378</u>	<u>\$29,849</u>	<u>\$2,253,143</u>
<u>Liabilities and Fund Equity:</u>									
<u>Liabilities:</u>									
Accounts payable	\$ 1,365	\$ 526	\$	\$	\$	\$	\$	\$	\$ 1,891
Due to Electric Fund					164,000				164,000
Due to Gas Fund					434,000				434,000
<u>Total Liabilities</u>	<u>\$ 1,365</u>	<u>\$ 526</u>	<u>\$</u>	<u>\$</u>	<u>\$ 598,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 599,891</u>
<u>Fund Equity:</u>									
Nonspendable	\$	\$	\$	\$	\$	\$	\$	\$29,849	\$ 29,849
Restricted			248,980	72,665					321,645
Assigned	164,863	464,528				389	2,378		632,158
Unassigned					669,600				669,600
<u>Total Fund Equity</u>	<u>\$164,863</u>	<u>\$464,528</u>	<u>\$248,980</u>	<u>\$72,665</u>	<u>\$ 669,600</u>	<u>\$ 389</u>	<u>\$ 2,378</u>	<u>\$29,849</u>	<u>\$1,653,252</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$166,228</u>	<u>\$465,054</u>	<u>\$248,980</u>	<u>\$72,665</u>	<u>\$1,267,600</u>	<u>\$ 389</u>	<u>\$ 2,378</u>	<u>\$29,849</u>	<u>\$2,253,143</u>

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

CITY OF MONROE CITY, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2013

	Library Fund	Fire Department Fund	Sales Tax Fund	Park Sales Tax Fund	Industrial Development Fund	Monroe City, Missouri Community Foundation	D.A.R.E.	St. Jude Cemetery Endowment Fund	Totals (Memorandum Only)
<u>Revenues:</u>									
Taxes	\$50,593	\$ ----	\$147,217	\$ 132,630	\$ ----	\$ ----	\$ ----	\$ ----	\$ 330,440
Licenses and permits	----	----	----	----	----	----	----	----	----
Intergovernmental revenue	1,735	----	----	----	----	----	----	----	1,735
Charges for services	----	----	----	----	----	----	----	----	----
Fines and forfeits	428	----	----	----	----	----	----	----	428
Miscellaneous revenues	1,994	103,578	1,533	(700)	50,534	----	127	----	157,066
<u>Total Revenues</u>	<u>\$54,750</u>	<u>\$103,578</u>	<u>\$148,750</u>	<u>\$ 131,930</u>	<u>\$50,534</u>	<u>\$ ----</u>	<u>\$ 127</u>	<u>\$ ----</u>	<u>\$ 489,669</u>
<u>Expenditures:</u>									
<u>Current:</u>									
Public safety	\$ ----	\$ 7,474	\$ ----	\$ ----	\$ ----	\$ ----	\$ 4,239	\$ ----	\$ 11,713
Street improvements	----	----	----	----	----	----	----	----	----
Culture and recreation	58,565	----	----	----	----	----	----	----	58,565
Industrial Development	----	----	----	----	40,000	----	----	----	40,000
Capital outlay	580	15,808	15,953	1,532,965	----	----	----	----	1,565,306
<u>Total Expenditures</u>	<u>\$59,145</u>	<u>\$ 23,282</u>	<u>\$ 15,953</u>	<u>\$ 1,532,965</u>	<u>\$40,000</u>	<u>\$ ----</u>	<u>\$ 4,239</u>	<u>\$ ----</u>	<u>\$ 1,675,584</u>
<u>Excess of Revenues Over (Under) Expenditures</u>	<u>\$ (4,395)</u>	<u>\$ 80,296</u>	<u>\$132,797</u>	<u>\$ (1,401,035)</u>	<u>\$10,534</u>	<u>\$ ----</u>	<u>\$ (4,112)</u>	<u>\$ ----</u>	<u>\$ (1,185,915)</u>
<u>Other Financing Sources (Uses):</u>									
Operating transfers in	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----
Operating transfers out	----	----	----	(26,300)	----	----	----	----	(26,300)
C.O.P. proceeds	----	----	----	1,500,000	----	----	----	----	1,500,000
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 1,473,700</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 1,473,700</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2013

(CONTINUED)

	Library Fund	Fire Department Fund	Sales Tax Fund	Park Sales Tax Fund	Industrial Development Fund	Monroe City, Missouri Community Foundation	D.A.R.E.	St. Jude Cemetery Endowment Fund	Totals (Memorandum Only)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (4,395)	\$ 80,296	\$ 132,797	\$ 72,665	\$ 10,534	\$ ---	\$ (4,112)	\$ ---	\$ 287,785
Fund Balances, October 1	<u>169,258</u>	<u>384,232</u>	<u>116,183</u>	<u>---</u>	<u>659,066</u>	<u>389</u>	<u>6,490</u>	<u>29,849</u>	<u>1,365,467</u>
Fund Balances, September 30	<u>\$ 164,863</u>	<u>\$ 464,528</u>	<u>\$ 248,980</u>	<u>\$ 72,665</u>	<u>\$ 669,600</u>	<u>\$ 389</u>	<u>\$ 2,378</u>	<u>\$ 29,849</u>	<u>\$ 1,653,252</u>

