CITY OF MONETT,
MISSOURI

FINANCIAL STATEMENTS

FOR YEAR ENDED MARCH 31, 1992

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CAVINESS & COMPANY
A Professional Corporation

218 Fifth Street
Monett, Missouri 65708
(417) 235-3488

CERTIFIED PUBLIC ACCOUNTANTS

Honorable Mayor H. C. Beckwith,
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the accompanying general purpose financial statements of the City of Monett, Missouri, as of March 31, 1992, and for the year then ended as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 opinion.

As described in Note A, the City's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue and the related assets are recognized when received rather than when the obligation is incurred.

In our opinion, because of the City's policy to prepare its financial statements on the basis of accounting as discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with generally accepted accounting principles, the financial position of the City of Monett, Missouri, as of March 31, 1992, or the results of its operations for the year then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each of the various funds of the City of Monett, Missouri, as of March 31, 1992 and the revenues received and expenditures paid of such funds for the year then ended on the basis of accounting described in Note A.

Our audit was made for the purpose of forming an opinion of the financial statements taken as a whole. The additional financial statements listed as supplemental schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Monett, Missouri. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Cairnes & Company

Monett, Missouri
June 26, 1992

FINANCIAL STATEMENTS - CASH BASIS

CITY OF MONETT, MISSOURI
COMBINED STATEMENT OF ASSETS, LIABILITIES
AND FUND EQUITY ARISING FROM CASH TRANSACTIONS
ALL FUND TYPES AND ACCOUNT GROUP
MARCH 31, 1992

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND
ASSETS			
Cash	$ (9,251,161)	$ 5,230	$ 38,472
Investments	7,356,000	--	--
Accounts receivable			
Taxes	8,777	--	--
Electric	--	--	--
Water	--	--	--
Sanitation	9,406	--	--
Sewer	--	--	--
Other	--	1,018	--
Construction in progress	--	--	--
Due from other funds	16,310	4,935	--
Accrued interest receivable	86,008	--	--
Bond prepayment	--	--	134,900
Restricted cash	--	--	--
Property, plant, and equipment (net)	--	--	--
Amount available in Debt Service Fund for bond retirement	--	--	--
Resources to be provided in future years	--	--	--
Total Assets	$(1,774,660)	$ 11,183	$ 173,372
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	$ --	$ 107	$ --
General obligation bonds payable	--	--	--
Due to other funds	61	2,747	--
Customer deposits	--	--	--
Due to employees	--	--	--
Sewer Bond payable	--	--	--
Fund Equity			
Investment in General Fixed Assets	--	--	--
Retained earnings	--	--	--
Fund balance	(1,774,721)	8,329	173,372
Total Liabilities and Fund Equity	$(1,774,660)	$ 11,183	$ 173,372

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

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		
ENTERPRISE FUND	TRUSTS AND AGENCY FUND	LONG-TERM DEBT GROUP	GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
$12,490,681	$ 53,173	$ --	$ --	$ 3,336,395
1,127,931	--	--	--	8,483,931
--	--	--	--	8,777
582,345	--	--	--	582,345
57,398	--	--	--	57,398
--	--	--	--	9,406
66,509	--	--	--	66,509
--	--	--	--	1,018
1,261,686	--	--	--	1,261,686
20,796	--	--	--	42,041
--	--	--	--	86,008
--	--	--	--	134,900
124,000	--	--	--	124,000
8,113,124	--	--	9,004,793	17,117,917
--	--	38,472	--	38,472
--	--	1,061,528	--	1,061,528
$23,844,470	$ 53,173	$1,100,000	$9,004,793	$32,412,331
$ 525,187	$ --	$ --	--	$ 525,294
--	--	1,100,000	--	1,100,000
18,438	--	--	--	21,246
140,516	--	--	--	140,516
--	53,173	--	--	53,173
1,245,000				1,245,000
--	--	--	9,004,793	9,004,793
21,915,329	--	--	--	21,915,329
--	--	--	--	(1,593,020)
$23,844,470	$ 53,173	$1,100,000	$9,004,793	$32,412,331

CITY OF MONETT, MISSOURI
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCE - CASH BASIS
ALL GOVERNMENTAL FUND TYPES
FOR YEAR ENDED MARCH 31, 1992

	GOVERNMENTAL FUND TYPES	
	GENERAL	SPECIAL REVENUE
Revenues		
Property taxes, including penalties and interest	$ 172,296	$ --
Nonproperty taxes	665,586	--
Fines and forfeits	37,245	--
Licenses and permits	148,351	--
Fees and services	186,264	182,800
Intergovenmental	189,929	--
Miscellaneous	(3,635)	1,000
Interest	648,778	283
Total revenues	2,044,814	184,083
Expenditures		
Current		
General government	236,559	--
Public safety	960,106	--
Highways and streets	731,494	--
Public services	385,670	--
Culture and recreation	--	535,673
Capital outlay	983,150	83,332
Debt service		
Principal retirement	--	--
Interest and fiscal agent fees	--	--
Total expenditures	3,296,979	619,005
Excess of revenues over (under) expenditures	(1,252,165)	(434,922)
Other financing sources (uses)		
Sale of land	--	131,810
Transfers in (out)	(603,275)	309,268
Total other financing sources	(603,275)	441,078
Excess of revenues and other sources over (under) expenditures and other uses	(1,855,440)	6,156
Fund balance, beginning of year	80,719	2,173
Fund balance, end of year	$(1,774,721)	$ 8,329

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

DEBT SERVICE	TOTAL (MEMORANDUM ONLY)
$ --	$ 172,296
--	665,586
--	37,245
--	148,351
--	369,064
--	189,929
--	(3,635)
5,796	655,857
5,796	2,234,693
--	236,559
--	960,106
--	731,494
--	385,670
--	535,673
--	1,066,482
200,000	200,000
80,778	80,778
280,778	4,196,762
(274,982)	(1,962,069)
	(14,754)
279,253	131,810
279,253	117,056
4,721	(1,845,013)
169,101	251,993
$173,372	$(1,593,020)

CITY OF MONETT, MISSOURI
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCE - CASH BASIS
BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUES, DEBT SERVICE,
FOR YEAR ENDED MARCH 31, 1992

