

CITY OF MONROE CITY, MISSOURI

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2019

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, 2019
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AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2019
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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 financial statements of each fund of the City of Monroe City, Missouri, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Monroe City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on Financial Statements as a Whole

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 have not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Financial Statements as a Whole" paragraph, the financial statements referred to above do not present fairly the financial position of the City of Monroe City, Missouri, as of September 30, 2019, or the changes in financial position or, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require budgetary comparison information on pages 38 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Monroe City, Missouri's basic financial statements. Combining and individual fund statements and schedules, and the supplementary information including operating statistics of the utility departments are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit

To the Honorable Mayor and
Board of Aldermen
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of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedules of operating statistics of the utility departments have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Respectfully submitted,

Luck, Humphreys and Associates

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

January 10, 2020

CITY OF MONROE CITY, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 2019

	Governmental Fund Types			Proprietary Fund Types	Account Groups			Totals
	General	Special Revenue	Debt Service	Enterprise	General Capital Assets	Long-Term Debt		
<u>Assets:</u>								
Cash	\$233,165	\$1,426,370	\$ ----	\$ 1,574,283	\$ ----	\$ ----	\$ ----	\$ 3,233,818
Receivables	74,848	794,733	----	579,403	----	----	----	1,448,984
Due from other funds	----	----	----	644,000	----	----	----	644,000
Inventory	28,039	----	----	314,796	----	----	----	342,835
Restricted assets:								
Cash	34,208	----	----	318,245	----	----	----	352,453
Capital assets	----	----	----	10,430,396	12,903,374	----	----	23,333,770
Amount to be provided for retirement of long-term debt	----	----	----	----	----	1,120,000	----	1,120,000
<u>Total Assets</u>	<u>\$370,260</u>	<u>\$2,221,103</u>	<u>\$ ----</u>	<u>\$13,861,123</u>	<u>\$12,903,374</u>	<u>\$1,120,000</u>	----	<u>\$30,475,860</u>
<u>Liabilities:</u>								
Accounts payable	\$ 25,720	\$ 34,690	\$ ----	\$ 344,596	\$ ----	\$ ----	----	\$ 405,006
Sales tax payable	----	----	----	17,042	----	----	----	17,042
Accrued payroll	30,632	----	----	9,696	----	----	----	40,328
Accrued compensated absences	49,752	----	----	16,511	----	----	----	66,263
Due to other funds	----	644,000	----	----	----	----	----	644,000
Customer deposits	----	----	----	40,300	----	----	----	40,300
Accrued interest	----	----	13,927	2,740	----	----	----	16,667
USDA - Revenue Bond	----	----	----	4,040,336	----	----	----	4,040,336
Certificates of participation	----	----	----	----	----	1,120,000	----	1,120,000
<u>Total Liabilities</u>	<u>\$106,104</u>	<u>\$ 678,690</u>	<u>\$13,927</u>	<u>\$ 4,471,221</u>	<u>\$ ----</u>	<u>\$1,120,000</u>	----	<u>\$ 6,389,942</u>

CITY OF MONROE CITY, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 2019

(CONTINUED)

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Types</u>		<u>Account Groups</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Enterprise</u>	<u>General Capital Assets</u>	<u>Long-Term Debt</u>	<u>Totals</u>	
<u>Fund Equity:</u>								
Investment in general capital assets	\$ ----	\$ ----	\$ ----	\$ ----	\$12,903,374	\$ ----	\$12,903,374	
Net position	----	----	----	9,389,902	----	----	9,389,902	
Fund balances:								
Nonspendable	28,039	----	----	----	----	----	28,039	
Restricted	----	----	----	----	----	----	----	
Committed	----	----	----	----	----	----	----	
Assigned	34,208	----	----	----	----	----	34,208	
Unassigned	201,909	1,542,413	(13,927)	----	----	----	1,730,395	
<u>Total Fund Equity</u>	<u>\$264,156</u>	<u>\$1,542,413</u>	<u>\$(13,927)</u>	<u>\$ 9,389,902</u>	<u>\$12,903,374</u>	<u>\$ ----</u>	<u>\$24,085,918</u>	
<u>Total Liabilities and Fund Equity</u>	<u>\$370,260</u>	<u>\$2,221,103</u>	<u>\$ ----</u>	<u>\$13,861,123</u>	<u>\$12,903,374</u>	<u>\$1,120,000</u>	<u>\$30,475,860</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, 2019

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Totals</u>
<u>Revenues:</u>				
Taxes	\$ 891,445	\$ 463,273	\$ ----	\$1,354,718
Licenses and permits	13,181	----	----	13,181
Memberships	----	99,137	----	99,137
Intergovernmental revenue	110,247	----	----	110,247
Grant revenue	----	7,216	----	7,216
Charges for services	28,306	----	----	28,306
Fines and forfeits	18,436	154	----	18,590
Interest income	4,825	55,655	----	60,480
Miscellaneous revenues	809,113	5,928	----	815,041
<u>Total Revenues</u>	<u>\$1,875,553</u>	<u>\$ 631,363</u>	<u>\$ ----</u>	<u>\$2,506,916</u>
<u>Expenditures:</u>				
Current:				
City administration	\$ 429,471	\$ ----	\$ ----	\$ 429,471
Public safety	715,314	14,304	----	729,618
Humane officer	3,811	----	----	3,811
Inspection and zoning	5,658	----	----	5,658
Street Department	344,349	192,036	----	536,385
Culture and recreation	176,381	48,640	----	225,021
Economic Development	----	43,467	----	43,467
Airport	86,712	----	----	86,712
Cemetery	38,185	----	----	38,185
Capital outlay	39,328	136,835	----	176,163
Debt service	----	----	103,858	103,858
<u>Total Expenditures</u>	<u>\$1,839,209</u>	<u>\$ 435,282</u>	<u>\$ 103,858</u>	<u>\$2,378,349</u>
<u>Excess of Revenues Over (Under)</u>				
<u>Expenditures</u>	<u>\$ 36,344</u>	<u>\$ 196,081</u>	<u>\$(103,858)</u>	<u>\$ 128,567</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ----	\$ ----	\$ 104,378	\$ 104,378
Operating transfers out	(1,537)	(102,841)	----	(104,378)
<u>Total Other Sources (Uses)</u>	<u>\$ (1,537)</u>	<u>\$ (102,841)</u>	<u>\$ 104,378</u>	<u>\$ ----</u>
<u>Excess of Revenues and Other Sources</u>				
<u>Over (Under) Expenditures and Other</u>				
<u>Uses</u>	<u>\$ 34,807</u>	<u>\$ 93,240</u>	<u>\$ 520</u>	<u>\$ 128,567</u>
<u>Fund Balances, October 1</u>	<u>229,349</u>	<u>1,449,173</u>	<u>(14,447)</u>	<u>1,664,075</u>
<u>Fund Balances, September 30</u>	<u>\$ 264,156</u>	<u>\$1,542,413</u>	<u>\$ (13,927)</u>	<u>\$1,792,642</u>

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

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF POSITION
ALL ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Assets:</u>			
Cash	\$ 941,526	\$ 66,772	\$ 253,498
Receivables (net of allowance for uncollectibles):			
Accounts	388,818	81,298	59,318
Inventory of supplies, at cost	134,172	93,695	11,566
Due from Industrial Development Fund	----	----	----
<u>Total Current Assets</u>	<u>\$1,464,516</u>	<u>\$ 241,765</u>	<u>\$ 324,382</u>
Restricted assets:			
Cash	15,200	12,200	277,945
Capital assets (net of accumulated depreciation - Note 2)	<u>1,950,246</u>	<u>3,590,087</u>	<u>4,793,736</u>
<u>Total Assets</u>	<u>\$3,429,962</u>	<u>\$3,844,052</u>	<u>\$5,396,063</u>
<u>Liabilities and Fund Equity:</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 289,756	\$ 4,345	\$ 11,493
Sales tax payable	13,915	2,013	----
Accrued payroll	6,580	----	----
Accrued interest	----	----	2,740
Current portion of:			
Revenue Bonds payable	----	----	83,600
<u>Total Current Liabilities</u>	<u>\$ 310,251</u>	<u>\$ 6,358</u>	<u>\$ 97,833</u>
<u>Noncurrent Liabilities:</u>			
Customer deposits	15,200	12,200	----
Accrued compensated absences	6,798	----	----
Revenue Bonds payable	----	----	3,956,736
<u>Total Liabilities</u>	<u>\$ 332,249</u>	<u>\$ 18,558</u>	<u>\$4,054,569</u>