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - LIBRARY - SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Taxes:</u>				
Property taxes	\$48,775	\$46,871	\$46,753	\$(118)
Surtax	2,100	2,107	2,108	1
Railroad and utility	<u>1,687</u>	<u>1,732</u>	<u>1,732</u>	<u>---</u>
<u>Total Taxes</u>	<u>\$52,562</u>	<u>\$50,710</u>	<u>\$50,593</u>	<u>\$(117)</u>
<u>Intergovernmental Revenues:</u>				
State aid	<u>\$ 1,228</u>	<u>\$ 1,734</u>	<u>\$ 1,735</u>	<u>\$ 1</u>
<u>Fines and Forfeits:</u>				
Overdue book fines	<u>\$ 525</u>	<u>\$ 420</u>	<u>\$ 428</u>	<u>\$ 8</u>
<u>Miscellaneous Revenues:</u>				
Interest	\$ 1,790	\$ 1,604	\$ 1,602	\$ (2)
Contributions	70	70	---	(70)
Other	<u>322</u>	<u>415</u>	<u>392</u>	<u>(23)</u>
<u>Total Miscellaneous Revenues</u>	<u>\$ 2,182</u>	<u>\$ 2,089</u>	<u>\$ 1,994</u>	<u>\$ (95)</u>
<u>Total Revenues</u>	<u>\$56,497</u>	<u>\$54,953</u>	<u>\$54,750</u>	<u>\$(203)</u>
<u>Expenditures:</u>				
<u>Library:</u>				
Payroll	\$30,000	\$29,710	\$29,701	\$ 9
Payroll taxes	2,295	2,250	2,242	8
Employee benefits	7,136	6,705	6,703	2
Office expense	3,800	3,000	3,122	(122)
Books and periodicals	11,750	7,086	6,965	121
Supplies and maintenance	4,000	4,190	4,386	(196)
Telephone	760	890	890	---
Transportation and training	75	75	55	20
Insurance	1,870	2,220	2,220	---
Utilities	2,500	2,167	2,198	(31)
Miscellaneous	<u>50</u>	<u>100</u>	<u>83</u>	<u>17</u>
<u>Total Library</u>	<u>\$64,236</u>	<u>\$58,393</u>	<u>\$58,565</u>	<u>\$(172)</u>
<u>Capital Outlay</u>	<u>\$ 1,000</u>	<u>\$ ---</u>	<u>\$ 580</u>	<u>\$(580)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LIBRARY - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Total Expenditures</u>	<u>\$65,236</u>	<u>\$58,393</u>	<u>\$ 59,145</u>	<u>\$ (752)</u>
<u>Excess of Revenues Over (Under)</u> <u>Expenditures</u>	<u>\$ (8,739)</u>	<u>\$ (3,440)</u>	<u>\$ (4,395)</u>	<u>\$ (955)</u>
<u>Other Financing Sources (Uses):</u> Operating transfers in (out)	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>
<u>Excess of Revenues and Other Sources</u> <u>Over (Under) Expenditures and Other</u> <u>Uses</u>	<u>\$ (8,739)</u>	<u>\$ (3,440)</u>	<u>\$ (4,395)</u>	<u>\$ (955)</u>
<u>Fund Balance, October 1</u>			<u>169,258</u>	
<u>Fund Balance, September 30</u>			<u>\$164,863</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE DEPARTMENT - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget -</u> <u>Original</u>	<u>Budet -</u> <u>Revised</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues:</u>				
<u>Miscellaneous Revenues:</u>				
Memberships	\$96,000	\$ 99,444	\$ 99,444	\$ ---
Interest	3,300	4,075	4,134	59
Contributions	600	----	----	----
<u>Total Miscellaneous Revenues</u>	<u>\$99,900</u>	<u>\$103,519</u>	<u>\$103,578</u>	<u>\$ 59</u>
<u>Total Revenues</u>	<u>\$99,900</u>	<u>\$103,519</u>	<u>\$103,578</u>	<u>\$ 59</u>
<u>Expenditures:</u>				
Capital Outlay	\$22,700	\$ 15,809	\$ 15,808	\$ 1
Public safety	10,200	7,499	7,474	25
<u>Total Expenditures</u>	<u>\$32,900</u>	<u>\$ 23,308</u>	<u>\$ 23,282</u>	<u>\$ 26</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$67,000</u>	<u>\$ 80,211</u>	<u>\$ 80,296</u>	<u>\$ 85</u>
<u>Fund Balance, October 1</u>			<u>384,232</u>	
<u>Fund Balance, September 30</u>			<u>\$464,528</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SALES TAX - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Taxes:</u>				
Sales tax	\$139,500	\$146,433	\$145,626	\$ (807)
Use tax	---	1,607	1,591	(16)
<u>Total Taxes</u>	<u>\$139,500</u>	<u>\$148,040</u>	<u>\$147,217</u>	<u>\$ (823)</u>
<u>Miscellaneous Revenues:</u>				
Interest	\$ 2,000	\$ 1,525	\$ 1,533	\$ 8
Miscellaneous	---	---	---	---
<u>Total Miscellaneous Revenues</u>	<u>\$ 2,000</u>	<u>\$ 1,525</u>	<u>\$ 1,533</u>	<u>\$ 8</u>
<u>Total Revenues</u>	<u>\$141,500</u>	<u>\$149,565</u>	<u>\$148,750</u>	<u>\$ (815)</u>
<u>Expenditures:</u>				
Sidewalk improvements	\$ 2,500	\$ ---	\$ ---	\$ ---
Capital outlay	88,090	15,954	15,953	1
<u>Total Expenditures</u>	<u>\$ 90,590</u>	<u>\$ 15,954</u>	<u>\$ 15,953</u>	<u>\$ 1</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ 50,910</u>	<u>\$133,611</u>	<u>\$132,797</u>	<u>\$ (814)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers out	\$ ---	\$ ---	\$ ---	\$ ---
<u>Excess of Revenues and Other Sources</u>				
<u>Over (Under) Expenditures and Other</u>				
<u>Uses</u>	<u>\$ 50,910</u>	<u>\$133,611</u>	<u>\$132,797</u>	<u>\$ (814)</u>
<u>Fund Balance, October 1</u>			<u>116,183</u>	
<u>Fund Balance, September 30</u>			<u>\$248,980</u>	

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

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - PARK SALES TAX - SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Taxes:</u>				
Sales tax	\$ 139,500	\$ 120,264	\$ 131,039	\$ 10,775
Use tax	----	1,607	1,591	(16)
<u>Total Taxes</u>	<u>\$ 139,500</u>	<u>\$ 121,871</u>	<u>\$ 132,630</u>	<u>\$ 10,759</u>
<u>Miscellaneous Revenues:</u>				
Interest income	\$ 1,000	\$ (720)	\$ (700)	\$ 20
<u>Total Revenues</u>	<u>\$ 140,500</u>	<u>\$ 121,151</u>	<u>\$ 131,930</u>	<u>\$ 10,779</u>
<u>Expenditures:</u>				
Capital outlay	\$ 1,500,000	\$ 1,511,694	\$ 1,532,965	\$(21,271)
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$(1,359,500)</u>	<u>\$(1,390,543)</u>	<u>\$(1,401,035)</u>	<u>\$(10,492)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in (out)	\$ (132,000)	\$ (22,272)	\$ (26,300)	\$ (5,028)
C.O.P. loan proceeds	1,500,000	1,473,700	1,500,000	26,300
<u>Total Other Financing Sources (Uses)</u>	<u>\$ 1,368,000</u>	<u>\$ 1,452,428</u>	<u>\$ 1,473,700</u>	<u>\$ 21,272</u>
<u>Excess of Revenues and Other Sources</u>				
<u>Over (Under) Expenditures and Other</u>				
<u>Uses</u>	<u>\$ 8,500</u>	<u>\$ 61,885</u>	<u>\$ 72,665</u>	<u>\$ 10,780</u>
<u>Fund Balance, October 1</u>			----	
<u>Fund Balance, September 30</u>			<u>\$ 72,665</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - INDUSTRIAL DEVELOPMENT - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Miscellaneous Revenues:</u>				
Rent income - farm	\$ 1,586	\$ ---	\$ ---	\$ ---
Interest - Lakeside	108,000	108,000	48,450	(59,550)
Interest - bank	522	735	759	24
Other	---	---	1,325	1,325
<u>Total Miscellaneous Revenues</u>	<u>\$110,108</u>	<u>\$108,735</u>	<u>\$ 50,534</u>	<u>\$(58,021)</u>
<u>Total Revenues</u>	<u>\$110,108</u>	<u>\$108,735</u>	<u>\$ 50,534</u>	<u>\$(58,021)</u>
<u>Expenditures:</u>				
Economic Development	\$ 97,000	\$ 38,675	\$ 40,000	\$ (1,325)
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ 13,108</u>	<u>\$ 70,060</u>	<u>\$ 10,534</u>	<u>\$(59,526)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in (out)	\$ (36,000)	\$ (36,000)	\$ ---	\$ 36,000
<u>Excess of Revenues and Other Sources</u>				
<u>Over (Under) Expenditures and Other</u>				
<u>Uses</u>	<u>\$ (22,892)</u>	<u>\$ 34,060</u>	<u>\$ 10,534</u>	<u>\$(23,526)</u>
<u>Fund Balance, October 1</u>			<u>659,066</u>	
<u>Fund Balance, September 30</u>			<u>\$669,600</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - D.A.R.E. FUND - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Miscellaneous Revenues:</u>				
Contributions	\$1,000	\$ 85	\$ 84	\$(1)
Interest	65	45	42	(3)
<u>Total Miscellaneous Revenues</u>	<u>\$1,065</u>	<u>\$ 130</u>	<u>\$ 126</u>	<u>\$(4)</u>
<u>Total Revenues</u>	<u>\$1,065</u>	<u>\$ 130</u>	<u>\$ 126</u>	<u>\$(4)</u>
<u>Expenditures:</u>				
Contributions	<u>\$2,000</u>	<u>\$ 4,240</u>	<u>\$ 4,239</u>	<u>\$ 1</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ (935)</u>	<u>\$(4,110)</u>	<u>\$(4,113)</u>	<u>\$(3)</u>
<u>Fund Balance, October 1</u>			<u>6,490</u>	
<u>Fund Balance, September 30</u>			<u>\$ 2,377</u>	