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE
Revenues			
Property taxes, including penalties and interest	$ 180,700	$ 172,296	$ (8,404)
Non-property taxes	625,000	665,586	40,586
Fines and forfeits	30,500	37,245	6,745
Licenses and permits	151,800	148,351	(3,449)
Fees and services	186,960	186,264	(696)
Intergovernmental	155,150	189,929	34,779
Miscellaneous	14,550	(3,635)	(18,185)
Interest	600,000	648,778	48,778
Total revenues	1,944,660	2,044,814	100,154
Expenditures			
Current			
General government	236,105	236,559	(454)
Public safety	1,049,991	960,106	89,885
Highways and streets	831,270	731,494	99,776
Public services	341,743	385,670	(43,927)
Culture and recreation	--	--	--
Capital outlay	494,863	983,150	(488,287)
Debt service			
Principal retirement	--	--	--
Interest and fiscal agent fees	--	--	--
Total expenditures	2,953,972	3,296,979	(343,007)
Excess of revenues over (under) expenditures	(1,009,312)	(1,252,165)	(242,853)
Other financing sources (uses)			
Sale of Land	--	--	--
Transfers in (out)	--	(603,275)	(603,275)
Total other financing sources	--	(603,275)	(603,275)
Excess of revenues and other sources over (under) expenditures and other uses	$(1,009,312)	(1,855,440)	$(846,128)
Fund balance, beginning of year		80,719	
Fund balance, end of year		$(1,774,721)	

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

SPECIAL REVENUE FUND			DEBT SERVICE FUND		
BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
156,320	182,800	26,480	--	--	--
--	--	--	--	--	--
--	1,000	1,000	--	--	--
--	283	283	--	5,796	5,796
156,320	184,083	27,763	--	5,796	5,796
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
539,794	535,673	4,121	--	--	--
194,801	83,332	111,469	--	--	--
--	--	--	200,000	200,000	--
--	--	--	80,000	80,778	(778)
734,595	619,005	115,590	280,000	280,778	(778)
(578,275)	(434,922)	143,353	(280,000)	(274,982)	5,018
287,000	131,810	155,190			
--	309,268	309,268	--	279,253	279,253
287,000	441,078	(154,078)	--	279,253	279,253
$(291,275)	6,156	$ 297,431	$(280,000)	4,271	$ 284,271
	2,173			169,101	
	$ 8,329			$ 173,372	

CITY OF MONETT, MISSOURI
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCE - CASH BASIS
BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUES, DEBT SERVICE (continued)
FOR YEAR ENDED MARCH 31, 1992

	TOTALS		
	BUDGET	ACTUAL	VARIANCE
Revenues			
Property taxes, including penalties and interest	$ 180,700	$ 172,296	$ (8,404)
Nonproperty taxes	625,000	665,586	40,586
Fines and forfeits	30,500	37,245	6,745
Licenses and permits	151,800	148,351	(3,449)
Fees and services	343,280	369,064	25,784
Intergovernmental	155,150	189,929	34,779
Miscellaneous	14,550	(2,635)	(17,185)
Interest	600,000	654,857	54,857
Total revenues	2,100,980	2,234,693	133,713
Expenditures			
Current			
General government	236,105	236,559	(454)
Public safety	1,049,991	960,106	89,885
Highways and streets	831,270	731,494	99,776
Public services	341,743	385,670	(43,927)
Culture and recreation	539,794	535,673	4,121
Capital outlay	689,664	1,066,482	(376,818)
Debt service			
Principal retirement	200,000	200,000	--
Interest and fiscal agent fees	80,000	80,778	(778)
Total expenditures	3,968,567	4,196,762	(228,195)
Excess of revenues over (under) expenditures	(1,867,587)	(1,962,069)	(94,482)
Other financing sources (uses)			
Sale of Land	287,000	131,810	155,190
Transfers in (out)	--	(14,754)	(14,754)
Total other financing sources(uses)	287,000	117,056	(169,944)
Excess revenues and other sources over (under) expenditures and other uses	$(1,580,587)	(1,845,013)	$ 264,426
Fund balance beginning of year		251,993	
Fund balance, end of year		$(1,593,020)	

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

CITY OF MONETT. MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUNDS
FOR YEAR ENDED MARCH 31, 1992

	ENTERPRISE FUND
Operating revenues	
Charges for services	$ 8,660,449
Penalties	38,333
Other	37,273
Total operating revenues	8,736,055
Operating expenses	
Electric purchases	4,396,063
Personal services	728,679
Utilities	211,972
Repairs and maintenance	106,483
Supplies	364,436
Depreciation	479,670
Penalties	150,000
Other	171,205
Total operating expenses	6,608,508
Operating income	2,127,547
Non-operating revenues	
Interest	135,392
Miscellaneous income	21,190
Rental income	4,326
Total non-operating revenues	160,908
Income before transfers	2,288,455
Transfers in (out)	431,121
Net income	2,719,576
Retained earnings, beginning of year	19,195,753
Retained earnings, end of year	$21,915,329

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

CITY OF MONETT, MISSOURI
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR YEAR ENDED MARCH 31, 1992

	ENTERPRISE FUND
Cash flows from operating activities	
Net Income	$ 2,719,576
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	479,670
Decrease in investments	469,464
Decrease in accounts receivable	22,307
Decrease in accrued interest	45,230
Increase in construction in progress	(1,158,984)
Decrease in accounts payable	(176,240)
Increase in due to other funds	4,875
Increase in customer deposits	5,373
Decrease in bonds payable	(55,000)
Net cash provided by operating activities	2,356,271
Cash uses from capital activities	
Payments for capital acquisitions	(298,348)
Net cash from capital activities	(298,348)
Net Cash Increase	2,057,923
Cash at beginning of year	10,432,758
Cash at end of year	$12,490,681

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

NOTES TO THE FINANCIAL STATEMENTS

CITY OF MONETT, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 1992

NOTE A - SUMMARY OF ACCOUNTING POLICIES

The City of Monett, Missouri was incorporated on March 3, 1914 under the provisions of the State of Missouri. The City operates under a Commission form of government as a Third Class City and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services. Other services include electric, water and sewer utilities and airport operations. The following is a summary of the more significant policies:

1. The Reporting Entity

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

2. Fund Accounting

The accounts of the City are organized on the basis of funds or account groups each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures, as appropriate. Government resources are allocated to and for 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 six generic fund types and three broad fund categories as follows:

GOVERNMENTAL FUND TYPES

General Fund
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. It includes administration, fire and police protection, street maintenance, airport, sanitation and building code administration.

Special Revenue Funds
Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes. It includes park operations and I.O.O.F. Cemetery which was established to receive donations for improvements to the cemetery.

Debt Service Fund

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs. It includes general obligation bonds issued for the overpass.