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$ 316,905	\$(4,418)	\$ 1,574,283
40,492	9,477	579,403
75,363	----	314,796
<u>644,000</u>	<u>----</u>	<u>644,000</u>
\$1,076,760	\$ 5,059	\$ 3,112,482
12,900	----	318,245
<u>96,327</u>	<u>----</u>	<u>10,430,396</u>
<u>\$1,185,987</u>	<u>\$ 5,059</u>	<u>\$13,861,123</u>
\$ 29,901	\$ 9,101	\$ 344,596
1,114	----	17,042
3,116	----	9,696
----	----	2,740
<u>----</u>	<u>----</u>	<u>83,600</u>
\$ 34,131	\$ 9,101	\$ 457,674
12,900	----	40,300
9,713	----	16,511
<u>----</u>	<u>----</u>	<u>3,956,736</u>
<u>\$ 56,744</u>	<u>\$ 9,101</u>	<u>\$ 4,471,221</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF POSITION
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(CONTINUED)

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Net Position:</u>			
Invested in capital assets net of related debt	\$1,950,246	\$3,590,087	\$ 750,660
Restricted	----	----	277,945
Unrestricted (deficit)	<u>1,147,467</u>	<u>235,407</u>	<u>312,889</u>
<u>Total Net Position</u>	<u>\$3,097,713</u>	<u>\$3,825,494</u>	<u>\$1,341,494</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$ 96,327	\$ ----	\$6,387,320
----	----	277,945
<u>1,032,916</u>	<u>(4,042)</u>	<u>2,724,637</u>
<u>\$1,129,243</u>	<u>\$ (4,042)</u>	<u>\$9,389,902</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Operating Revenues:</u>			
Charges for services	\$4,524,142	\$ 709,478	\$ 612,072
Grant revenues	----	----	19,760
Other revenues	6,194	326	575
<u>Total Operating Revenues</u>	<u>\$4,530,336</u>	<u>\$ 709,804</u>	<u>\$ 632,407</u>
<u>Operating Expenses:</u>			
Administration	\$ 615,054	\$ 151,503	\$ 54,138
Utility production/treatment	5,750	262,951	284,396
Utility purchases/interconnect	3,306,756	----	----
Utility distribution/collection	265,210	231,527	186,204
Depreciation	195,670	172,379	175,148
<u>Total Operating Expenses</u>	<u>\$4,388,440</u>	<u>\$ 818,360</u>	<u>\$ 699,886</u>
<u>Operating Income (Loss)</u>	<u>\$ 141,896</u>	<u>\$ (108,556)</u>	<u>\$ (67,479)</u>
<u>Non-Operating Revenues (Expenses):</u>			
Interest income	\$ 12,547	\$ 2,795	\$ 8,940
Pole rental income	5,316	----	----
Interest expense and fiscal charges	----	----	(112,268)
Demolish old house	----	----	----
<u>Total Non-Operating Revenues (Expenses)</u>	<u>\$ 17,863</u>	<u>\$ 2,795</u>	<u>\$ (103,328)</u>
<u>Net Income (Loss) Before Other Financing Sources (Uses)</u>	<u>\$ 159,759</u>	<u>\$ (105,761)</u>	<u>\$ (170,807)</u>
<u>Other Financing Sources (Uses):</u>			
Operating transfers in	\$ ----	\$ 100,000	\$ ----
Operating transfers (out)	----	----	----
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ----</u>	<u>\$ 100,000</u>	<u>\$ ----</u>
<u>Net Income (Loss)</u>	<u>\$ 159,759</u>	<u>\$ (5,761)</u>	<u>\$ (170,807)</u>
<u>Net Position, October 1</u>	<u>2,937,954</u>	<u>3,831,255</u>	<u>1,512,301</u>
<u>Net Position, September 30 (Deficit)</u>	<u>\$3,097,713</u>	<u>\$3,825,494</u>	<u>\$1,341,494</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$1,096,358	\$113,361	\$7,055,411
----	----	19,760
1,248	----	8,343
<u>\$1,097,606</u>	<u>\$113,361</u>	<u>\$7,083,514</u>
\$ 145,365	\$ 869	\$ 966,929
----	----	553,097
836,271	108,630	4,251,657
148,733	3,013	834,687
36,944	----	580,141
<u>\$1,167,313</u>	<u>\$112,512</u>	<u>\$7,186,511</u>
<u>\$ (69,707)</u>	<u>\$ 849</u>	<u>\$ (102,997)</u>
\$ 7,234	\$ 76	\$ 31,592
----	----	5,316
----	----	(112,268)
----	(15,450)	(15,450)
<u>\$ 7,234</u>	<u>\$ (15,374)</u>	<u>\$ (90,810)</u>
<u>\$ (62,473)</u>	<u>\$ (14,525)</u>	<u>\$ (193,807)</u>
\$ ----	\$ ----	\$ 100,000
(100,000)	----	(100,000)
<u>\$ (100,000)</u>	<u>\$ ----</u>	<u>\$ ----</u>
\$ (162,473)	\$ (14,525)	\$ (193,807)
<u>1,291,716</u>	<u>10,483</u>	<u>9,583,709</u>
<u>\$1,129,243</u>	<u>\$ (4,042)</u>	<u>\$9,389,902</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Cash Flows from Operating Activities:</u>			
Cash receipts from customers	\$ 4,691,060	\$ 701,261	\$ 616,256
Cash received from capital grants	----	----	19,760
Cash payments to suppliers	(4,017,228)	(624,175)	(514,643)
Cash payments to employees	(159,884)	(2,917)	(2,917)
Cash payments for payroll taxes	<u>(11,972)</u>	<u>(220)</u>	<u>(220)</u>
<u>Net Cash Provided (Used) by</u>			
<u>Operating Activities</u>	<u>\$ 501,976</u>	<u>\$ 73,949</u>	<u>\$ 118,236</u>
<u>Cash Flow from Non-Capital</u>			
<u>Financing Activities:</u>			
Operating transfers in (out)	<u>\$ ----</u>	<u>\$ 100,000</u>	<u>\$ ----</u>
<u>Cash Flows from Capital and Related</u>			
<u>Financing Activities:</u>			
Acquisition and construction of capital assets	\$ (7,734)	\$(283,097)	\$ (15,634)
Principal payments	----	----	(81,573)
Interest and loan fees paid	<u>----</u>	<u>----</u>	<u>(112,323)</u>
<u>Net Cash Provided (Used) for Capital and Related Activities</u>	<u>\$ (7,734)</u>	<u>\$(283,097)</u>	<u>\$(209,530)</u>
<u>Cash Flows from Investing Activities:</u>			
Interest income received	\$ 12,547	\$ 2,795	\$ 8,940
Interfund loan	<u>----</u>	<u>----</u>	<u>----</u>
<u>Net Cash Provided (Used) from Investing Activities</u>	<u>\$ 12,547</u>	<u>\$ 2,795</u>	<u>\$ 8,940</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	<u>\$ 506,789</u>	<u>\$(106,353)</u>	<u>\$ (82,354)</u>
<u>Cash and Cash Equivalents, October 1, 2018</u>	<u>449,937</u>	<u>185,325</u>	<u>613,797</u>
<u>Cash and Cash Equivalents, September 30, 2019</u>	<u>\$ 956,726</u>	<u>\$ 78,972</u>	<u>\$ 531,443</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$ 1,142,475	\$ 113,351	\$ 7,264,403
----	----	19,760
(1,050,440)	(126,115)	(6,332,601)
(70,865)	----	(236,583)
<u>(5,320)</u>	<u>----</u>	<u>(17,732)</u>
<u>\$ 15.850</u>	<u>\$ (12.764)</u>	<u>\$ 697.247</u>
<u>\$ (100.000)</u>	<u>\$ ----</u>	<u>\$ ----</u>
\$ (1,632)	\$ ----	\$ (308,097)
----	----	(81,573)
<u>----</u>	<u>----</u>	<u>(112,323)</u>
<u>\$ (1.632)</u>	<u>\$ ----</u>	<u>\$ (501.993)</u>
\$ 7,234	\$ 76	\$ 31,592
----	----	----
<u>\$ 7.234</u>	<u>\$ 76</u>	<u>\$ 31.592</u>
\$ (78,548)	\$ (12,688)	\$ 226,846
<u>408.353</u>	<u>8.270</u>	<u>1,665.682</u>
<u>\$ 329.805</u>	<u>\$ (4.418)</u>	<u>\$ 1,892.528</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(CONTINUED)