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

CITY OF MONROE CITY, MISSOURI

COMBINING BALANCE SHEET

ALL ENTERPRISE FUNDS

SEPTEMBER 30, 2013

	Electric Department	Water Department	Sewer Department	Natural Gas Department	Totals (Memorandum Only)
<u>Assets:</u>					
Cash	\$ 605,178	\$ 330,565	\$ 285,466	\$1,244,351	\$ 2,465,560
Receivables (net of allowance for uncollectibles):					
Accounts	510,646	27,878	68,353	78,646	685,523
Inventory of supplies, at cost	188,597	111,633	10,423	54,744	365,397
Due from Industrial Development Fund	164,000	----	----	434,000	598,000
<u>Total Current Assets</u>	<u>\$1,468,421</u>	<u>\$ 470,076</u>	<u>\$ 364,242</u>	<u>\$1,811,741</u>	<u>\$ 4,114,480</u>
Restricted assets:					
Cash	\$ 15,600	\$ 11,700	\$ ----	\$ 12,000	\$ 39,300
Capital assets (net of accumulated depreciation - Note 2)	3,022,332	4,087,791	1,061,862	195,511	8,367,496
Unamortized loan/issuance fees	14,644	10,138	----	----	24,782
<u>Total Assets</u>	<u>\$4,520,997</u>	<u>\$4,579,705</u>	<u>\$1,426,104</u>	<u>\$2,019,252</u>	<u>\$12,546,058</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 319,314	\$ 25,006	\$ 19,842	\$ 39,084	\$ 403,246
Accrued liabilities	13,085	18,052	7,592	6,346	45,075
Construction costs payable	----	----	91,963	----	91,963
Accrued interest	5,232	3,623	----	----	8,855
Current portion of:					
Capitalized lease payable	----	----	----	----	----
Capitalized lease certificates of participation	146,615	101,530	----	----	248,145
<u>Total Current Liabilities</u>	<u>\$ 484,246</u>	<u>\$ 148,211</u>	<u>\$ 119,397</u>	<u>\$ 45,430</u>	<u>\$ 797,284</u>
<u>Noncurrent Liabilities:</u>					
Deposits	\$ 16,700	\$ 11,300	\$ ----	\$ 11,900	\$ 39,900
Revenue bonds payable	----	----	----	----	----
Capitalized lease certificates of participation	553,420	383,240	----	----	936,660
<u>Total Liabilities</u>	<u>\$1,054,366</u>	<u>\$ 542,751</u>	<u>\$ 119,397</u>	<u>\$ 57,330</u>	<u>\$ 1,773,844</u>

CITY OF MONROE CITY, MISSOURI

COMBINING BALANCE SHEET

ALL ENTERPRISE FUNDS

SEPTEMBER 30, 2013

(CONTINUED)

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>	<u>Natural Gas Department</u>	<u>Totals (Memorandum Only)</u>
<u>Fund Equity:</u>					
Contributed capital	\$ 39,617	\$2,982,415	\$ 439,548	\$ 226,929	\$ 3,688,509
Retained earnings:					
Unreserved	<u>3,427,014</u>	<u>1,054,539</u>	<u>867,159</u>	<u>1,734,993</u>	<u>7,083,705</u>
<u>Total Fund Equity</u>	<u>\$3,466,631</u>	<u>\$4,036,954</u>	<u>\$1,306,707</u>	<u>\$1,961,922</u>	<u>\$10,772,214</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$4,520,997</u>	<u>\$4,579,705</u>	<u>\$1,426,104</u>	<u>\$2,019,252</u>	<u>\$12,546,058</u>

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

CITY OF MONROE CITY, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

ALL ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>	<u>Natural Gas Department</u>	<u>Totals (Memorandum Only)</u>
<u>Operating Revenues:</u>					
Charges for services	\$3,761,864	\$ 581,473	\$600,349	\$1,074,177	\$6,017,863
Other revenues	<u>4,431</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>4,431</u>
<u>Total Operating Revenues</u>	<u>\$3,766,295</u>	<u>\$ 581,473</u>	<u>\$600,349</u>	<u>\$1,074,177</u>	<u>\$6,022,294</u>
<u>Operating Expenses:</u>					
Administration	\$ 634,880	\$ 203,636	\$146,327	\$ 152,434	\$1,137,277
Utility production/treatment	6,551	271,881	163,698	---	442,130
Utility purchases/interconnect	3,166,763	---	---	749,147	3,915,910
Utility distribution/collection	344,749	117,416	82,551	104,189	648,905
Depreciation	<u>200,008</u>	<u>158,408</u>	<u>58,295</u>	<u>21,531</u>	<u>438,242</u>
<u>Total Operating Expenses</u>	<u>\$4,352,951</u>	<u>\$ 751,341</u>	<u>\$450,871</u>	<u>\$1,027,301</u>	<u>\$6,582,464</u>
<u>Operating Income (Loss)</u>	<u>\$ (586,656)</u>	<u>\$ (169,868)</u>	<u>\$149,478</u>	<u>\$ 46,876</u>	<u>\$ (560,170)</u>
<u>Non-Operating Revenues</u>					
<u>(Expenses):</u>					
Interest income	\$ 5,933	\$ 2,989	\$ 2,273	\$ 9,877	\$ 21,072
Pole rental income	4,180	---	---	---	4,180
DNR fees	---	---	---	---	---
Sales tax adjustment	(4,519)	---	---	---	(4,519)
Interest expense and fiscal charges	(31,606)	(21,889)	(948)	---	(54,443)
Amortization - origination fees	(69,382)	(48,047)	(584)	---	(118,013)
Gain on sale of restricted assets	48,976	33,916	---	---	82,892
Grant revenue	---	---	---	---	---
Miscellaneous	---	1,699	2	360	2,061
Recycling program	---	---	3,735	---	3,735
Atrazine settlement	---	<u>140,189</u>	<u>---</u>	<u>---</u>	<u>140,189</u>
<u>Total Non-Operating Revenues</u>					
<u>(Expenses)</u>	<u>\$ (46,418)</u>	<u>\$ 108,857</u>	<u>\$ 4,478</u>	<u>\$ 10,237</u>	<u>\$ 77,154</u>
<u>Net Income (Loss) Before Other Financing Sources (Uses)</u>	<u>\$ (633,074)</u>	<u>\$ (61,011)</u>	<u>\$153,956</u>	<u>\$ 57,113</u>	<u>\$ (483,016)</u>
<u>Other Financing Sources (Uses):</u>					
Operating transfers in	\$ 162,790	\$ 112,731	\$ ---	\$ ---	\$ 275,521
Operating transfers (out)	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>Total Other Financing Sources (Uses)</u>	<u>\$ 162,790</u>	<u>\$ 112,731</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 275,521</u>
<u>Net Income (Loss)</u>	<u>\$ (470,284)</u>	<u>\$ 51,720</u>	<u>\$153,956</u>	<u>\$ 57,113</u>	<u>\$ (207,495)</u>
<u>Retained Earnings, October 1</u>	<u>3,897,298</u>	<u>1,002,819</u>	<u>713,203</u>	<u>1,677,880</u>	<u>7,291,200</u>
<u>Retained Earnings, September 30</u>	<u>\$3,427,014</u>	<u>\$1,054,539</u>	<u>\$867,159</u>	<u>\$1,734,993</u>	<u>\$7,083,705</u>