Capital Project Funds

These funds are used 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 TYPE

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUND TYPE

Agency Fund

The Agency funds are used to account for assets held by the City in a custodial capacity. These include the Payroll Fund and Health Self-insurance Fund.

In addition to the three board 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 principle balances of general obligation bonds and other long-term debt not reported in proprietary funds.

3. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The governmental and special revenue accounts of the City are maintained, and the accompanying governmental and special revenue financial statements have been prepared, on the cash basis of accounting. Therefore, revenues and

expenditures are recognized only when collected or paid, and receivables and accrued liabilities are not reflected in the financial statements.

The proprietary fund (Enterprise Fund) is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

4. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

a. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service, and all Enterprise funds. These budgets are adopted on a cash basis which is not consistent with generally accepted accounting principles (GAAP).

b. Unused appropriations for all of the above annually budgeted funds lapse at the end of the year.

5. Cash and Investments

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments.

6. Receivables

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

7. Due to and due from other funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

8. Interest Receivable

Interest on investments are recorded as revenue in the year the interest is earned.

9. Inventory

Inventories of the City are recorded as expenditures when purchased.

10. Property, plant, and equipment

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Property, plant, and equipment

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Property, plant, and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group.

Property, plant, and equipment acquired for proprietary funds is capitalized in the respective funds to which it applies.

Property, plant and equipment is 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 fixed 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.

11. Long-term debt

Long-term obligations of the City are reported in the General Long-Term Debt Account Group. Long-term liabilities for certain revenue bonds are reported in the appropriate Enterprise Fund.

12. Revenue Recognition - Property Taxes

Taxes are levied on November 1 and are due and payable at that time. All unpaid taxes levied November 1 become delinquent January 1 of the following year.

Property taxes revenues are recognized when they become available. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

13. Pension Plans

The City became a participant in the Missouri Local Governmental Employees' Retirement System (LAGERS) March 1, 1978. LAGERS is a defined benefit pension plan which covers substantially all of the City's employees. Total pension costs for the year ended March 31, 1992 was $208,035.

14. 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 does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - CASH

The City maintains separate cash and investment accounts for most funds. The General, Park and Electric are all in one cash account but each funds portion of this account is displayed on the combined balance sheet as either cash or investments under their respective fund headings. Deposits and investments are stated at cost.

CASH At year-end the carrying amount of the City's cash was $ 3,336,395.

Investments. Statutes authorize the City to invest in certificates of deposit, repurchase agreements, passbooks, bankers' acceptances, and other available bank investments provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds. In addition, the City can invest in direct debt securities of the United States.

Investments at March 31, 1992 were in certificates of deposit in various financial institutions. For the certificates of deposit of $8,483,931 the total investment was covered by collateral or FDIC insurance and held in the pledging bank's trust department in the City's name.

NOTE C - CHANGES IN GENERAL LONG-TERM DEBT ACCOUNT GROUP

The following is a summary of the City's Long-Term debt transactions for the year ended, March 31 1992:

	GENERAL OBLIGATION BONDS
Debt outstanding April 1, 1991	$1,300,000
Retirements	200,000
Debt outstanding March 31, 1992	$1,100,000

Debt outstanding as of March 31, 1992, consisted of the following:

	Interest Rate	Maturity Date	Amounts Issued	Amounts Outstanding
General Obligation Bonds:				
Overpass - 1987	7.0-6.15%	1998	2,000,000	$ 1,100,000

Presented below is a summary of debt service requirement to maturity by years:

	General Obligation Bonds
1993	200,000
1994	200,000
1995	200,000
1996	200,000
1997	200,000
1998	100,000
Total	$1,100,000

GENERAL OBLIGATION BONDS

The City is indebted for the following General Obligation Bonds at March 31, 1992, which are included in the Long-Term Debt Account Group.

GENERAL OBLIGATION OVERPASS CONSTRUCTION BONDS DATED APRIL 15, 1987

Fiscal Year Ended March 31,	Total	Total Interest	Interest Rate	Principal Maturing October 1st and April 1st	Bond Outstanding
1993	266,675	66,675	6.25%	200,000	900,000
1994	254,225	54,225	6.15%	200,000	700,000
1995	241,850	41,850	6.30%	200,000	500,000
1996	229,200	29,200	6.40%	200,000	300,000
1997	216,350	16,350	6.50%	200,000	100,000
1998	103,300	3,300	6.60%	100,000	--
Totals	$1,311,600	$ 211,600		$ 1,100,000	

REVENUE BONDS

The City is indebted for the following revenue bonds at March 31, 1992. These bonds are recorded in the Enterprise fund since the repayment is to be from the operations for which the debt was issued.

SEWERAGE REVENUE BONDS, SERIES OF 1990

Fiscal Year Ended March 31,	Total	Total Interest	Interest Rate	Principal Maturing May 1st	Bond Outstanding
1993	139,832	84,832	6.40	55,000	1,190,000
1994	141,122	81,122	6.50	60,000	1,130,000
1995	142,027	77,027	6.60	65,000	1,065,000
1996	142,537	72,537	6.70	70,000	995,000
1997	137,812	67,812	6.80	70,000	925,000
1998	137,864	62,864	6.85	75,000	850,000
1999	137,536	57,536	6.90	80,000	770,000
2000	141,648	51,648	6.95	90,000	680,000
2001	140,195	45,195	7.00	95,000	585,000
2002	138,345	38,345	7.05	100,000	485,000
2003	140,915	30,915	7.10	110,000	375,000
2004	137,899	22,899	7.15	115,000	260,000
2005	139,288	14,288	7.20	125,000	135,000
2006	139,894	4,894	7.25	135,000	--
TOTALS	1,956,914	711,914		1,245,000	

NOTE D - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of amounts due from and due to other funds:

	Due from	Due to
General Fund		
Enterprise - Sewer	$ 6,020	--
Enterprise - Water	5,300	--
Enterprise - Electric	2,243	--
Special Revenue	2,747	61
Total General Fund	16,310	61
Special Revenue Fund		
Enterprise - Electrical	4,875	--
General Fund	61	2,747
Total Special Revenue Fund	4,936	2,747
Enterprise Fund		
General Fund	--	13,563
Special Revenue	--	4,875
Total Enterprise Fund	--	18,438
TOTAL ALL FUNDS	$ 21,246	$ 21,246

NOTE E - DEFINED BENEFIT PENSION PLAN

All Monett City full-time employees participate in the Missouri Local Government Employees Retirement System (LAGERS) a multiple-employer public retirement system. The payroll for employees covered by LAGERS for the year ended March 31, 1992 was $1,512,002; the City's total payroll was $1,918,613. All City full-time employees are eligible to participate in LT-8 LAGERS

Program. Employees who retire at or after age 60 (55 for police and fire employees) with 5 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 1.50 percent or their final-average salary for each year of credited service. Final-average salary is the employee's monthly average of gross salary during the period of 36 or 60 consecutive months of credit service within the last 120 months of credited service in which the employee's salary was the highest. Benefits fully vest on reaching 5 years of service. Vested employees may retire at or after age 55 (age 50 for police and fire employees) and receive reduced retirement benefits. LAGERS also provides death and disability benefits. Benefits are established by Missouri statute.