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Cash and Cash Equivalents at the End of the Year Consists of:</u>			
Cash	\$941,526	\$ 66,772	\$253,498
Restricted Cash	<u>15,200</u>	<u>12,200</u>	<u>277,945</u>
	<u>\$956,726</u>	<u>\$ 78,972</u>	<u>\$531,443</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>			
<u>Operating Income (Loss)</u>	\$141,896	\$(108,556)	\$ (67,479)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>			
Depreciation	195,670	172,379	175,148
(Increase) decrease in accounts receivable	160,484	(9,343)	3,609
(Increase) decrease in supplies inventory	(19,273)	17,793	1,104
Increase (decrease) in accounts and sales tax payable	14,125	1,532	7,110
Increase (decrease) in accrued payroll	914	(1,256)	(1,256)
Increase (decrease) in accrued compensated absences	1,244	----	----
Increase (decrease) in customer deposits	1,600	1,400	----
Pole rental income	5,316	----	----
Demolish old houses	<u>----</u>	<u>----</u>	<u>----</u>
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>\$501,976</u>	<u>\$ 73,949</u>	<u>\$118,236</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$316,905	\$ (4,418)	\$1,574,283
<u>12,900</u>	<u>----</u>	<u>318,245</u>
<u>\$329,805</u>	<u>\$ (4,418)</u>	<u>\$1,892,528</u>
\$ (69,707)	\$ 849	\$ (102,997)
36,944	----	580,141
44,467	1,096	200,313
5,021	----	4,645
(5,670)	741	17,838
1,859	----	261
1,236	----	2,480
1,700	----	4,700
----	----	5,316
<u>----</u>	<u>(15,450)</u>	<u>(15,450)</u>
<u>\$ 15,850</u>	<u>\$(12,764)</u>	<u>\$ 697,247</u>

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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, 2019.

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: Rural Fire Association Fund - Special Revenue Fund and Monroe City Public Library - Special Revenue Fund.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(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.

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, 2019
(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 Capital Asset Account Group - This is not a fund but rather an account group that is used to account for general capital assets acquired principally for general purposes and excludes capital assets of 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 Enterprise 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 includes collections through November 30, 2019. Expenditures, if measurable, are recorded when they have used or are expected to use current expendable financial resources.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

Enterprise Funds 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.

H. Capital Assets

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

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(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 Capital Assets Account Group.

Capital assets acquired for Enterprise 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 Enterprise Funds is charged as an expense against operations, and accumulated depreciation is reported on the enterprise funds' balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

I. 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.

J. 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 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.

Enterprise fund equity is classified as net position and displayed in three components:

1. Invested in capital assets, net of related debt—Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

2. Restricted net position—Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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.

K. 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 enterprise funds are recognized in essentially the same manner as used in commercial accounting.

L. 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 2018 for the purposes of local taxation was:

General Fund	\$0.7550
Library Fund	<u>0.1983</u>
	<u>\$0.9533</u>

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

1. Summary of Significant Accounting Policies: (Continued)

Property taxes are recorded as revenue using the modified accrual basis of accounting and include amounts collected through November, 2019.

M. 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, 2019 totaled \$66,263 and was allocated to the following funds:

General	\$49,752
Electric	6,798
Natural Gas	<u>9,713</u>
	<u>\$66,263</u>

N. Estimates Used in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

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, and the 2016 Sewer System Revenue Bonds.

3. Deposits and Temporary Cash Investments:

At year-end, the City's deposits consisted of three interest bearing checking accounts in a local FDIC insured financial institution. The carrying amount of the City's deposits was \$3,584,845 and the bank balance was \$3,942,694. 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.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

3. Deposits and Temporary Cash Investments: (Continued)

For the purposes of the basic financial statements, the City considers cash equivalents to be highly liquid short-term investments that are readily convertible to known amount of cash and mature within three months of the date they are acquired.

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The City does not have a formal policy to limit exposure to credit risk.

Concentration of Credit Risk

The City does not have a formal investment policy that limits the total amount of securities that can be held with any one company or government agency.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal policy to limit exposure to a custodial credit risk.

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, 2019
(CONTINUED)

4. Receivables: (Continued)

<u>Governmental Fund Types</u>	<u>General</u>	<u>Library</u>	<u>Capital Improvement Sales Tax</u>	<u>Park Sales Tax</u>	<u>Industrial Development</u>	<u>Total</u>
Property taxes	\$ 748	\$ 199	\$ ----	\$ ----	\$ ----	\$ 947
Sales tax	25,652	----	12,761	12,761	----	51,174
Use tax	2,002	----	1,001	1,001	----	4,004
Motor fuel tax	9,080	----	----	----	----	9,080
Notes receivable:						
Lakeside						
Casting LLC	----	----	----	----	767,010	767,010
Mosswood Golf Course	37,366	----	----	----	----	37,366
Allowance for uncollectible accounts	----	----	----	----	----	----
<u>Total</u>	<u>\$74,848</u>	<u>\$ 199</u>	<u>\$13,762</u>	<u>\$13,762</u>	<u>\$767,010</u>	<u>\$869,581</u>

<u>Proprietary Fund Types</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Natural Gas</u>	<u>Sanitation</u>	<u>Total</u>
Billings	\$425,592	\$85,126	\$62,970	\$45,210	\$10,359	\$629,257
Allowance for uncollectible accounts	(36,774)	(3,828)	(3,652)	(4,718)	(882)	(49,854)
<u>Total</u>	<u>\$388,818</u>	<u>\$81,298</u>	<u>\$59,318</u>	<u>\$40,492</u>	<u>\$ 9,477</u>	<u>\$579,403</u>

5. Capital Assets:

A summary of changes in general capital assets follows:

	<u>Balance 10-1-18</u>	<u>Additions</u>	<u>Retirements/ Trade-Ins</u>	<u>Balance 9-30-19</u>
Total General Capital Assets	<u>\$12,727,211</u>	<u>\$176,163</u>	<u>\$ ----</u>	<u>\$12,903,374</u>

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

5. Capital Assets: (Continued)

A summary of changes in enterprise fund capital assets follows:

	<u>Balance</u> <u>10-1-18</u>	<u>Additions</u>	<u>Retirements/ Trade-Ins</u>	<u>Balance</u> <u>9-30-19</u>
Electric system	\$ 8,863,366	\$ 7,734	\$ ----	\$ 8,871,100
Water system	6,624,338	283,097	----	6,907,435
Sewerage system	7,009,912	5,934	----	7,015,846
Natural gas system	1,609,594	1,632	----	1,611,226
	<u>\$ 24,107,210</u>	<u>\$ 298,397</u>	<u>\$ ----</u>	<u>\$ 24,405,607</u>
Less: Accumulated depreciation	<u>(13,404,770)</u>	<u>(580,141)</u>	<u>----</u>	<u>(13,984,911)</u>
Net capital assets	<u>\$ 10,702,440</u>	<u>\$(281,744)</u>	<u>\$ ----</u>	<u>\$ 10,420,696</u>
Construction in progress	<u>\$ ----</u>	<u>\$ 9,700</u>	<u>\$ ----</u>	<u>\$ 9,700</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, 2019:

	<u>Balance</u> <u>10-1-18</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance</u> <u>9-30-19</u>
Lease Refunding and Improvements Certificates of Participation, Series 2012	\$1,185,000	\$ ----	\$ 65,000	\$1,120,000
Sewer System Revenue Bonds Dated July 21, 2016	<u>4,121,909</u>	<u>----</u>	<u>81,573</u>	<u>4,040,336</u>
	<u>\$5,306,909</u>	<u>\$ ----</u>	<u>\$146,573</u>	<u>\$5,160,336</u>
<u>Totals</u>				

Long-term debt at September 30, 2019 consists of the following issues:

\$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% to 3.75%. Fund allocation of this obligation is as follows:

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

6. Long-Term Debt: (Continued)

Long-Term Debt Account Group - Park Sales Tax Fund	<u>\$1,120,000</u>
---	--------------------

The maturity analysis to amortize this issue as of September 30, 2019 follows:

Year Ending September 30,	Principal	Interest	Total
2020	\$ 65,000	\$ 36,325	\$ 101,325
2021	70,000	34,637	104,637
2022	70,000	32,712	102,712
2023	70,000	30,612	100,612
2024	75,000	28,437	103,437
2025-2029	395,000	104,855	499,855
2030-2033	<u>375,000</u>	<u>28,781</u>	<u>403,781</u>
<u>Total</u>	<u>\$1,120,000</u>	<u>\$296,359</u>	<u>\$1,416,359</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.

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.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

6. Long-Term Debt: (Continued)

\$4,322,000 Sewer System Revenue Bonds dated July 21, 2016, due in monthly installments of \$16,158 including interest of 2¾%.

Following is a summary of the transactions of this bond issue for the fiscal year ended September 30, 2019:

<u>Balance</u> <u>October 1,</u> <u>2018</u>	<u>Proceeds</u>	<u>Principal</u> <u>Repayment</u>	<u>Balance</u> <u>September 30,</u> <u>2019</u>
<u>\$4,121,905</u>	<u>\$ ----</u>	<u>\$81,573</u>	<u>\$4,040,332</u>

The maturity analysis to amortize this issue as of September 30, 2019 follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 83,600	\$ 110,296	\$ 193,896
2021	85,600	108,296	193,896
2022	87,600	106,296	193,896
2023	89,600	104,296	193,896
2024	91,600	102,296	193,896
2025-2029	520,000	449,480	969,480
2030-2034	590,000	379,480	969,480
2035-2039	650,000	319,480	969,480
2040-2044	740,000	229,480	969,480
2045-2049	911,440	58,040	969,480
2050	<u>190,896</u>	<u>3,000</u>	<u>193,896</u>
<u>Totals</u>	<u>\$4,040,336</u>	<u>\$1,970,440</u>	<u>\$6,010,776</u>

There are a number of limitations and restrictions contained in this revenue bond issue. The City is in compliance with all significant limitations and restrictions.

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 Enterprise Funds financial statements generally reflect such transactions as operating transfers.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

8. Litigation:

As of September 30, 2019, 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. 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 City'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.

Defined Contribution 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.

CITY OF MONROE CITY, MISSOURI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019
(CONTINUED)

11. 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.

12. Unfavorable Fund Variances:

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

City Administration	<u>\$4,290</u>
Park Maintenance	<u>\$6,805</u>
Swimming Pool	<u>\$ 169</u>
Airport	<u>\$5,344</u>
Cemetery	<u>\$ 16</u>

13. Construction Commitments:

The City received voter approval for a substantial upgrade to its wastewater treatment facility. Financing has been obtained from the United States Department of Agriculture - Rural Development program as follows:

• Grant Proceeds	<u>\$4,092,000</u>
• Loan Proceeds	<u>\$5,082,000</u>

As of September 30, 2019, the City has an engineering agreement with Klingner & Associates, P.C. for basic engineering services and resident project observation for \$900,000.

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

CITY OF MONROE CITY, MISSOURI

COMBINING BALANCE SHEET

ALL SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2019

	<u>Library Fund</u>	<u>Rural Fire Association Fund</u>	<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Industrial Development Fund</u>	<u>Totals</u>
<u>Assets:</u>						
Cash	\$ 178,487	\$ 403,853	\$ 44,622	\$ 545,419	\$ 253,989	\$ 1,426,370
<u>Receivables:</u>						
Notes	----	----	----	----	767,010	767,010
Taxes	199	----	13,762	13,762	----	27,723
<u>Total Assets</u>	<u>\$ 178,686</u>	<u>\$ 403,853</u>	<u>\$ 58,384</u>	<u>\$ 559,181</u>	<u>\$ 1,020,999</u>	<u>\$ 2,221,103</u>
<u>Liabilities and Fund Equity:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 2,656	\$ 201	\$ ----	\$ 31,833	\$ ----	\$ 34,690
Due to Gas Fund	----	----	----	----	644,000	644,000
<u>Total Liabilities</u>	<u>\$ 2,656</u>	<u>\$ 201</u>	<u>\$ ----</u>	<u>\$ 31,833</u>	<u>\$ 644,000</u>	<u>\$ 678,690</u>
<u>Fund Equity:</u>						
Nonspendable	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----
Restricted	----	----	----	----	----	----
Assigned	----	----	----	----	----	----
Unassigned	176,030	403,652	58,384	527,348	376,999	1,542,413
<u>Total Fund Equity</u>	<u>\$ 176,030</u>	<u>\$ 403,652</u>	<u>\$ 58,384</u>	<u>\$ 527,348</u>	<u>\$ 376,999</u>	<u>\$ 1,542,413</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$ 178,686</u>	<u>\$ 403,853</u>	<u>\$ 58,384</u>	<u>\$ 559,181</u>	<u>\$ 1,020,999</u>	<u>\$ 2,221,103</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, 2019

	<u>Library Fund</u>	<u>Rural Fire Association Fund</u>	<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Industrial Development Fund</u>	<u>Totals</u>
<u>Revenues:</u>						
Taxes	\$57,752	\$ ----	\$202,789	\$ 202,732	\$ ----	\$ 463,273
Memberships	----	99,137	----	----	----	99,137
Grant revenue	7,216	----	----	----	----	7,216
Charges for services	----	----	----	----	----	----
Fines and forfeits	154	----	----	----	----	154
Interest income	3,323	7,387	(48)	8,636	36,357	55,655
Miscellaneous revenues	489	----	----	----	5,439	5,928
<u>Total Revenues</u>	<u>\$68,934</u>	<u>\$106,524</u>	<u>\$202,741</u>	<u>\$ 211,368</u>	<u>\$41,796</u>	<u>\$ 631,363</u>
<u>Expenditures:</u>						
<u>Current:</u>						
Public safety	\$ ----	\$ 14,304	\$ ----	\$ ----	\$ ----	\$ 14,304
Street improvements	----	----	192,036	----	----	192,036
Culture and recreation	48,640	----	----	----	----	48,640
Economic Development	----	----	----	----	43,467	43,467
Capital outlay	1,142	24,255	49,994	61,444	----	136,835
<u>Total Expenditures</u>	<u>\$49,782</u>	<u>\$ 38,559</u>	<u>\$242,030</u>	<u>\$ 61,444</u>	<u>\$43,467</u>	<u>\$ 435,282</u>
<u>Excess of Revenues Over (Under) Expenditures</u>	<u>\$19,152</u>	<u>\$ 67,965</u>	<u>\$ (39,289)</u>	<u>\$ 149,924</u>	<u>\$ (1,671)</u>	<u>\$ 196,081</u>
<u>Other Financing Sources (Uses):</u>						
Operating transfers in	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----	\$ ----
Operating transfers out	----	----	----	(102,841)	----	(102,841)
<u>Total Other Financing Sources (Uses)</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ (102,841)</u>	<u>\$ ----</u>	<u>\$ (102,841)</u>