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

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>	<u>Natural Gas Department</u>	<u>Totals (Memorandum Only)</u>
<u>Operating Activities:</u>					
Net income (loss) from operations	\$(586,656)	\$(169,868)	\$ 149,478	\$ 46,876	\$ (560,170)
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation	200,008	158,408	58,295	21,531	438,242
Other income (expense)	48,637	175,804	3,737	360	228,538
Operating transfers in (out)	162,790	112,731	----	----	275,521
Changes in operating assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	15,328	(306)	(8,251)	(2,910)	3,861
Inventories	26,790	(7,976)	(1,065)	8,272	26,021
Increase (decrease) in:					
Accounts payable	74,015	12,187	4,055	14,629	104,886
Accrued expenses	65	9,636	4,826	4,419	18,946
Construction costs payable	----	----	91,963	----	91,963
Customer deposits	1,100	(400)	----	(100)	600
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>\$ (57,923)</u>	<u>\$ 290,216</u>	<u>\$ 303,038</u>	<u>\$ 93,077</u>	<u>\$ 628,408</u>
<u>Investing Activities:</u>					
Interest income	\$ 5,933	\$ 2,989	\$ 2,273	\$ 9,877	\$ 21,072
Restricted cash activity (net)	153,802	106,506	20,641	----	280,949
<u>Net Cash Provided (Used) by Investing Activities</u>	<u>\$ 159,735</u>	<u>\$ 109,495</u>	<u>\$ 22,914</u>	<u>\$ 9,877</u>	<u>\$ 302,021</u>
<u>Capital and Related Financing Activities:</u>					
Additions to fixed assets	\$ (10,000)	\$ (14,662)	\$(238,340)	\$ ----	\$ (263,002)
Debt issuance costs	(14,644)	(10,138)	----	----	(24,782)
Interest expense and fiscal charges	(31,606)	(21,889)	(948)	----	(54,443)
Principal payments	(311,815)	(215,930)	(25,000)	----	(552,745)
<u>Net Cash Provided (Used) by Capital Financing Activities</u>	<u>\$(368,065)</u>	<u>\$(262,619)</u>	<u>\$(264,288)</u>	<u>\$ ----</u>	<u>\$ (894,972)</u>
<u>Increase (Decrease) in Cash</u>	<u>\$(266,253)</u>	<u>\$ 137,092</u>	<u>\$ 61,664</u>	<u>\$ 102,954</u>	<u>\$ 35,457</u>
<u>Cash at Beginning of Year</u>	<u>871,431</u>	<u>193,473</u>	<u>223,802</u>	<u>1,141,397</u>	<u>2,430,103</u>
<u>Cash at End of Year</u>	<u>\$ 605,178</u>	<u>\$ 330,565</u>	<u>\$ 285,466</u>	<u>\$1,244,351</u>	<u>\$2,465,560</u>