The City has a non-contributory benefit program whereby covered employees are not required to make contributions. The City is required by Missouri statute to contribute amounts necessary to pay benefits when due. The contribution requirement for the year ended March 31, 1992 was $ 208,035. The contributions represented 13.8% of covered payroll.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess LAGERS funding status on a "going concern" basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among Public Employees Retirement System (PERS) and employers. LAGERS does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1991 for LAGERS as a whole, determined through an actuarial valuation performed as of that date, was $622,844,834. LAGERS' net assets available for benefits, at cost, exceeded the pension benefit obligation by $39,530,616.

Ten-year historical trend information showing LAGERS' progress in accumulating sufficient assets to pay benefits when due is presented in LAGERS' June 30, 1991 comprehensive annual financial report.

NOTE F - ASSESSED VALUATION. TAX LEVY AND LEGAL DEBT MARGIN

The 1991 assessed valuation of the tangible taxable property and the tax levies per $100 assessed valuation of that property were as follows:

ASSESSED VALUATION	
Real estate	$31,902,736
Personal property	13,542,287
TOTAL ASSESS VALUATION	$45,445,023

TAX RATES PER $100 OF ASSESSED VALUATION	
General	$ .38
General Obligation Bonds	.00
TOTAL TAX RATES PER $100 OF ASSESSED VALUATION	$ .38

The legal debt margin at March 31, 1992 was computed as follows:

	Ordinary (1)	Additional (2)	Total
Constitutional debt limit	$ 4,544,502	$ 4,544,502	$ 9,089,004
General obligation bonds payable	1,245,000	--	1,245,000
Local debt margin	$ 3,299,502	$ 4,544,502	$ 7,844,004

(1) Under Article VI, Section 26(b) and (c), Missouri Constitution, the city, by a vote of two-thirds of its qualified electors voting therein, may incur an indebtedness for any purpose authorized in the charter of the city or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the city.

(2) Under Article VI, Section 26(d) and (e), Missouri Constitution, the city, by a vote of two-thirds of its qualified electors voting therein, may become indebted not exceeding in the aggregate an additional ten percent for the purpose of acquiring rights of way, construction, extending and improving streets and avenues, and/or sanitary or storm sewer systems; and purchasing or construction waterworks, electric or other light plants, provided that the total obligation indebtedness of the city does not exceed twenty percent of the total value of the taxable tangible property of the city.

NOTE G - SELF-INSURANCE

The City effective April 1, 1989 engaged the services of Employee Benefit Administrators to provide self-insurance administration for health insurance for City employees and their dependents. The employee pays the first $200 per year and 20% of costs for claims up to $2,500. The City pays 80% of claims up to $2,500 and 100% of claims from $2,500 to $20,000. An insurance policy provides payment on all claims in excess of $20,000.

The accounts of this agency fund are recorded in the fiduciary fund.

NOTE H - SUBSEQUENT EVENTS

Effective June 16, 1992 the sewerage revenue bonds, series of 1990 were redeemed for 2 new revenue bond issues which will carry a lower rate of interest:

$815,000 Sewerage system refunding revenue bonds Series 1992 A.

$405,000 Sewerage system refunding revenue bonds Series 1992 B.

SUPPLEMENTARY INFORMATION

CITY OF MONETT. MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
GENERAL FUND - NON-DEPARTMENTAL
FOR YEAR ENDED MARCH 31, 1992

NON-DEPARTMENTAL		
Revenues		
General property taxes	$	172,296
Sales and use tax		665,586
Penalties		590
Utility franchises		141,348
Business licenses and permits		7,003
Intangible tax		32,141
Miscellaneous		1,418
Interest income		628,708
Rental income		600
Total revenues		1,649,690
Expenditures		
Salaries		117,138
Social security and unemployment taxes		8,977
Health insurance and expense		17,249
Retirement		13,312
Travel		597
Workman's compensation		1,959
Professional and consulting services		12,998
Telephone		2,287
Other fees and personal services		2,549
Insurance		17,082
Utilities		
- gas		752
- electric		4,933
- water		128
Repairs and maintenance		
- office equipment		16,183
- buildings		4,032
Election Expense		2,229
Postage		2,055
Miscellaneous		7,886
Supplies		
- office		2,100
- building		1,438
- custodian		675
Capital outlay		22,646
Total expenditures		259,205
Transfers in (out)		(308,255)
Excess of revenues over (under) expenditures and other uses	$	1,082,230

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
GENERAL FUND - POLICE DEPARTMENT
FOR YEAR ENDED MARCH 31, 1992

POLICE DEPARTMENT		
Revenues		
Court fines	$	36,655
Other charges		14,274
Total revenues		50,929
Expenditures		
Salaries		379,169
Social security and unemployment taxes		29,099
Health insurance and expense		77,639
Retirement		48,985
Workman's compensation		16,792
Training and education		2,680
Telephone		4,158
Travel		448
Utilities - electric		2,583
Repairs and maintenance - vehicles		6,922
Dry cleaning		8,436
Care of prisoners		1,340
Supplies		
- office		2,743
- general		7,978
Radio		6,573
Computer		1,676
Insurance		22,243
Civil defense		3,357
Dog catcher		4,136
Gas and oil		12,292
Miscellaneous		5,806
Capital outlay		8,736
911 expense		3,313
Professional fees		8,504
Total expenditures		665,608
Excess of revenues over (under) expenditures and other uses	$	(614,679)