CITY OF MONROE CITY, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2019

(CONTINUED)

	<u>Library Fund</u>	<u>Rural Fire Association Fund</u>	<u>Capital Improvement Sales Tax Fund</u>	<u>Park Sales Tax Fund</u>	<u>Industrial Development Fund</u>	<u>Totals</u>
<u>Excess of Revenues and Other Sources Over (Under)</u>						
<u>Expenditures and Other Uses</u>	\$ 19,152	\$ 67,965	\$(39,289)	\$ 47,083	\$ (1,671)	\$ 93,240
<u>Fund Balances, October 1</u>	<u>156,878</u>	<u>335,687</u>	<u>97,673</u>	<u>480,265</u>	<u>378,670</u>	<u>1,449,173</u>
<u>Fund Balances, September 30</u>	<u>\$176,030</u>	<u>\$403,652</u>	<u>\$ 58,384</u>	<u>\$527,348</u>	<u>\$376,999</u>	<u>\$1,542,413</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF OPERATING EXPENSES
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Administration:</u>			
Professional services	\$ 385	\$ 192	\$ 192
Insurance	47,307	15,204	10,673
Franchise tax	110,004	12,000	8,856
Assessments and memberships	1,429	699	699
Administrative fee	440,004	120,000	30,252
Bad debts, net	15,925	2,973	3,466
Miscellaneous	----	435	----
<u>Total Administration</u>	<u>\$ 615,054</u>	<u>\$151,503</u>	<u>\$ 54,138</u>
<u>Production/Sewer Treatment:</u>			
Payroll	\$ ----	\$ ----	\$ ----
Payroll taxes	----	----	----
Employee benefits	----	(340)	(644)
Contract payment	----	172,511	172,511
Uniforms	----	17	18
Office expense	----	1,890	----
Fuel	----	142	59
Supplies and maintenance	212	21,093	32,508
Chemicals/testing and reports	----	16,354	3,791
Telephone	----	926	16
Transportation and training	----	----	----
Utilities	5,538	47,229	73,305
Safety and compliance	----	728	431
Miscellaneous	----	2,401	2,401
<u>Total Production/Sewer Treatment</u>	<u>\$ 5,750</u>	<u>\$262,951</u>	<u>\$284,396</u>
<u>Utility Purchase/Interconnect:</u>			
Power purchases	\$3,306,756	\$ ----	\$ ----
Natural gas purchases	----	----	----
Sanitation contract	----	----	----
<u>Total Utility Purchase/Interconnect</u>	<u>\$3,306,756</u>	<u>\$ ----</u>	<u>\$ ----</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$ 385	\$ ----	\$ 1,154
13,272	----	86,456
38,304	----	169,164
743	----	3,570
90,000	----	680,256
2,661	869	25,894
----	----	435
<u>\$145,365</u>	<u>\$ 869</u>	<u>\$ 966,929</u>
\$ ----	\$ ----	\$ ----
----	----	----
----	----	(984)
----	----	345,022
----	----	35
----	----	1,890
----	----	201
----	----	53,813
----	----	20,145
----	----	942
----	----	----
----	----	126,072
----	----	1,159
----	----	4,802
<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 553,097</u>
\$ ----	\$ ----	\$3,306,756
836,271	----	836,271
----	108,630	108,630
<u>\$836,271</u>	<u>\$108,630</u>	<u>\$4,251,657</u>

CITY OF MONROE CITY, MISSOURI
COMBINING STATEMENT OF OPERATING EXPENSES
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(CONTINUED)

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewer Department</u>
<u>Distribution/Collection:</u>			
Payroll	\$162,042	\$ 1,661	\$ 1,661
Payroll taxes	11,972	220	220
Employee benefits	25,223	(33)	1,129
Contract payment/dispatching fees	4,006	172,511	172,511
Uniforms	2,879	71	71
Office expense	376	----	----
Fuel	6,027	71	499
Supplies and maintenance	14,641	37,773	8,140
Distribution/collection materials	13,630	17,908	1,104
Telephone	2,667	292	----
Utilities	1,737	282	98
Travel and training	9,697	----	----
Safety and compliance	6,917	----	----
Railroad easement	3,366	----	----
Engineering fees	----	----	----
Miscellaneous	30	771	771
<u>Total Distribution/Collection</u>	<u>\$265,210</u>	<u>\$231,527</u>	<u>\$186,204</u>
<u>Depreciation:</u>			
Administration	\$ 481	\$ 94	\$ ----
Production/treatment	138,649	73,020	31,679
Interconnect	----	----	----
Distribution/collection	56,540	99,265	143,469
<u>Total Depreciation</u>	<u>\$195,670</u>	<u>\$172,379</u>	<u>\$175,148</u>

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

<u>Natural Gas Department</u>	<u>Sanitation Department</u>	<u>Totals</u>
\$ 73,960	\$ ----	\$239,324
5,320	----	17,732
16,258	----	42,577
4,006	----	353,034
1,747	----	4,678
25	----	401
8,363	----	14,960
5,615	3,013	69,182
15,768	----	48,410
3,249	----	6,208
5,983	----	8,100
4,413	----	14,110
3,255	----	10,172
----	----	3,366
----	----	----
771	----	2,343
<u>\$148,733</u>	<u>\$ 3,013</u>	<u>\$834,687</u>
\$ 197	\$ ----	\$ 772
----	----	243,348
----	----	----
36,747	----	336,021
<u>\$ 36,944</u>	<u>\$ ----</u>	<u>\$580,141</u>

REQUIRED SUPPLEMENTARY INFORMATION

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, 2019

	<u>Budget - Original</u>	<u>Budget - Amended</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues:</u>				
<u>Taxes:</u>				
Property taxes	\$212,000	\$217,919	\$217,970	\$ 51
Railroad and utility	6,500	7,019	7,019	----
Surtax	8,500	7,946	7,946	----
Financial institution	1,000	765	765	----
Sales tax	365,000	396,700	395,332	(1,368)
Use tax	45,000	39,057	39,041	(16)
Cigarette tax	14,000	13,755	13,755	----
Telephone franchise tax	15,000	14,491	14,491	----
Cable TV franchise tax	26,000	25,962	25,962	----
Municipal utilities franchise tax	<u>195,000</u>	<u>169,164</u>	<u>169,164</u>	<u>----</u>
<u>Total Taxes</u>	<u>\$888,000</u>	<u>\$892,778</u>	<u>\$891,445</u>	<u>\$(1,333)</u>
<u>Licenses and Permits:</u>				
Liquor licenses	\$ 2,800	\$ 3,175	\$ 3,175	\$ ----
Business licenses	5,000	5,325	5,325	----
Building permits	1,000	1,766	1,766	----
Animal licenses	250	215	215	----
Street excavation permits	1,000	2,500	2,500	----
Planning and zoning fees	<u>600</u>	<u>200</u>	<u>200</u>	<u>----</u>
<u>Total Licenses and Permits</u>	<u>\$ 10,650</u>	<u>\$ 13,181</u>	<u>\$ 13,181</u>	<u>\$ ----</u>
<u>Intergovernmental Revenue:</u>				
Grant income	\$ 10,000	\$ 7,757	\$ 7,757	\$ ----
Motor vehicle tax	<u>96,100</u>	<u>102,378</u>	<u>102,490</u>	<u>112</u>
<u>Total Intergovernmental Revenue</u>	<u>\$106,100</u>	<u>\$110,135</u>	<u>\$110,247</u>	<u>\$ 112</u>
<u>Charges for Services:</u>				
Swimming pool/Route J	\$ 19,700	\$ 18,756	\$ 18,756	\$ ----
Fire calls	4,000	9,500	9,500	----
Animal control and shelter fees	<u>75</u>	<u>50</u>	<u>50</u>	<u>----</u>
<u>Total Charges for Services</u>	<u>\$ 23,775</u>	<u>\$ 28,306</u>	<u>\$ 28,306</u>	<u>\$ ----</u>
<u>Fines and Forfeits:</u>				
Fines and court costs	<u>\$ 29,725</u>	<u>\$ 22,111</u>	<u>\$ 18,436</u>	<u>\$(3,675)</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, 2019