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

CITY OF MONROE CITY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY

BUDGET (BUDGETARY BASIS) AND ACTUAL

ELECTRIC DEPARTMENT - ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Operating Revenues:</u>				
<u>Charges for Services:</u>				
Sales	\$3,403,257	\$3,772,475	\$3,737,696	\$(34,779)
Security lights	4,700	4,610	4,631	21
Penalties	13,500	15,500	15,276	(224)
Vendor	900	1,270	1,270	---
Service fees	3,500	3,100	2,841	(259)
Construction meter	220	150	150	---
<u>Total Charges for Services</u>	<u>\$3,426,077</u>	<u>\$3,797,105</u>	<u>\$3,761,864</u>	<u>\$(35,241)</u>
<u>Other</u>	<u>\$ 1,450</u>	<u>\$ 4,431</u>	<u>\$ 4,431</u>	<u>\$ ---</u>
<u>Total Operating Revenues</u>	<u>\$3,427,527</u>	<u>\$3,801,536</u>	<u>\$3,766,295</u>	<u>\$(35,241)</u>
<u>Operating Expenses:</u>				
<u>Administration:</u>				
Professional services	\$ 500	\$ 320	\$ 400	\$ (80)
Insurance	32,343	38,721	38,721	---
Franchise tax	101,972	101,976	101,976	---
Assessments and memberships	1,800	1,459	1,459	---
Administrative fee expense	410,888	489,587	489,586	1
Bad debt expense, net	3,100	(99)	1,638	(1,737)
Miscellaneous	50	---	1,100	(1,100)
<u>Total Administration</u>	<u>\$ 550,653</u>	<u>\$ 631,964</u>	<u>\$ 634,880</u>	<u>\$ (2,916)</u>
<u>Electric Production:</u>				
Supplies and maintenance	\$ 1,000	\$ 40	\$ 40	\$ ---
Fuel used to generate electricity	13,000	---	---	---
Utilities	7,500	6,686	6,511	175
<u>Total Electric Production</u>	<u>\$ 21,500</u>	<u>\$ 6,726</u>	<u>\$ 6,551</u>	<u>\$ 175</u>
<u>Interconnect:</u>				
Power purchases	\$2,604,738	\$3,097,350	\$3,166,763	\$(69,413)
<u>Total Interconnect</u>	<u>\$2,604,738</u>	<u>\$3,097,350</u>	<u>\$3,166,763</u>	<u>\$(69,413)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
ELECTRIC DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	Budget - Original	Budget - Revised	Actual	Variance - Favorable (Unfavorable)
<u>Electric Distribution:</u>				
Payroll	\$ 157,820	\$ 151,800	\$ 158,705	\$ (6,905)
Payroll taxes	12,074	11,200	10,938	262
Employee benefits	36,915	31,215	31,103	112
Uniforms	1,800	2,877	2,937	(60)
Office expense	500	145	145	---
Fuel	7,000	10,500	10,712	(212)
Supplies and maintenance	14,250	24,199	23,960	239
Distribution materials	12,000	10,503	37,392	(26,889)
Telephone	1,850	1,588	1,774	(186)
Utilities	2,500	3,377	3,376	1
Transportation and training	1,000	247	247	---
Safety and compliance	1,400	2,940	3,008	(68)
Railroad easement	1,000	1,029	1,029	---
Other	600	59,423	59,423	---
<u>Total Electric Distribution</u>	<u>\$ 250,709</u>	<u>\$ 311,043</u>	<u>\$ 344,749</u>	<u>\$ (33,706)</u>
<u>Capital Outlay:</u>				
Administration	\$ ---	\$ ---	\$ ---	\$ ---
Electric production	---	---	---	---
Electric distribution	---	10,000	10,000	---
<u>Total Capital Outlay</u>	<u>\$ ---</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ ---</u>
<u>Total Operating Expenses</u>	<u>\$3,427,600</u>	<u>\$4,057,083</u>	<u>\$4,162,943</u>	<u>\$(105,860)</u>
<u>Operating Income</u>	<u>\$ (73)</u>	<u>\$ (255,547)</u>	<u>\$ (396,648)</u>	<u>\$(141,101)</u>
<u>Non-Operating Revenues (Expenses):</u>				
Interest income	\$ 7,400	\$ 6,000	\$ 5,933	\$ (67)
Pole rental income	4,180	4,180	4,180	---
Sales tax adjustment	---	---	(4,519)	(4,519)
Interest expense and fiscal charges	---	---	(31,606)	(31,606)
Principal payments	---	---	(311,815)	(311,815)
Gain on sale of restricted assets	---	---	48,976	48,976
Grant revenue	---	---	---	---
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ 11,580</u>	<u>\$ 10,180</u>	<u>\$ (288,851)</u>	<u>\$(299,031)</u>
<u>Net Income Before Other Financing</u>				
<u>Sources (Uses)</u>	<u>\$ 11,507</u>	<u>\$ (245,367)</u>	<u>\$ (685,499)</u>	<u>\$(440,132)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
ELECTRIC DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Other Financing Sources (Uses)</u>				
Operating transfers in	\$ ----	\$ ----	\$ 162,790	\$ 162,790
Operating transfers (out)	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 162,790</u>	<u>\$ 162,790</u>
<u>Net Income (Loss) (Modified Cash Basis)</u>	<u>\$11,507</u>	<u>\$(245,367)</u>	<u>\$ (522,709)</u>	<u>\$(277,342)</u>
<u>Modified Accrual to GAAP Adjustment</u> <u>(Note 11)</u>			52,425	
<u>Retained Earnings, October 1</u>			<u>3,897,298</u>	
<u>Retained Earnings, September 30</u>			<u>\$3,949,723</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
WATER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Operating Revenues:</u>				
<u>Charges for Services:</u>				
City customers	\$557,200	\$508,984	\$515,961	\$ 6,977
Water districts	87,116	61,685	59,878	(1,807)
Penalties	3,750	3,550	3,746	196
Water taps	145	290	290	---
Service fees	2,000	1,600	1,598	(2)
<u>Total Charges for Services</u>	<u>\$650,211</u>	<u>\$576,109</u>	<u>\$581,473</u>	<u>\$ 5,364</u>
<u>Total Operating Revenues</u>	<u>\$650,211</u>	<u>\$576,109</u>	<u>\$581,473</u>	<u>\$ 5,364</u>
<u>Operating Expenses:</u>				
<u>Administration:</u>				
Professional services	\$ 250	\$ 142	\$ 141	\$ 1
Insurance	11,000	14,980	14,980	---
Franchise tax	16,590	16,615	16,615	---
Assessments and memberships	550	410	409	1
Administrative fee expense	154,018	169,622	171,342	(2,120)
Bad debts, net	2,000	(284)	20	(304)
Miscellaneous	50	---	129	(129)
<u>Total Administration</u>	<u>\$184,458</u>	<u>\$201,085</u>	<u>\$203,636</u>	<u>\$(2,551)</u>
<u>Water Production:</u>				
Payroll	\$ 75,500	\$ 75,800	\$ 81,860	\$(6,060)
Payroll taxes	5,550	5,550	5,405	145
Employee benefits	15,665	14,674	14,630	44
Uniforms	500	434	456	(22)
Office expense	750	603	602	1
Fuel	1,000	1,340	1,275	65
Supplies and maintenance	20,100	22,429	24,990	(2,561)
Chemicals	110,000	95,644	88,000	7,644
Telephone	2,500	2,604	2,608	(4)
Transportation and training	750	819	818	1
Utilities	41,500	41,804	48,561	(6,757)
Safety and compliance	350	342	462	(120)
Miscellaneous	500	2,464	2,214	250
<u>Total Water Production</u>	<u>\$274,665</u>	<u>\$264,507</u>	<u>\$271,881</u>	<u>\$(7,374)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
WATER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Water Distribution:</u>				
Payroll	\$ 50,950	\$ 48,300	\$ 55,264	\$ (6,964)
Payroll taxes	3,850	3,610	3,595	15
Employee benefits	10,591	9,247	9,245	2
Uniforms	350	835	906	(71)
Office expense	1,040	297	586	(289)
Fuel	2,900	2,400	2,357	43
Supplies and maintenance	11,200	5,818	34,152	(28,334)
Distribution materials	7,400	5,701	8,106	(2,405)
Telephone	700	681	701	(20)
Transportation and training	1,000	140	105	35
Utilities	2,500	2,317	2,321	(4)
Safety and compliance	350	80	66	14
Miscellaneous	310	10	12	(2)
<u>Total Water Distribution</u>	<u>\$ 93,141</u>	<u>\$ 79,436</u>	<u>\$ 117,416</u>	<u>\$ (37,980)</u>
<u>Capital Outlay:</u>				
Administration	\$ ---	\$ ---	\$ ---	\$ ---
Water production	24,000	17,193	14,662	2,531
Water distribution	30,831	26,295	---	26,295
<u>Total Capital Outlay</u>	<u>\$ 54,831</u>	<u>\$ 43,488</u>	<u>\$ 14,662</u>	<u>\$ 28,826</u>
<u>Total Operating Expenses</u>	<u>\$607,095</u>	<u>\$588,916</u>	<u>\$ 607,595</u>	<u>\$ (18,679)</u>
<u>Operating Income (Loss)</u>	<u>\$ 43,116</u>	<u>\$ (12,807)</u>	<u>\$ (26,122)</u>	<u>\$ (13,315)</u>
<u>Non-Operating Revenues (Expenses):</u>				
Interest income	\$ 600	\$ 2,990	\$ 2,989	\$ (1)
Sales tax adjustment	---	---	---	---
Interest expense and fiscal charges	---	---	(21,889)	(21,889)
Principal payments	---	---	(215,930)	(215,930)
Miscellaneous	1,000	1,000	1,699	699
Atrazine settlement	---	140,450	140,189	(261)
Gain on sale of restricted assets	---	---	33,916	33,916
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ 1,600</u>	<u>\$144,440</u>	<u>\$ (59,026)</u>	<u>\$(203,466)</u>
<u>Net Income Before Other Financing Sources (Uses)</u>	<u>\$ 44,716</u>	<u>\$131,633</u>	<u>\$ (85,148)</u>	<u>\$(216,781)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
WATER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ----	\$ ----	\$ 112,731	\$ 112,731
Operating transfers out	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 112,731</u>	<u>\$ 112,731</u>
<u>Net Income (Modified Cash Basis)</u>	<u>\$44,716</u>	<u>\$131,633</u>	\$ 27,583	<u>\$(104,050)</u>
<u>Modified Accrual to GAAP Adjustment (Note 11)</u>			24,137	
<u>Retained Earnings, October 1</u>			<u>1,002,819</u>	
<u>Retained Earnings, September 30</u>			<u>\$1,054,539</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
SEWER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Operating Revenues:</u>				
<u>Charges for Services:</u>				
Sewer service charges	\$500,500	\$494,500	\$495,355	\$ 855
Penalties	4,440	4,398	4,706	308
Sewer taps	200	50	50	----
Sanitation	<u>96,231</u>	<u>101,287</u>	<u>100,238</u>	<u>(1,049)</u>
<u>Total Charges for Services</u>	<u>\$601,371</u>	<u>\$600,235</u>	<u>\$600,349</u>	<u>\$ 114</u>
<u>Total Operating Revenues</u>	<u>\$601,371</u>	<u>\$600,235</u>	<u>\$600,349</u>	<u>\$ 114</u>
<u>Operating Expenses:</u>				
<u>Administration:</u>				
Professional services	\$ 375	\$ 142	\$ 141	\$ 1
Insurance	5,033	5,479	5,478	1
Franchise tax	8,847	8,863	8,863	----
Assessments and memberships	360	264	264	----
Sanitation charges and related costs	91,437	96,461	95,435	1,026
Administrative fee expense	27,969	34,400	34,400	----
Bad debt, net	490	(242)	734	(976)
Miscellaneous	<u>100</u>	<u>----</u>	<u>1,012</u>	<u>(1,012)</u>
<u>Total Administration</u>	<u>\$134,611</u>	<u>\$145,367</u>	<u>\$146,327</u>	<u>\$ (960)</u>
<u>Sewage Treatment:</u>				
Payroll	\$ 51,000	\$ 52,860	\$ 55,405	\$(2,545)
Payroll taxes	3,730	4,200	3,821	379
Employee benefits	14,286	13,510	13,155	355
Uniforms	500	435	408	27
Office expense	1,000	456	458	(2)
Fuel	2,000	1,400	1,722	(322)
Supplies and maintenance	5,000	6,651	10,510	(3,859)
Telephone	1,200	1,682	1,755	(73)
Transportation and training	500	90	230	(140)
Utilities	70,000	68,575	69,563	(988)
Safety and compliance	300	134	121	13
Testing and reports	5,000	6,851	6,550	301
Miscellaneous	<u>250</u>	<u>----</u>	<u>----</u>	<u>----</u>
<u>Total Sewage Treatment</u>	<u>\$154,766</u>	<u>\$156,844</u>	<u>\$163,698</u>	<u>\$(6,854)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
SEWER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Revised</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Sewage Collection:</u>				
Payroll	\$ 50,950	\$ 47,800	\$ 50,321	\$ (2,521)
Payroll taxes	3,850	3,657	3,592	65
Employee benefits	10,591	9,395	9,245	150
Uniforms	350	841	912	(71)
Office expense	1,040	278	567	(289)
Fuel	2,900	2,200	2,195	5
Supplies and maintenance	10,120	9,164	8,185	979
Collection materials	3,700	4,374	4,373	1
Telephone	700	681	701	(20)
Transportation and training	1,000	34	---	34
Utilities	2,500	2,416	2,420	(4)
Safety and compliance	350	44	30	14
Miscellaneous	310	10	10	---
<u>Total Sewage Collection</u>	<u>\$ 88,361</u>	<u>\$ 80,894</u>	<u>\$ 82,551</u>	<u>\$ (1,657)</u>
<u>Capital Outlay:</u>				
Administration	\$ ---	\$ ---	\$ ---	\$ ---
Sewage treatment	48,000	39,568	131,530	(91,962)
Sewage collection	252,000	106,811	106,810	1
<u>Total Capital Outlay</u>	<u>\$ 300,000</u>	<u>\$146,379</u>	<u>\$238,340</u>	<u>\$ (91,961)</u>
<u>Total Operating Expenses</u>	<u>\$ 677,738</u>	<u>\$529,484</u>	<u>\$630,916</u>	<u>\$(101,432)</u>
<u>Operating Income</u>	<u>\$ (76,367)</u>	<u>\$ 70,751</u>	<u>\$ (30,567)</u>	<u>\$(101,318)</u>
<u>Non-Operating Revenues (Expenses):</u>				
Interest income	\$ 810	\$ 2,278	\$ 2,273	\$ (5)
DNR Fees	(350)	---	---	---
Interest expense and fiscal charges	(843)	(203)	(948)	(745)
Principal payments	(25,000)	(6,250)	(25,000)	(18,750)
Miscellaneous	100	2	2	---
Grant revenue	---	---	---	---
Recycling program	---	3,735	3,735	---
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ (25,283)</u>	<u>\$ (438)</u>	<u>\$ (19,938)</u>	<u>\$ (19,500)</u>
<u>Net Income Before Other Financing</u>				
<u>Sources (Uses)</u>	<u>\$(101,650)</u>	<u>\$ 70,313</u>	<u>\$ (50,505)</u>	<u>\$(120,818)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
SEWER DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Revised</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ---	\$ ---	\$ ---	\$ ---
Operating transfers out	---	---	---	---
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
<u>Net Income (Modified Cash Basis)</u>	<u>\$(101,650)</u>	<u>\$70,313</u>	<u>\$ (50,505)</u>	<u>\$(120,818)</u>
<u>Modified Accrual to GAAP Adjustment</u> <u>(Note 11)</u>			204,461	
<u>Retained Earnings, October 1</u>			<u>713,203</u>	
<u>Retained Earnings, September 30</u>			<u>\$867,159</u>	