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
GENERAL FUND - FIRE DEPARTMENT
FOR YEAR ENDED MARCH 31, 1992

FIRE DEPARTMENT	
Revenues	
Other public safety charges	$ 8,063
Total revenues	8,063
Expenditures	
Salaries	185,118
Social security and unemployment taxes	14,192
Health insurance and expense	33,112
Retirement	30,590
Workman's compensation	10,600
Telephone	1,695
Insurance	3,673
Travel	1,011
Utilities	
- gas	138
- electric	296
Repairs and maintenance	
- equipment	485
- vehicles	1,967
Supplies	
- office	431
- general	5,861
Training and education	764
Laundry	837
Freight	44
Rent	3,000
Radio	3,674
Miscellaneous	4,361
Gas and oil	
- vehicles	1,385
Capital outlay	31,933
Total expenditures	335,167
Excess of revenues over (under) expenditures	$ (327,104)

CITY OF MONETT. MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
GENERAL FUND - STREET DEPARTMENT
FOR YEAR ENDED MARCH 31, 1992

STREET DEPARTMENT		
Revenues		
Motor fuel tax distribution	$	101,558
Motor sales tax		49,706
Intergovernmental revenue		6,524
Miscellaneous		9,446
Street, sidewalk and curb repairs		4,948
Total revenues		172,182
Expenditures		
Salaries		95,480
Social security and unemployment		7,319
Health insurance and expense		5,587
Retirement		10,771
Workman's compensation		6,417
Telephone		392
Insurance		9,667
Utilities		
- gas		736
- electric		10
- water		7
Repairs and maintenance		
- equipment		7,849
- building		159
Freight		39
Supplies		
- office		37
- general		3,365
Gas and oil (equipment)		11,667
Radio		1,218
Miscellaneous		11,765
Material (construction)		517,706
Traffic and street lights		36,233
Capital outlay		715,006
Professional fees		5,070
Total expenditures		1,446,500
Transfer to bond principle		(295,020)
Excess of revenues over (under) expenditures		$(1,569,338)

CITY OF MONETT, MISSOURI
STATEMENTS OF REVENUES COLLECTED AND EXPENDITURES PAID -CASH BASIS
GENERAL FUND - AIRPORT AND SANITATION DEPARTMENTS
FOR YEAR ENDED MARCH 31, 1992

AIRPORT	
Revenues	
Airport rent received	$ 9,419
Miscellaneous	23
Total revenues	9,442
Expenditures	
Repairs and maintenance - building	20,855
Supplies	564
Insurance	2,297
Capital outlay	204,238
Miscellaneous	3,788
Professional fees	1,688
Electricity	1,712
Total expenditures	235,142
Excess of revenues over (under) expenditures	$ (225,700)
SANITATION DEPARTMENT	
Revenues	
Sanitation charges	$ 135,718
Other receipts	4,644
Total revenues	140,362
Expenditures	
Salaries	149,804
Health insurance and expense	39,699
Retirement	14,619
Social security and unemployment taxes	11,475
Workman's compensation	24,783
Utilities	464
Insurance	4,097
Repairs and maintenance	
- trucks	12,435
- equipment	725
Gas and oil	
- trucks	5,276
Radio	284
Miscellaneous	963
Supplies	
- office	753
- operating	891
Postage	1,411
Street Sweeper Expense	6,937
Capital Outlay	591
Landfill	33,968
Total expenditures	309,175
Excess of revenues over (under) expenditures	$ (168,813)

CITY OF MONETT, MISSOURI
STATEMENTS OF REVENUES COLLECTED-EXPENDITURES PAID CASH BASIS
GENERAL FUND - BUILDING OFFICIAL AND CODE ADMINISTRATORS DEPARTMENT
FOR YEAR ENDED MARCH 31, 1992

BUILDING OFFICIAL AND CODE ADMINISTRATORS	
Revenues	
Sale of services	$ 8,294
Other receipts	5,852
Total revenues	14,146
Expenditures	
Salaries	26,800
Social security and unemployment taxes	2,050
Workmens compensation	2,234
Retirement	3,462
Health Insurance and expense	862
Construction contracts	3,781
Office supplies	459
Utilities	1,008
Telephone	1,010
Postage	395
Operating supplies	397
Professional and consulting	1,963
Travel	87
Miscellaneous	1,674
Total expenditures	46,182
Excess of revenues over (under) expenditures	$(32,036)

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
GENERAL FUND - DEPARTMENT TOTALS
FOR YEAR ENDED MARCH 31, 1992

GENERAL FUND - DEPARTMENT TOTALS	
Revenues	
Non-departmental	$ 1,649,690
Police department	50,929
Fire department	8,063
Street department	172,182
Airport	9,442
Sanitation department	140,362
Building offical & code administrators dept.	14,146
Total revenues	2,044,814
Expenditures	
Non-departmental	259,205
Police department	665,608
Fire department	335,167
Street department	1,446,500
Airport	235,142
Sanitation department	309,175
Building official & code administrators dept.	46,182
Total expenditures	3,296,979
Transfers in (out)	(603,275)
Excess of revenues over (under) expenditures and other uses	$ (1,855,440)

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES - CASH BASIS
SPECIAL REVENUE FUND - PARK DEPARTMENT
FOR YEAR ENDED MARCH 31, 1992

PARK DEPARTMENT	
Revenues	
Golf	
- Green fees	$ 106,668
- Cart rentals	6,441
- Equipment use	25,283
Swimming pool fees	16,912
Casino rentals	12,845
Sale of cemetery lots and grave openings	13,587
Other receipts	1,064
Total revenues	182,800
Expenditures	
Salaries - park	114,402
- golf	92,460
- cemetery	40,710
- pool	21,005
Social security and unemployment taxes	21,253
Health insurance and expense	83,360
Retirement	17,065
Insurance/bonds	7,195
Workman's compensation	12,631
Telephone - park, cemetery and pool	1,223
- golf	671
Utilities - park	8,572
- golf	3,058
- cemetery	1,053
- pool	5,011
Repairs and maintenance - park and golf	9,254
- pool	4,991
- autos and trucks	249
- equipment	18,559
Supplies - park	7,033
- golf	27,560
- cemetery	698
- pool	5,126
Gas and oil - trucks	2,037
- equipment	3,579
Rent	5,265
Miscellaneous -	21,653
Capital outlay - park & pool	34,092
- golf	26,733
- cemetery	22 507
Total expenditures	619,005
Excess of revenues over (under) expenditures before transfers	(436,205)
Other financial sources	
Transfers in	309,268
Sale of land	131,810
Total other sources	441,078
Excess of revenues and transfers over (under) expenditures	$ 4,873

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
SPECIAL REVENUE FUND - I.O.O.F CEMETERY
FOR YEAR ENDED MARCH 31, 1992

I.O.O.F. CEMETERY

Revenues	
Interest	$ 283
Oneda Doss Donation	1,000
Expenditures	--
Excess of revenues over expenditures	$ 1,283