(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Amended</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Miscellaneous Revenues:</u>				
Interest	\$ 100	\$ 4,825	\$ 4,825	\$ ----
Administrative fee income	750,000	680,256	680,256	----
Agent fees	42,000	51,340	51,340	----
Airport retail sales	40,000	45,928	45,928	----
Rent income - hangar	1,700	1,700	1,700	----
Sale of graves	1,600	8,000	8,000	----
SRO Officer	----	12,469	12,469	----
Contributions	10,000	----	----	----
Sale of capital assets	25,000	200	200	----
Other	3,100	8,805	9,220	415
<u>Total Miscellaneous Revenues</u>	<u>\$ 873,500</u>	<u>\$ 813,523</u>	<u>\$ 813,938</u>	<u>\$ 415</u>
 <u>Total Revenues</u>	 <u>\$1,931,750</u>	 <u>\$1,880,034</u>	 <u>\$1,875,553</u>	 <u>\$(4,481)</u>
 <u>Expenditures:</u>				
<u>City Administration:</u>				
Payroll	\$ 221,113	\$ 223,301	\$ 228,528	\$(5,227)
Payroll taxes	17,000	15,720	15,720	----
Employee benefits	51,806	47,104	42,662	4,442
Office expense	25,000	39,219	39,219	----
Advertising	5,000	10,333	11,329	(996)
Fuel	200	25	25	----
Supplies and maintenance	13,200	16,060	16,059	1
Safety and compliance	1,400	1,491	1,490	1
Professional services	18,000	24,410	26,025	(1,615)
Telephone	5,700	8,678	9,644	(966)
Travel and training	6,000	661	661	----
Insurance	16,000	15,466	15,466	----
Utilities - City Hall	8,000	7,973	7,903	70
Election expense	3,000	3,572	3,572	----
Assessments and memberships	2,000	968	968	----
Donations	10,715	10,000	10,000	----
Meals and mileage	50	61	61	----
Miscellaneous	600	139	139	----
<u>Total City Administration</u>	<u>\$ 404,784</u>	<u>\$ 425,181</u>	<u>\$ 429,471</u>	<u>\$(4,290)</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, 2019

(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Amended</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Public Safety:</u>				
<u>Municipal Court:</u>				
Payroll and related	\$ 16,000	\$ 3,041	\$ 3,041	\$ ----
Office expense	4,500	2,264	2,265	(1)
Incarceration fees	200	----	----	----
Professional services	6,000	7,040	7,425	(385)
Travel and training	1,000	462	462	----
<u>Total Municipal Court</u>	<u>\$ 27,700</u>	<u>\$ 12,807</u>	<u>\$ 13,193</u>	<u>\$ (386)</u>
<u>Police Department:</u>				
Payroll	\$357,353	\$338,820	\$339,593	\$ (773)
Payroll taxes	29,375	25,197	25,198	(1)
Employee benefits	65,291	41,699	37,552	4,147
Employee clothing allowance	5,000	4,069	5,219	(1,150)
Office expense	16,272	9,038	9,038	----
Fuel	18,000	15,941	15,747	194
Supplies and maintenance	26,800	19,699	19,699	----
Safety and compliance	1,500	1,197	1,197	----
Drug enforcement	11,500	10,237	10,237	----
Telephone	9,200	11,071	11,387	(316)
Insurance	27,000	27,918	27,918	----
Utilities	9,000	8,208	8,013	195
Travel and training	7,000	5,011	4,416	595
Assessments and memberships	500	200	200	----
Miscellaneous	1,300	149	149	----
Dispatching fees	34,340	36,057	30,334	5,723
<u>Total Police Department</u>	<u>\$619,431</u>	<u>\$554,511</u>	<u>\$545,897</u>	<u>\$ 8,614</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, 2019

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Amended</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Fire Department:</u>				
Payroll	\$ 58,260	\$ 41,800	\$ 41,580	\$ 220
Payroll taxes	4,500	3,198	3,198	----
Clothing allowance	600	460	460	----
Contract labor	3,600	3,600	3,600	----
Dispatching fees	34,340	36,057	36,057	----
Office expense	1,000	1,150	1,150	----
Fuel	6,000	3,455	3,405	50
Fire prevention/investigation	2,500	----	----	----
Supplies and maintenance	46,000	16,657	16,658	(1)
Recruitment and retention	1,100	557	557	----
Emergency preparedness	3,000	----	----	----
Telephone	3,300	3,735	3,823	(88)
Travel and training	6,000	3,791	3,791	----
Insurance	28,000	25,899	25,899	----
Utilities	10,900	10,227	9,943	284
Public relations	7,800	5,521	6,094	(573)
Assessments and memberships	1,000	----	----	----
Miscellaneous	800	9	9	----
<u>Total Fire Department</u>	<u>\$218,700</u>	<u>\$156,116</u>	<u>\$156,224</u>	<u>\$ (108)</u>
<u>Total Public Safety</u>	<u>\$865,831</u>	<u>\$723,434</u>	<u>\$715,314</u>	<u>\$ 8,120</u>
<u>Humane Officer:</u>				
Payroll	\$ 2,260	\$ 2,260	\$ 2,230	\$ 30
Payroll taxes	175	167	167	----
Supplies and maintenance	600	631	631	----
Telephone	----	----	----	----
Insurance	100	79	79	----
Utilities	700	700	704	(4)
Animal transfers	100	----	----	----
Miscellaneous	----	----	----	----
<u>Total Humane Officer</u>	<u>\$ 3,935</u>	<u>\$ 3,837</u>	<u>\$ 3,811</u>	<u>\$ 26</u>
<u>Inspection and Zoning Department:</u>				
Payroll	\$ 5,700	\$ 4,454	\$ 4,454	\$ ----
Payroll taxes	437	341	341	----
Office expense	700	510	510	----
Advertising	1,000	83	83	----
Travel and training	1,500	270	270	----
<u>Total Inspection and Zoning Department</u>	<u>\$ 9,337</u>	<u>\$ 5,658</u>	<u>\$ 5,658</u>	<u>\$ ----</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, 2019

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Amended</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Park Maintenance:</u>				
Payroll	\$ 8,300	\$ 2,995	\$ 2,995	\$ ----
Payroll taxes	634	227	227	----
Employee benefits	2,553	967	967	----
Contract payments	30,000	34,800	37,120	(2,320)
Supplies and maintenance	5,550	3,795	3,795	----
Insurance	2,600	2,577	2,577	----
Utilities	15,000	14,402	14,271	131
Mosswood Golf Course expenses	35,000	33,538	33,707	(169)
Park Board expenses	6,000	1,104	5,551	(4,447)
<u>Total Park Maintenance</u>	<u>\$105,637</u>	<u>\$ 94,405</u>	<u>\$101,210</u>	<u>\$(6,805)</u>
<u>Street Department:</u>				
Payroll	\$183,576	\$165,354	\$167,557	\$(2,203)
Payroll taxes	14,050	12,336	12,336	----
Employee benefits	50,990	43,458	39,296	4,162
Office expense	300	----	----	----
Uniforms	845	1,112	1,112	----
Fuel	24,000	20,057	19,139	918
Supplies and maintenance	19,500	28,938	29,480	(542)
Safety and compliance	4,000	3,564	3,564	----
Street maintenance materials	30,000	31,215	31,215	----
Winter mix supplies	5,000	7,098	7,098	----
Telephone	1,500	1,823	1,830	(7)
Travel and training	1,000	----	----	----
Insurance	23,000	26,214	26,214	----
Utilities	6,500	5,531	5,508	23
Miscellaneous	400	----	----	----
<u>Total Street Department</u>	<u>\$364,661</u>	<u>\$346,700</u>	<u>\$344,349</u>	<u>\$ 2,351</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, 2019

(CONTINUED)