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
NATURAL GAS DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Budget - Original</u>	<u>Budget - Revised</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Operating Revenues:</u>				
<u>Charges for Services:</u>				
Natural gas sales	\$1,060,882	\$1,045,102	\$1,061,113	\$ 16,011
Wheeling charges	3,300	3,792	3,789	(3)
Penalties	4,100	4,955	5,187	232
Installations	300	2,600	2,487	(113)
Service fees	1,950	1,600	1,601	1
<u>Total Charges for Services</u>	<u>\$1,070,532</u>	<u>\$1,058,049</u>	<u>\$1,074,177</u>	<u>\$ 16,128</u>
<u>Total Operating Revenues</u>	<u>\$1,070,532</u>	<u>\$1,058,049</u>	<u>\$1,074,177</u>	<u>\$ 16,128</u>
<u>Operating Expenses:</u>				
<u>Administration:</u>				
Professional services	\$ 700	\$ 320	\$ 385	\$ (65)
Insurance	9,799	11,778	11,777	1
Franchise tax	31,691	31,692	31,692	---
Assessments and memberships	850	730	729	1
Administrative fee expense	83,933	106,132	106,131	1
Bad debt, net	2,106	(557)	1,460	(2,017)
Miscellaneous	50	---	260	(260)
<u>Total Administration</u>	<u>\$ 129,129</u>	<u>\$ 150,095</u>	<u>\$ 152,434</u>	<u>\$ (2,339)</u>
<u>Natural Gas Purchases</u>	<u>\$ 637,835</u>	<u>\$ 735,550</u>	<u>\$ 749,147</u>	<u>\$(13,597)</u>
<u>Natural Gas Distribution:</u>				
Payroll	\$ 50,950	\$ 48,101	\$ 52,411	\$ (4,310)
Payroll taxes	3,850	3,600	3,595	5
Employee benefits	10,591	9,288	9,278	10
Uniforms	350	832	912	(80)
Office expense	1,040	510	799	(289)
Fuel	2,900	2,285	2,357	(72)
Supplies and maintenance	9,520	5,294	14,326	(9,032)
Distribution materials	21,000	14,785	15,024	(239)
Telephone	700	681	701	(20)
Transportation and training	2,700	1,354	1,340	14
Utilities	2,500	2,329	2,333	(4)
Safety and compliance	10,000	1,115	1,101	14
Miscellaneous	310	30	12	18
<u>Total Natural Gas Distribution</u>	<u>\$ 116,411</u>	<u>\$ 90,204</u>	<u>\$ 104,189</u>	<u>\$(13,985)</u>

CITY OF MONROE CITY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY
BUDGET (BUDGETARY BASIS) AND ACTUAL
NATURAL GAS DEPARTMENT - ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Revised</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Capital Outlay:</u>				
Administration	\$ ---	\$ ---	\$ ---	\$ ---
Natural gas distribution	2,000	635	---	635
<u>Total Capital Outlay</u>	<u>\$ 2,000</u>	<u>\$ 635</u>	<u>\$ ---</u>	<u>\$ 635</u>
<u>Total Operating Expenses</u>	<u>\$885,375</u>	<u>\$976,484</u>	<u>\$1,005,770</u>	<u>\$(29,286)</u>
<u>Operating Income (Loss)</u>	<u>\$185,157</u>	<u>\$ 81,565</u>	<u>\$ 68,407</u>	<u>\$(13,158)</u>
<u>Non-Operating Revenues (Expenses):</u>				
Interest income	\$ 11,726	\$ 10,000	\$ 9,877	\$ (123)
Sales tax adjustments	---	---	---	---
Interest expense and fiscal charges	---	---	---	---
Principal payments	---	---	---	---
Miscellaneous	600	259	360	101
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ 12,326</u>	<u>\$ 10,259</u>	<u>\$ 10,237</u>	<u>\$ (22)</u>
<u>Net Income (Loss) Before Other Financing</u> <u>Sources (Uses)</u>	<u>\$197,483</u>	<u>\$ 91,824</u>	<u>\$ 78,644</u>	<u>\$(13,180)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ---	\$ ---	\$ ---	\$ ---
Operating transfers (out)	---	---	---	---
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
<u>Net Income (Loss) (Modified Cash Basis)</u>	<u>\$197,483</u>	<u>\$ 91,824</u>	<u>\$ 78,644</u>	<u>\$(13,180)</u>
<u>Modified Accrual to GAAP Adjustment</u> <u>(Note 11)</u>			(21,531)	
<u>Retained Earnings, October 1</u>			<u>1,677,880</u>	
<u>Retained Earnings, September 30</u>			<u>\$1,734,993</u>	

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

SUPPLEMENTARY INFORMATION

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>Balance</u> <u>10-1-12</u>	<u>Additions</u>	<u>Sales/</u> <u>Retirements</u>	<u>Balance</u> <u>9-30-13</u>
<u>Function and Activity:</u>				
<u>General Government:</u>				
City administration	\$2,258,233	\$ ----	\$ ----	\$ 2,258,233
<u>Public Safety:</u>				
Police	\$ 491,703	\$ 4,410	\$ ----	\$ 496,113
Fire	1,666,322	11,999	----	1,678,321
Humane Officer	28,402	----	----	28,402
<u>Total Public Safety</u>	<u>\$2,186,427</u>	<u>\$ 16,409</u>	<u>\$ ----</u>	<u>\$ 2,202,836</u>
<u>Street Department</u>	<u>\$1,019,331</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 1,019,331</u>
<u>Culture and Recreation:</u>				
Parks	\$ 983,657	\$ ----	\$ ----	\$ 983,657
Library	155,230	----	----	155,230
Mosswood Golf Course	386,298	----	----	386,298
Park sales tax	----	1,511,694	----	1,511,694
<u>Total Culture and Recreation</u>	<u>\$1,525,185</u>	<u>\$1,511,694</u>	<u>\$ ----</u>	<u>\$ 3,036,879</u>
<u>Airport</u>	<u>\$1,753,423</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 1,753,423</u>
<u>St. Jude's Cemetery</u>	<u>\$ 99,167</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 99,167</u>
<u>Industrial Park</u>	<u>\$ 35,753</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 35,753</u>
<u>Total General Capital Assets</u>	<u>\$8,877,519</u>	<u>\$1,528,103</u>	<u>\$ ----</u>	<u>\$10,405,622</u>