CITY OF MONETT, MISSOURI
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID - CASH BASIS
SPECIAL REVENUE FUND - DEPARTMENT TOTALS
FOR YEAR ENDED MARCH 31, 1992

SPECIAL REVENUE FUND - DEPARTMENT TOTALS	
Revenues	
Park	$ 182,800
I.O.O.F. cemetery	1,283
Total revenues	184,083
Expenditures	
Park	619,005
Total expenditures	619,005
Excess of revenues over (under) expenditures before transfers	(434,922)
Other financial sources	
Transfers in (out)	309,268
Sale of Land	131,810
Total other financial sources	441,078
Excess of revenues and the sources over (under) expenditures	$ 6,156

CITY OF MONETT, MISSOURI
COMBINING STATEMENT OF ASSETS, LIABILITIES AND RETAINED EARNINGS
PROPRIETARY FUND
MARCH 31, 1992

ASSETS	WATER OPERATIONS	ELECTRIC OPERATIONS	SEWER OPERATIONS	TOTAL
Cash	$ (96,297)	$12,511,564	$ 75,414	$12,490,681
Investments	--	--	1,127,931	1,127,931
Accounts receivable	57,398	582,345	66,509	706,252
Accrued interest receivable	--	--	20,796	20,796
Sewer bond reserve	--	--	124,000	124,000
Property, plant and equipment (net)	2,224,983	1,164,335	4,723,806	8,113,124
Construction in progress	--	--	1,261,686	1,261,686
Total Assets	$2,186,084	$14,258,244	$7,400,142	$23,844,470
LIABILITIES AND RETAINED EARNINGS				
Liabilities				
Accounts payable	$ 25,732	$ 351,098	$ 148,357	$ 525,187
Due to other funds	5,300	2,243	10,895	18,438
Customer deposits	28,377	112,139	--	140,516
Sewer Bonds payable	--	--	1,245,000	1,245,000
Retained earnings	2,126,675	13,792,764	5,995,890	21,915,329
Total Liabilities and Retained Earnings	$2,186,084	$14,258,244	$7,400,142	$23,844,470

CITY OF MONETT, MISSOURI
COMBINING STATEMENT OF REVENUES AND EXPENSES
PROPRIETARY FUNDS
FOR YEAR ENDED MARCH 31, 1992

	WATER OPERATIONS	ELECTRIC OPERATIONS	SEWER OPERATIONS	TOTAL
Operating revenues				
Charges for services	$ 680,617	$7,161,788	$ 818,044	$8,660,449
Tap-in charges	5,235	--	510	5,745
Sale of supply	4,962	31	--	4,993
Penalties	5,331	31,277	1,725	38,333
Miscellaneous charges	16,443	3,830	6,262	26,535
Total revenues	712,588	7,196,926	826,541	8,736,055
Operating expenses				
Electric purchases	--	4,396,063	--	4,396,063
Salaries	162,570	209,132	185,610	557,312
Health insurance and expenses	12,258	17,967	12,311	42,536
Retirement	20,304	26,439	20,942	67,685
Workman's compensation	7,654	5,782	4,998	18,434
Social security and unemployment taxes	12,452	16,038	14,222	42,712
Utilities				
- electric	138,276	--	57,423	195,699
- gas	365	717	15,191	16,273
Repairs and maintenance				
- autos and trucks	3,408	8,809	3,186	15,403
- equipment	20,284	11,538	55,528	87,350
- building	55	3,632	43	3,730
Postage and freight	2,466	2,084	2,320	6,870
Telephone	653	1,714	1,473	3,840
Office supplies	1,621	2,236	1,249	5,106
Gas and oil - trucks	5,037	7,505	6,361	18,903
- equipment	791	482	4,507	5,780
Professional fees	1,634	668	19,038	21,340
Supplies	110,472	215,696	38,268	364,436
Insurance	13,428	25,059	37,568	76,055
Travel	340	417	543	1,300
Depreciation	95,807	139,796	244,067	479,670
Miscellaneous	16,081	12,380	2,264	30,725
Penalties	--	--	150,000	150,000
PCB expense	--	1,286	--	1,286
Total operating expenses	625,956	5,105,440	877,112	6,608,508
Operating income	86,632	2,091,486	(50,571)	2,127,547
Non-operating revenues (expenses)				
Interest	4,125	7,360	123,907	135,392
Rental income	--	4,326	--	4,326
Miscellaneous income	--	21,190	--	21,190
Total non-operating revenue	4,125	32,876	123,907	160,908
Income before transfers	90,757	2,124,362	73,336	2,288,455
Transfers in (out)	15,767	1,172	414,182	431,121
Net income	$ 106,524	$2,125,534	$ 487,518	$2,719,576

CITY OF MONETT, MISSOURI
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR YEAR ENDED MARCH 31, 1992

	WATER OPERATIONS	ELECTRIC OPERATIONS	SEWER OPERATIONS	TOTAL
Cash flows from operating activities				
Net income	$ 106,524	$ 2,125,534	$ 487,518	$ 2,719,576
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation	95,807	139,796	244,067	479,670
Dec in investments			469,464	469,464
Dec in accounts receivable	(1,224)	27,716	(4,185)	22,307
Dec in accrued interest	--	--	45,230	45,230
Inc in construction in prog.	--	--	(1,158,984)	(1,158,984)
Dec in accounts payable	(101,165)	(99,607)	24,532	(176,240)
Inc in due to other funds	--	--	4,875	4,875
Inc in customer deposits	1,426	3,947		5,373
Dec in bonds payable	--	--	(55,000)	(55,000)
Net cash provided by operating activities	101,368	2,197,386	57,517	2,356,271
Cash used from capital activities				
Payments for capital acquisition	(180,722)	(94,138)	(23,488)	(298,348)
Net cash from capital activities	(180,722)	(94,138)	(23,488)	(298,348)
Net Cash Increase	(79,354)	2,103,248	34,029	2,057,923
Cash at beginning of year	(16,943)	10,408,316	41,385	10,432,758
Cash at end of year	$ (96,297)	$12,511,564	$ 75,414	$12,490,681

CITY OF MONETT, MISSOURI
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
MARCH 31, 1992

AGENCY FUNDS

	Payroll Escrow	Health Self-Insurance	Total
ASSETS			
Cash	$ 9,421	$ 43,752	$ 53,173
Total Assets	$ 9,421	$ 43,752	$ 53,173
LIABILITIES			
Due to employees	$ 9,421	$ --	$ 9,421
Due to employees from self-insurance	--	43,752	43,752
Total Liabilities	$ 9,421	$ 43,752	$ 53,173