	<u>Budget - Original</u>	<u>Budget - Amended</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Swimming Pool:</u>				
Payroll	\$42,500	\$39,679	\$39,679	\$ ----
Payroll taxes	3,213	3,035	3,035	----
Office expense	100	----	----	----
Supplies and maintenance	9,500	13,950	13,950	----
Safety and compliance	1,000	587	587	----
Telephone	400	746	748	(2)
Utilities	8,000	9,445	9,612	(167)
Insurance	5,900	6,480	6,480	----
Travel and training	3,000	1,080	1,080	----
Miscellaneous	200	----	----	----
<u>Total Swimming Pool</u>	<u>\$73,813</u>	<u>\$75,002</u>	<u>\$75,171</u>	<u>\$ (169)</u>
<u>Airport:</u>				
Contract payments	\$ 4,300	\$ 4,100	\$ 4,100	\$ ----
Office expense	1,500	2,669	2,669	----
Supplies and maintenance	3,200	3,128	2,375	753
Purchases for resale	38,000	62,837	68,953	(6,116)
Telephone	2,100	1,663	1,684	(21)
Insurance	2,700	2,056	2,056	----
Utilities	5,800	4,915	4,875	40
Miscellaneous	----	----	----	----
<u>Total Airport</u>	<u>\$57,600</u>	<u>\$81,368</u>	<u>\$86,712</u>	<u>\$ (5,344)</u>
<u>Cemetery:</u>				
Payroll	\$ 7,744	\$ 2,995	\$ 2,995	\$ ----
Payroll taxes	592	227	227	----
Employee benefits	1,536	672	672	----
Contract payments	29,000	33,250	33,250	----
Supplies and maintenance	500	194	194	----
Insurance	200	----	----	----
Utilities	500	831	847	(16)
Miscellaneous	----	----	----	----
<u>Total Cemetery</u>	<u>\$40,072</u>	<u>\$38,169</u>	<u>\$38,185</u>	<u>\$ (16)</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, 2019

(CONTINUED)

	<u>Budget -</u> <u>Original</u>	<u>Budget -</u> <u>Amended</u>	<u>Actual</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Capital Outlay:</u>				
City administration	\$ 36,000	\$ 15,279	\$ 15,279	\$ ----
Municipal court	----	----	----	----
Police Department	24,950	15,124	15,124	----
Fire Department	5,500	5,175	5,175	----
Humane Officer	----	----	----	----
Parks Department/Mosswood	10,000	----	----	----
Street Department	----	----	----	----
Airport	----	----	----	----
Cemetery	5,000	3,750	3,750	----
<u>Total Capital Outlay</u>	<u>\$ 81,450</u>	<u>\$ 39,328</u>	<u>\$ 39,328</u>	<u>\$ ----</u>
<u>Total Expenditures</u>	<u>\$2,007,120</u>	<u>\$1,833,082</u>	<u>\$1,839,209</u>	<u>\$ (6,127)</u>
<u>Excess of Revenues Over (Under)</u> <u>Expenditures</u>	<u>\$ (75,370)</u>	<u>\$ 46,952</u>	<u>\$ 36,344</u>	<u>\$(10,608)</u>
<u>Other Financing Sources (Uses):</u>				
Operating transfers in	\$ ----	\$ ----	\$ ----	\$ ----
Operating transfers out	(253,300)	(1,537)	(1,537)	----
<u>Total Other Financing Sources (Uses)</u>	<u>\$ (250,300)</u>	<u>\$ (1,537)</u>	<u>\$ (1,537)</u>	<u>\$ ----</u>
<u>Excess of Revenues and Other Sources</u> <u>Over (Under) Expenditures and Other</u> <u>Uses</u>	<u>\$ (328,670)</u>	<u>\$ 45,415</u>	<u>\$ 34,807</u>	<u>\$(10,608)</u>
<u>Fund Balance, October 1</u>			<u>229,349</u>	
<u>Fund Balance, September 30</u>			<u>\$ 264,156</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 CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Balance</u> <u>10-1-18</u>	<u>Additions</u>	<u>Sales/</u> <u>Retirements</u>	<u>Balance</u> <u>9-30-19</u>
<u>Function and Activity:</u>				
<u>General Government:</u>				
City administration	\$ 2,660,824	\$ 21,273	\$ ----	\$ 2,682,097
<u>Public Safety:</u>				
Police	\$ 607,337	\$ 15,124	\$ ----	\$ 622,461
Fire	2,537,293	29,430	----	2,566,723
Municipal Court	6,863	----	----	6,863
<u>Total Public Safety</u>	<u>\$ 3,151,493</u>	<u>\$ 44,554</u>	<u>\$ ----</u>	<u>\$ 3,196,047</u>
<u>Humane Officer</u>	<u>\$ 28,402</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 28,402</u>
<u>Street Department</u>	<u>\$ 1,321,543</u>	<u>\$ 44,000</u>	<u>\$ ----</u>	<u>\$ 1,365,543</u>
<u>Culture and Recreation:</u>				
Parks	\$ 983,657	\$ ----	\$ ----	\$ 983,657
Library	158,146	1,142	----	159,288
Mosswood Golf Course	396,298	----	----	396,298
Park sales tax	1,522,619	61,444	----	1,584,063
<u>Total Culture and Recreation</u>	<u>\$ 3,060,720</u>	<u>\$ 62,586</u>	<u>\$ ----</u>	<u>\$ 3,123,306</u>
<u>Airport</u>	<u>\$ 2,209,988</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 2,209,988</u>
<u>St. Jude's Cemetery</u>	<u>\$ 115,707</u>	<u>\$ 3,750</u>	<u>\$ ----</u>	<u>\$ 119,457</u>
<u>Industrial Park</u>	<u>\$ 178,534</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 178,534</u>
<u>Total General Capital Assets</u>	<u>\$12,727,211</u>	<u>\$176,163</u>	<u>\$ ----</u>	<u>\$12,903,374</u>

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

CITY OF MONROE CITY, MISSOURI
STATEMENT OF CHANGES IN CAPITAL ASSETS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	COST			
	BALANCE 9/30/2018	ADDITIONS	RETIREMENTS	BALANCE 9/30/2019
ELECTRIC DEPARTMENT				
Land	\$12,278	\$0	\$0	\$12,278
Production	\$6,077,688	\$0	\$0	\$6,077,688
Interconnect	\$248,188	\$0	\$0	\$248,188
Distribution	\$2,481,049	\$7,734	\$0	\$2,488,783
Office Equipment	\$44,163	\$0	\$0	\$44,163
TOTAL ELECTRIC DEPARTMENT	\$8,863,366	\$7,734	\$0	\$8,871,100
NATURAL GAS DEPARTMENT				
Land	\$14,695	\$0	\$0	\$14,695
Natural Gas System	\$1,552,157	\$1,632	\$0	\$1,553,789
Office Equipment	\$42,742	\$0	\$0	\$42,742
TOTAL NATURAL GAS DEPARTMENT	\$1,609,594	\$1,632	\$0	\$1,611,226
WATER DEPARTMENT				
Production System	\$2,900,919	\$283,097	\$0	\$3,184,016
Distribution System	\$3,712,402	\$0	\$0	\$3,712,402
Office Equipment	\$11,017	\$0	\$0	\$11,017
TOTAL WATER DEPARTMENT	\$6,624,338	\$283,097	\$0	\$6,907,435
SEWER DEPARTMENT				
Treatment System	\$1,379,923	\$0	\$0	\$1,379,923
Collection System	\$5,628,563	\$5,934	\$0	\$5,634,497
Office Equipment	\$1,426	\$0	\$0	\$1,426
CONSTRUCTION IN PROGRESS	\$0	\$9,700	\$0	\$9,700
TOTAL SEWER DEPARTMENT	\$7,009,912	\$15,634	\$0	\$7,025,546
TOTAL PROPRIETARY FUND TYPES	\$24,107,210	\$308,097	\$0	\$24,415,307

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

ACCUMULATED DEPRECIATION.