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

ACCUMULATED DEPRECIATION

BALANCE 09-30-12	ADDITIONS	RETIREMENTS	BALANCE 09-30-13
\$0.00	----	----	\$0.00
4,001,474.77	147,137.90	----	4,148,612.67
230,707.13	5,264.19	----	235,971.32
1,280,465.76	47,124.88	----	1,327,590.64
35,892.60	481.12	----	36,373.72
<u>\$5,548,540.26</u>	<u>\$200,008.09</u>	<u>\$0.00</u>	<u>\$5,748,548.35</u>
\$0.00	----	----	\$0.00
1,182,728.55	20,797.93	----	1,203,526.48
36,783.65	733.20	----	37,516.85
<u>\$1,219,512.20</u>	<u>\$21,531.13</u>	<u>\$0.00</u>	<u>\$1,241,043.33</u>
\$1,232,553.08	\$64,344.96	----	\$1,296,898.04
955,934.08	94,063.44	----	1,049,997.52
10,073.00	----	----	10,073.00
<u>\$2,198,560.16</u>	<u>\$158,408.40</u>	<u>\$0.00</u>	<u>\$2,356,968.56</u>
\$507,363.90	\$20,389.84	----	\$527,753.74
933,734.32	37,904.70	----	971,639.02
1426.08	----	----	1426.08
<u>\$1,442,524.30</u>	<u>\$58,294.54</u>	<u>\$0.00</u>	<u>\$1,500,818.84</u>
<u>\$10,409,136.92</u>	<u>\$438,242.16</u>	<u>\$0.00</u>	<u>\$10,847,379.08</u>

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
ELECTRIC DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(UNAUDITED)

	<u>Quantity</u>	<u>Percent</u>
<u>Generation and Usage Statistics:</u>		
Gross KWHRS generated at plant	48,873	0.13%
KWHRS purchased	39,768,951	<u>99.87%</u>
Total KWHRS generated and purchased	39,817,824	<u>100.00%</u>
KWHRS distributed from plant	<u>38,182,600</u>	<u>95.80%</u>
Power plant loss	<u>1,635,224</u>	<u>4.20%</u>
KWHRS distributed from plant	38,182,600	
KWHRS billed to customers	36,634,908	
KWHRS used by power plant and street lights	316,659	
Total KWHRS accounted for	<u>36,951,567</u>	
Unaccounted KWHRS distributed	<u>1,231,033</u>	
Total KWHRS generated and purchased	39,817,824	
Total KWHRS accounted for	<u>36,951,567</u>	
Total KWHRS unaccounted for	<u>2,866,257</u>	<u>7.10%</u>
	<u>Total Cost</u>	<u>Cost per KWHR</u>
<u>Cost per KWHR Generated and Purchased:</u>		
<u>Generated at plant:</u>		
Diesel fuel	\$ ----	\$ ----
Lubricating oil	----	----
Natural gas	----	----
<u>Total fuel cost per generated KWHR</u>	\$ ----	<u>\$ ----</u>
<u>Purchased</u>	<u>3,166.763</u>	<u>\$ 0.079</u>
<u>Combined Cost per KWHR Generated and Purchased</u>	<u>\$3,166.763</u>	<u>\$ 0.079</u>

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
ELECTRIC DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(UNAUDITED)

(CONTINUED)

	<u>Number of Customers</u>	<u>Charges - Unadjusted</u>	<u>KWHRs Billed</u>	<u>Charge per KWHR Sold</u>
<u>Customer Statistics:</u>				
Residential	1,092	\$1,364,782	11,870,494	\$ 0.114
Commercial	255	1,129,159	9,735,240	\$ 0.115
Industrial	<u>4</u>	<u>1,320,108</u>	<u>15,029,174</u>	<u>0.087</u>
	<u>1,351</u>	<u>\$3,810,049</u>	<u>36,634,908</u>	<u>\$ 0.104</u>
			<u>Total KWHRs Sold per Customer</u>	<u>Average Annual Bill</u>
Residential			10,870	\$ 1,250
Commercial			38,177	\$ 4,428
Industrial			3,753,294	\$330,027
<u>Statement of Revenues and Expenses per</u>				
<u>KWHR Generated and Purchased:</u>				
<u>Operating Revenues:</u>				
Charges for services			\$ 0.094	
Other			<u>0.000</u>	
<u>Total Operating Revenues</u>				\$ 0.094
<u>Operating Expenses:</u>				
Administration			\$ 0.015	
Production			0.000	
Interconnect			0.079	
Distribution			0.008	
Depreciation			<u>0.005</u>	
<u>Total Operating Expenses</u>				<u>0.107</u>
<u>Operating Income (Loss)</u>				\$ (0.013)
<u>Non-Operating Revenues (Expenses):</u>				
Revenues			\$ 0.001	
Expenses			<u>(0.002)</u>	
<u>Total Non-Operating Revenues</u>				
<u>(Expenses)</u>				<u>(0.001)</u>
<u>Net Income (Loss)</u>				<u>\$ (0.014)</u>

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

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
WATER DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(UNAUDITED)

	<u>Quantity</u>	<u>Percent</u>
<u>Generation and Usage Statistics:</u>		
Gallons of water pumped	83,140,000	100.00%
Gallons of water sold to customers	<u>79,239,000</u>	<u>95.31%</u>
Total gallons unaccounted for	<u>3,901,000</u>	<u>4.69%</u>
	<u>Total Cost</u>	<u>Cost per 1,000 Gallons</u>
<u>Chemical Cost per 1,000 Gallons</u>		
<u>Pumped</u>	<u>\$ 88,000</u>	<u>\$ 1.0585</u>
	<u>Gallons Sold</u>	<u>Charge per 1,000 Gallons Sold</u>
<u>Customer Statistics:</u>		
Residential	42,627,000	\$ 8.157
Commercial	16,588,000	\$ 7.458
Industrial	6,486,000	\$ 7.153
Water Districts	<u>13,538,000</u>	<u>\$ 4.423</u>
	<u>79,239,000</u>	<u>\$ 7.288</u>
	<u>Number of Customers</u>	<u>Charges - Unadjusted</u>
Residential	1,026	\$347,485
Commercial	159	123,721
Industrial	4	46,394
Water districts	<u>2</u>	<u>59,878</u>
	<u>1,191</u>	<u>\$577,478</u>
	<u>Total Gallons Sold per Customer</u>	<u>Average Annual Bill</u>
Residential	41,547	\$ 339
Commercial	104,327	\$ 778
Industrial	1,621,500	\$ 11,599
Water districts	6,769,000	\$ 29,939

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS

WATER DEPARTMENT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(UNAUDITED)

(CONTINUED)

Statement of Revenues and Expenses per 1,000 Gallons

Pumped:

Operating Revenues:

Charges for services	\$ 6.999	
Other	----	
<u>Total Operating Revenues</u>		\$ 6.999

Operating Expenses:

Administration	\$ 2.449	
Production	3.270	
Distribution	1.412	
Depreciation	<u>1.905</u>	
<u>Total Operating Expenses</u>		<u>9.036</u>

<u>Operating Income (Loss)</u>		<u>\$(2.037)</u>
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Non-Operating Revenues (Expenses):

Revenues	\$ 2.151	
Expenses	<u>(0.841)</u>	
<u>Total Non-Operating Revenues (Expenses)</u>		<u>1.310</u>

<u>Net Income (Loss)</u>		<u>\$(0.727)</u>
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The notes to financial statements are an integral part of this statement.