CITY OF MONETT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
PAYROLL AGENCY FUND
FOR YEAR ENDED MARCH 31, 1992

	Balance 4-1-91	Additions	Deductions	Balance 3-31-92
Assets				
Cash	$ 6,853	$1,918,517	$1,915,949	$ 9,421
Total Assets	$ 6,853	$1,918,517	$1,915,949	$ 9,421
Liabilities				
Due to employees	$ 6,853	$1,918,517	$1,915,949	$ 9,421
Total Liabilities	$ 6,853	$1,918,517	$1,915,949	$ 9,421

CITY OF MONETT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
HEALTH SELF-INSURANCE AGENCY FUND
FOR YEAR ENDED MARCH 31, 1992

	Balance 4-1-91	Additions	Deductions	Balance 3-31-92
Assets				
Cash	$ 4,824	$ 345,237	$ 306,309	$ 43,752
Total Assets	$ 4,824	$ 345,237	$ 306,309	$ 43,752
Liabilities				
Due to	$ 4,824	$ 345,237	$ 306,309	$ 43,752
Total Liabilities	$ 4,824	$ 345,237	$ 306,309	$ 43,752

CITY OF MONETT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR YEAR ENDED MARCH 31, 1992

	Balance 4-1-91	Additions	Deductions	Balance 3-31-92
Assets				
Cash	$ 11,677	$2,263,754	$2,222,258	$ 53,173
Total Assets	$ 11,677	$2,263,754	$2,222,258	$ 53,173
Liabilities				
Due to employees	$ 6,853	$1,918,517	$1,915,949	$ 9,421
from self-insurance	4,824	345,237	306,309	43,752
Total Liabilities	$ 11,677	$2,263,754	$2,222,258	$53,173

CITY OF MONETT, MISSOURI
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
(By Function and Activity)
FOR YEAR ENDED MARCH 31, 1992

Function and Activity	Balance April 1, 1991	Additions	Deductions	Balance March 31, 1992
General government				
Buildings	$ 83,552	22,646	--	$ 106,198
Administration	287,225	0	--	287,225
Total Gen. Govt.	370,777	22,646	--	393,423
Public safety				
Police	386,543	8,736	--	395,279
Fire	416,372	31,933	--	448,305
Total public safety	802,915	40,669	--	843,584
Street	4,846,411	715,006	--	5,561,417
Airport	572,575	204,239	--	776,814
Sanitation	222,792	591	--	223,383
Recreation	1,254,650	83,332	131,810	1,206,172
Total general fixed assets allocated to functions and activities	$8,070,120	$1,066,483	$ 131,810	$9,004,793

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor H.C. Beckwith
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the general purpose financial statements of the City of Monett, Missouri as of and for the year ended March 31, 1992, and have issued our report thereon dated June 26, 1992.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, and provisions of Management and Budget Circular A-128, "Audits of State and Local Government." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Monett, Missouri is the responsibility of the City's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance are failures to follow requirements, or violations or prohibitions, contained in statutes, regulations, contracts, or grants, that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the general purpose financial statements. The noncompliance has been disclosed in the 1992 general purpose financial statements of the City of Monett, Missouri, but these financial statements do not include any adjustments for the possible effects of the noncompliance because the possible outcome is uncertain at this time. The results of our tests of compliance disclosed the following material instances of noncompliance:

1. The City has not certified that it will provide a drug-free workplace. Making this certification has been a precondition of receiving a grant from a Federal Agency since March 18, 1989. The effect of not meeting the drug-free workplace certification is uncertain.

2. The City has not developed a system to monitor applicable contractors and subcontractors with respect to prevailing wages in compliance with provisions of the Davis-Bacon Act. This is required by the Federal Grant from the Environmental Protection Agency, Construction Grants for Wastewater Treatment Works. The effect of not meeting this requirement is uncertain.

We considered these material instances of noncompliance in forming our opinion on whether the 1992 general purpose financial statements are represented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated June 26, 1992 on these general purpose financial statements.

Except as described above, the results of our tests of compliance indicate that, with respect to the items tested, the City of Monett, Missouri, complied, in all material respects, with the provisions referred to in the third paragraph of this report, and with respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those provisions.

We noted certain immaterial instances of noncompliance that we reported in the accompanying schedule of findings and questioned costs.

This report is intended for the information of the City Council of the City of Monett, Management, Environmental Protection Agency, The Cognizant Federal Audit Agency, and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

June 26, 1992
Monett, Missouri

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Honorably Mayor H.C. Beckwith
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the financial statements of City of Monett, Missouri for the year ended March 31, 1992, and have issued our report thereon dated June 26, 1992.

We have applied procedures to test City of Monett, Missouri, compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended March 31, 1992: political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable costs/cost principles, Drug-free Workplace Act, or administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on City of Monett, Missouri, compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed material instances of noncompliance with the requirements listed in the second paragraph that are described in the accompanying schedule of findings and questioned cost. The extent of noncompliance noted in our testing indicates that, with respect to items not tested, there is more than a relatively low risk that the City of Monett, Missouri had not complied, in all material respects, with those requirements.

This report is intended for the information of the City Council of the city of Monett, Management, Environmental Protection Agency, the Cognizant Federal Audit Agency, and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

June 26, 1992
Monett, Missouri

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' OPINION ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Honorable Mayor H.C. Beckwith
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the City of Monett, Missouri compliance with the requirements governing eligibility; types of costs allowed or unallowed; claims for advances and reimbursements; reporting; matching level of effort; that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the twelve months ended March 31, 1992. The management of the City of Monett, Missouri is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures also disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the City of Monett, Missouri complied, in all material respects, with the requirements described in paragraph one that are applicable to each of its major federal financial assistance programs for the year ended March 31, 1992.