BALANCE 9/30/2018	ADDITIONS	RETIREMENTS	BALANCE 9/30/2019
\$0	\$0	\$0	\$0
\$4,855,336	\$138,649	\$0	\$4,993,985
\$248,188	\$0	\$0	\$248,188
\$1,582,881	\$56,540	\$0	\$1,639,421
\$38,779	\$481	\$0	\$39,260
\$6,725,184	\$195,670	\$0	\$6,920,854
\$0	\$0	\$0	\$0
\$1,436,857	\$36,747	\$0	\$1,473,604
\$41,098	\$197	\$0	\$41,295
\$1,477,955	\$36,944	\$0	\$1,514,899
\$1,632,666	\$73,020	\$0	\$1,705,686
\$1,501,947	\$99,265	\$0	\$1,601,212
\$10,356	\$94	\$0	\$10,450
\$3,144,969	\$172,379	\$0	\$3,317,348
\$660,222	\$31,679	\$0	\$691,901
\$1,395,014	\$143,469	\$0	\$1,538,483
\$1,426	\$0	\$0	\$1,426
\$0	\$0	\$0	\$0
\$2,056,662	\$175,148	\$0	\$2,231,810
\$13,404,770	\$580,141	\$0	\$13,984,911

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
ELECTRIC DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(UNAUDITED)

	<u>Quantity</u>	<u>Percent</u>
<u>Generation and Usage Statistics:</u>		
Gross KWHRS generated at plant	----	0.0%
KWHRS purchased	43,810,669	<u>100.0%</u>
Total KWHRS generated and purchased	43,810,669	<u>100.0%</u>
KWHRS distributed from plant	40,136,872	<u>91.6%</u>
Power plant loss	<u>3,673,797</u>	<u>8.4%</u>
KWHRS distributed from plant - KWHRS billed to customers	39,436,879	
KWHRS used by power plant and street lights	<u>700.023</u>	
Total KWHRS accounted for	<u>40,136,902</u>	
	<u>Total Cost</u>	<u>Cost per KWHR</u>
<u>Cost per KWHR Generated and Purchased:</u>		
<u>Cost per KWHR Purchased</u>	<u>\$3,306,756</u>	<u>\$0.07548</u>

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
ELECTRIC DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(UNAUDITED)
(CONTINUED)

	<u>Average Number of Customers</u>	<u>Charges - Unadjusted</u>	<u>KWHRS Billed</u>	<u>Charge per KWHR Sold</u>
<u>Customer Statistics:</u>				
Residential	1,103	\$1,587,100	11,809,570	\$ 0.1344
Commercial	253	1,410,102	10,997,237	0.1282
Industrial	<u>4</u>	<u>1,484,823</u>	<u>16,630,072</u>	<u>0.0893</u>
	<u>1,360</u>	<u>\$4,482,025</u>	<u>39,436,879</u>	<u>\$ 0.1137</u>
				<u>Average Annual Bill</u>
Residential				<u>\$ 1,439</u>
Commercial				<u>\$ 5,574</u>
Industrial				<u>\$371,206</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, 2019
(UNAUDITED)

	<u>Quantity</u>	<u>Percent</u>
<u>Generation and Usage Statistics:</u>		
Gallons of water pumped	96,265	100.00 %
Gallons of water sold to customers	(78,379)	(81.42)%
Adjustments for leaks and fire	<u>(584)</u>	<u>(.60)%</u>
Total gallons unaccounted for	<u>17,302</u>	<u>17.97 %</u>

	<u>M Gallons Sold</u>	<u>Charge per 1,000 Gallons Sold</u>
<u>Customer Statistics:</u>		
Residential	40,536	\$ 9.14
Commercial	17,737	\$ 8.37
Industrial	9,767	\$ 8.91
Water Districts	<u>10,339</u>	<u>\$ 5.63</u>
	<u>78,379</u>	<u>\$ 8.47</u>

	<u>Average Number of Customers</u>	<u>Charges - Unadjusted</u>	<u>Average Annual Bill</u>
Residential	1,041	\$370,493	
Commercial	162	148,547	<u>\$ 356</u>
Industrial	4	86,995	<u>\$ 917</u>
Water districts	<u>2</u>	<u>58,166</u>	<u>\$ 21,749</u>
	<u>1,209</u>	<u>\$664,201</u>	<u>\$ 29,083</u>

CITY OF MONROE CITY, MISSOURI
SCHEDULE OF OPERATING STATISTICS
SEWER DEPARTMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
(UNAUDITED)

	<u>Average Number of Customers</u>	<u>Charges - Unadjusted</u>	<u>Gallons Billed (1,000's)</u>	<u>Charges per 1,000 Gallons Billed</u>
<u>Customer Statistics:</u>				
Residential	1,031	\$346,940	37,272	\$ 9.30
Commercial	146	146,039	15,625	9.35
Industrial	<u>4</u>	<u>134,786</u>	<u>17,097</u>	<u>7.88</u>
	<u>1,181</u>	<u>\$627,765</u>	<u>69,994</u>	<u>\$ 8.97</u>
				<u>Average Annual Bill</u>
Residential				\$ 337
Commercial				<u>\$ 1,000</u>
Industrial				<u>\$33,697</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, 2019
(UNAUDITED)

			<u>Quantity</u>	<u>Percent</u>
<u>Purchase and Usage Statistics:</u>				
Total MCFS of gas delivered to				
Monroe City			230,491	
Deduct Perry			<u>27,864</u>	
 Total MCFS of gas available for				
Monroe City			<u>202,627</u>	<u>100.0%</u>
 Total MCFS transported			202,627	100.0%
MCFS of gas sold to customers			<u>177,106</u>	<u>87.4%</u>
 MCFS unaccounted or			<u>25,521</u>	<u>12.6%</u>
	<u>Average</u>			
	<u>Number of</u>	<u>Charges -</u>		<u>Charges per</u>
	<u>Customers</u>	<u>Unadjusted</u>	<u>MCFS Sold</u>	<u>MCF Sold</u>
<u>Customer Statistics:</u>				
Residential	960	\$ 516,468	70,033	\$ 7.375
Commercial	157	215,961	33,629	6.422
Industrial	<u>4</u>	<u>349,400</u>	<u>73,444</u>	<u>4.757</u>
	<u>1,121</u>	<u>\$1,081,829</u>	<u>177,106</u>	<u>\$ 6.108</u>
				<u>Average</u>
				<u>Annual Bill</u>
Residential				<u>\$ 538</u>
Commercial				<u>\$ 1,376</u>
Industrial				<u>\$87,350</u>

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, 2019
(UNAUDITED)

Water Production Costs:

Payroll	\$ ----	
Payroll tax	----	
Employee benefits	(340)	
Contract payment	172,511	
Uniforms	17	
Office expense	1,890	
Fuel	142	
Supplies and maintenance	21,093	
Chemicals/testing and reports	16,354	
Telephone	926	
Transportation and training	----	
Utilities	47,229	
Safety and compliance	728	
Miscellaneous	<u>2,401</u>	
<u>Total Water Production</u>		\$262,951
<u>Water Production Depreciation</u>		<u>73,020</u>
<u>Total Allowable Costs</u>		<u>\$335,971</u>
<u>Total M Gallons of Water Metered - Fiscal Year Ended</u> <u>September 30, 2019</u>		<u>96,265</u>
<u>Total Allowable Cost per 1,000 Gallons of Metered Water</u>		\$ 3.490
<u>Add-On Amount per Water Contract</u>		<u>.700</u>
<u>Revised Price of Water Sold to Water Districts</u>		<u>\$ 4.190</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 2019

Assessed Valuation:

Monroe County	\$18,383,471
Marion County	7,126,349
Ralls County	<u>2,485,300</u>

<u>Total Assessed Valuation</u>	<u>\$27,995,120</u>
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Tax Rate per \$100 of Assessed Valuation:

General Fund	\$0.7537
Library Fund	<u>0.1987</u>

Total tax levy	<u>\$0.9524</u>
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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.