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
SEWER DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(UNAUDITED)

	<u>Number of</u> <u>Customers</u>	<u>Charges -</u> <u>Unadjusted</u>	<u>Gallons Billed</u> <u>(1,000's)</u>	<u>Cost per</u> <u>1,000</u> <u>Gallons Sold</u>
<u>Customer Statistics:</u>				
Residential	1,012	\$343,397	42,156	\$ 8.1459
Commercial	143	109,199	14,711	\$ 7.4229
Industrial	4	46,394	6,786	\$ 6.8367
	<u>1,159</u>	<u>\$498,990</u>	<u>63,653</u>	<u>\$ 7.8392</u>
			<u>Total Gallons</u> <u>Billed per</u> <u>Customer</u>	<u>Average</u> <u>Annual Bill</u>
Residential			41,656	\$ 339
Commercial			102,874	\$ 764
Industrial			1,696,500	\$ 11,599
<u>Statement of Revenues and Expenses per</u> <u>1,000 Gallons Billed:</u>				
<u>Operating Revenues:</u>				
Charges for services			\$ 9.432	
Other			<u>0.000</u>	
<u>Total Operating Revenues</u>				\$ 9.432
<u>Operating Expenses:</u>				
Administration			\$ 2.299	
Treatment			2.572	
Collection			1.297	
Depreciation			<u>0.916</u>	
<u>Total Operating Expenses</u>				<u>7.084</u>
<u>Operating Income (Loss)</u>				\$ 2.348
<u>Non-Operating Revenues (Expenses):</u>				
Revenues			\$ 0.094	
Expenses			<u>(0.024)</u>	
<u>Total Non-Operating Revenues</u> <u>(Expenses)</u>				<u>0.070</u>
<u>Net Income</u>				<u>\$ 2.278</u>

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

CITY OF MONROE CITY, MISSOURI
 SCHEDULE OF OPERATING STATISTICS
 NATURAL GAS DEPARTMENT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
 (UNAUDITED)

			<u>Quantity</u>	<u>Percent</u>
<u>Purchase and Usage Statistics:</u>				
Total MCFS of gas transported by Panhandle Eastern			189,916	
Deduct Perry and Pace			<u>28,224</u>	
Total MCFS of gas available for Monroe City			<u>161,692</u>	<u>100.00%</u>
Total MCFS transported			161,692	100.00%
MCFS of gas sold to customers			<u>160,486</u>	<u>99.25%</u>
MCFS unaccounted or			<u>1,286</u>	<u>0.75%</u>
	<u>Number of Customers</u>	<u>Charges - Unadjusted</u>	<u>MCFS Sold</u>	<u>Charges per MCF Sold</u>
<u>Customer Statistics:</u>				
Residential	946	\$ 495,082	64,345	\$ 7.694
Commercial	152	187,563	26,969	\$ 6.955
Industrial	<u>3</u>	<u>363,515</u>	<u>69,172</u>	\$ 5.255
	<u>1,101</u>	<u>\$1,046,160</u>	<u>160,486</u>	\$ 6.519
			<u>Total MCF's Sold per Customer</u>	<u>Average Annual Bill</u>
Residential			68.018	\$ 523
Commercial			177.428	\$ 1,234
Industrial			23,057,333	\$121,172

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
NATURAL GAS DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

(UNAUDITED)

(CONTINUED)

Statement of Revenues and Expenses per MCF Billed:

Operating Revenues:

Charges for services	\$6.693	
Other	----	

<u>Total Operating Revenues</u>		\$6.693
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Operating Expenses:

Administration	\$0.950	
Purchased gas	4.668	
Distribution	0.649	
Depreciation	<u>0.134</u>	

<u>Total Operating Expenses</u>		<u>5.546</u>
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<u>Operating Income (Loss)</u>		\$1.147
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Non-Operating Revenues (Expenses):

Revenues	\$0.664	
Expenses	----	

<u>Total Non-Operating Revenues (Expenses)</u>		<u>0.664</u>
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<u>Net Income (Loss)</u>		<u>\$1.811</u>
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The notes to financial statements are an integral part of this statement.

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF RURAL WATER RATE CALCULATION
WATER DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013
(UNAUDITED)

Water Production Costs:

Payroll	\$81,860.13	
Payroll tax	5,404.76	
Employee benefits	14,629.77	
Uniforms	456.01	
Office expense	602.12	
Fuel	1,275.20	
Supplies and maintenance	24,990.10	
Chemicals	88,000.31	
Telephone	2,608.44	
Transportation and training	48,561.02	
Utilities	818.35	
Safety and compliance	461.69	
Miscellaneous	<u>2,213.95</u>	
<u>Total Water Production</u>		\$271,881.85
<u>Water Production Depreciation</u>		<u>64,344.96</u>
<u>Total Allowable Costs</u>		<u>\$336,226.81</u>
<u>Total Gallons of Water Metered - Fiscal Year Ended</u> <u>September 30, 2013</u>		<u>79,239,000</u>
<u>Total Allowable Cost per 1,000 Gallons of Metered Water</u>	\$	4.24
<u>Add-On Amount per Water Contract</u>		<u>.70</u>
<u>Revised Price of Water Sold to Water Districts</u>	\$	<u>4.94</u>

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

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF ASSESSED VALUATION AND TAX RATE
TAX YEAR 2012

<u>Assessed Valuation:</u>	
Monroe County	\$14,461,043
Marion County	7,166,338
Ralls County	<u>1,613,500</u>
<u>Total Assessed Valuation</u>	<u>\$23,240.881</u>
<u>Tax Rate per \$100 of Assessed Valuation:</u>	
General Fund	\$0.7407
Library Fund	<u>0.2000</u>
Total tax levy	<u>\$0.9407</u>

Assessed valuations are made each year by the County Assessor on real and personal properties owned by the taxpayers.

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

LUCK, HUMPHREYS AND ASSOCIATES, C.P.A., P.C.

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INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

In planning and performing our audit of the financial statements of the City of Monroe City, Missouri as of and for the year ended September 30, 2013 in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control.

Inadequate Separation of Duties

A fundamental concept in a good system of internal control is separation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. If the separation of duties is inadequate, there is a resulting danger that intentional fraud or unintentional errors could occur and not be detected.

Auditor Prepares the Financial Statements

Management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation in the financial statements of financial position, results of operations, and cash flows, including the notes to financial statements, in conformity with U.S. generally accepted accounting principles.

At times, management may choose to outsource certain accounting functions due to cost or training considerations. Such accounting functions and service providers must be governed by the control policies and procedures of the entity. Management is as responsible for outsourced functions performed by a service provider as it would be for such functions performed internally. Specifically, management is responsible for management decisions and functions; for designating an individual with suitable skill, knowledge, or experience to oversee any outsourced services; and for evaluating the adequacy and results of those services and accepting responsibility for them.

As part of the audit, management requested us to prepare a draft of your financial statements, including the related notes to financial statements. Management reviewed, approved, and accepted responsibility for those financial statements prior to their issuance; however, because management does not have a working knowledge of generally accepted accounting principles, there is the possibility of a material misstatement occurring and not being detected. A system of internal control over financial reporting does not consist solely of controls over the proper recording of transactions in the general ledger. Rather, it includes controls over financial statement preparation, including footnote disclosures. The absence of this control procedure is considered a significant deficiency. This is a common problem for small governmental organizations.

The existence of significant deficiencies or material weaknesses may already be known to management, and may represent a conscious decision by management or those charged with governance to accept that degree of risk because of cost or other considerations. Management is responsible for making decisions concerning costs and the related benefits. We are responsible for communicating significant deficiencies and material weaknesses in accordance with professional standards, regardless of management's decisions.

This report is intended for the information of the management, Mayor and Board of Aldermen. This restriction is not intended to limit the distribution, which is a matter of public record.

Respectfully submitted,

Luck, Humphreys and Associates

LUCK, HUMPHREYS AND ASSOCIATES, C.P.A., P.C.
Certified Public Accountants
Hannibal, Missouri 63401

December 10, 2013