This report is intended for the information of the City Council of the City of Monett, Management, Environmental Protection Agency, the Cognizant Federal Audit Agency, and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

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June 26, 1992
Monett, Missouri

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor, H.C. Beckwith
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the general purpose financial statements of the City of Monett, Missouri as of and for the year ended March 31, 1992, and have issued our report thereon dated June 26, 1992.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the City of Monett, Missouri for the year ended March 31, 1992, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Monett, Missouri is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Activity Cycles
- Treasury of Financing
- Revenues/accounts receivable/cash receipts
- Purchases/accounts payable/cash disbursements
- Payroll/personnel
- External financial reporting

Financial Statement Captions
- Cash and cash equivalents
- Receivables
- Property and equipment
- Payables and accrued liabilities
- Debt
- Surplus and fund balances

Accounting Applications

- Billings
- Receivables
- Cash receipts
- Purchasing and receiving
- Accounts payable
- Cash disbursements
- Payroll
- Property and equipment
- General ledger

Controls Used in Administering Compliance With Laws and Regulations

General controls:

- Political Activity
- Civil Rights
- Drug-Free Workplace Act
- Davis-Bacon Act
- Cash Management
- Federal financial reports

Specific controls:

- Eligibility
- Cost Allowed or Unallowed
- Matching, Level of Effort
- Reporting
- Compliance with EPA regulations
- Comparability
- Cost Allocation

For all of the control categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk. The purpose of our consideration of the internal control structure was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the general purpose financial statements.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

The reportable condition noted is that there is not adequate segregation of duties of the responsibilities of authorizing transactions, recording transactions, and maintaining custody of assets. One individual receipts collections, receipts grant monies, writes checks, prepares entries to the books of record, approves transactions to the books of record and has custody of cash accounts.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the City Council of the City of Monett, management, Environmental Protection Agency, the cognizant federal audit agency and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

June 26, 1992
Monett, Missouri

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CERTIFIED PUBLIC ACCOUNTANTS

SINGLE AUDIT REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Honorable Mayor H.C. Beckwith
Red Sharver and Rex Lane, Councilmen
Monett, Missouri

We have audited the general purpose financial statements of City of Monett, Missouri, for the year ended March 31, 1992, and have issued our report thereon dated June 26, 1992. We have also audited City of Monett, Missouri's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 26, 1992.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether City of Monett, Missouri, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended March 31, 1992, we considered the City's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the City's general purpose financial statements and on its compliance with requirements applicable to major programs and not to provide assurance on the internal control structure. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed policies and procedures relevant to our audit of the general purpose financial statements in a separate reported dated June 26, 1992.

The management of City of Monett, Missouri, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use of disposition, that transactions are executed in accordance with managements authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable law and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subjected to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Activity Cycles

- Revenues/accounts receivable/cash receipts
- Purchases/accounts payable/cash disbursements
- Payroll
- External financial reporting

Financial Statement Captions

- Cash and cash equivalents
- Receivables
- Property and equipment
- Payables and accrued liabilities
- Debt
- Surplus and fund balances

Accounting Applications

- Receivables
- Cash receipts
- Purchasing and receiving
- Accounts payable
- Cash disbursements
- Payroll
- Property and equipment
- General ledger

Controls Used in Administering Compliance With Laws and Regulations

General controls:

- Political Activity
- Civil Rights
- Davis-Bacon Act
- Cash Management
- Federal financial reports
- Drug-Free Workplace Act

Specific controls:

- Eligibility
- Cost Allowed or Unallowed
- Matching, Level of Effort
- Reporting
- Special Requirements, if any
- Compliance with EPA regulations
- Comparability
- Cost Allocation

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended March 31, 1992, City of Monett, Missouri expended 100% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the city's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope that would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do no express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that in our judgment, could adversely affect the City's ability to administer federal financial assistance programs in accordance

with applicable laws and regulations. The reportable conditions noted are:

1. There is not adequate segregation of duties of the responsibilities of authorizing transactions, recording transactions, and maintaining custody of assets. One individual receipts collections, receipts grant monies, writes checks, prepares entries to the books of record, approves transactions to the books of record, and has custody of cash accounts.

2. The City has not certified that it will provide a drug-free workplace.

3. A system is not in place to monitor applicable contractors and subcontractor with respect to prevailing wages in compliance to provisions of the Davis-Bacon Act.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might by reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are material weaknesses.

We also noted other matters involving the internal control structure and its operation that we have reported on the accompanying schedule of findings and questioned cost.

This report is intended for the information of the City Council of the City of Monett, Management, Environmental Protection Agency, the Cognizant Federal Audit Agency and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

June 26, 1992
Monett, Missouri

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Honorable Mayor H.C. Beckwith
Red Sharver, and Rex Lane, Councilmen
Monett, Missouri

We have audited the general purpose financial statements of the City of Monett for the year ended March 31, 1992, and have issued our report thereon dated June 26, 1992. These general purpose financial statements are the responsibility of the 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 generally accepted auditing standards; and Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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 opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of Monett, Missouri, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects in relation to the general purpose financial statements taken as whole.

Caviness & Company

June 26, 1992
Monett, Missouri

CITY OF MONETT, MISSOURI
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
MARCH 31, 1992

Federal Grantor/ Program Title	CFDA NO.	Program or Award Amount	Receipts	Expenditures
Environmental Protection Agency Construction Grants for Wastewater Treatment Works	66.418	$2,312,410	$504,609	$504,609
Total EPA (Major Program)		$2,312,410	$504,609	$504,609

CITY OF MONETT, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MARCH 31, 1992

EPA, Construction Grants for Wastewater Treatment Works

Finding 1: Drug-Free Workplace Act

The City has not certified that it will provide a drug-free workplace. Making this certification is a precondition for receiving a grant from a Federal Agency.

Recommendation: The City should contact the City Attorney and determine all the steps necessary to comply with the Drug-Free Workplace Act.

Reply: The City will draft the appropriate ordinance, will instruct all city employees involved in the various grants as to the city's policy, and will comply with all other requirements.

Finding 2: Davis-Bacon Act, Prevailing Wage

The City does not have a system to monitor applicable contractors and subcontractors with respect to prevailing wage in compliance with provisions of the Davis-Bacon Act.

Recommendation: Implement a system to periodically review payroll reports submitted by contractors and subcontractors with the wage determination schedule.

Reply: The City Clerk and Utilities Commissioner will begin review of every payroll received from the various contractors. Rate, hours worked, benefit payments and other items will be examined.

All Funds

Finding 3: Lack of Segregation of Duties:

There is not adequate segregation of duties. The City Clerk collects grant monies, opens mail, prepares general disbursements, prepares payroll disbursements, records general journal entries and has custody of cash and investments.

Recommendation: The City Clerk should be organized as a supervisory position with limitations placed on preparation of disbursements, receipts, and accounting input.

Reply: The Council will take this finding under consideration.

CITY OF MONETT, MISSOURI
SCHEDULE OF PRIOR YEAR FINDINGS
MARCH 31, 1992

Single Audit not applicable prior to fiscal year ended March 31, 1992.