

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MONETT, MISSOURI
NOTES TO BUDGETARY COMPARISON SCHEDULES
MARCH 31, 2006

Budgets and Budgetary Accounting

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

1. All departments of the City of Monett, Missouri, are required to submit requests for appropriation to the City's Director of Finance in January each year. The Director of Finance uses these requests as the starting point for developing a proposed budget.
2. The Director of Finance presents a proposed budget to the City Council for review prior to March 10th.
3. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than March 31, the close of the City of Monett, Missouri's fiscal year.
4. Prior to April 1, ordinances are passed by City Council which provide for legally adopted budgets in the City's General and Special Revenue Funds. Plans approved for Capital Projects, Debt Service and Proprietary Fund types provide operating guidance subject to actual activity during the fiscal year.
5. The City operates on a program performance budget system, with legally adopted budgets prepared by fund, program, and department. The legal level of budgetary control is at the department level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of City Council.
6. Formal budgetary integration is employed as a management control device in the General and Special Revenue Funds.
7. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with GAAP.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,
BUDGET AND ACUTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2006**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>March 31, 2006</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Business license and permits	\$ 43,100	\$ 80,723	\$ 80,723	\$ -
Federal and state grants	20,500	479,692	479,692	-
Fines and forfeitures	102,000	100,881	100,881	-
Franchise fees	238,000	275,050	275,050	-
Sales tax	2,461,400	2,467,346	2,467,346	-
Interest income	100,000	16,666	16,666	-
Intergovernmental	-	-	-	-
Other revenue	377,400	606,276	606,276	-
Other taxes and assessments	25,000	33,138	33,138	-
Payments in Lieu of Taxes (PILOTS)	1,090,600	1,461,905	1,461,905	-
Rental revenue	223,000	219,813	219,813	-
Total revenues	<u>4,681,000</u>	<u>5,741,490</u>	<u>5,741,490</u>	<u>-</u>
Expenditures				
Salaries	2,681,300	2,743,749	2,743,749	-
Payroll taxes	206,600	202,020	202,020	-
Community development block grant	-	-	-	-
Computer	28,700	21,150	21,150	-
Education and travel	37,400	31,203	31,203	-
Election	2,000	-	-	-
Health and life insurance	318,200	311,043	311,043	-
Insurance	93,700	87,845	87,845	-
Miscellaneous	60,300	15,026	15,026	-
Professional and consulting service	202,100	195,728	195,728	-
Repairs and maintenance	720,300	920,671	920,671	-
Retirement	296,600	311,103	311,103	-
Supplies	170,200	202,213	202,213	-
Telephone	58,400	34,824	34,824	-
Utilities	19,500	27,622	27,622	-
Workman's compensation	133,400	143,557	143,557	-
Capital outlay	618,500	1,346,401	1,346,401	-
Debt service - principal	149,900	237,034	237,034	-
Debt service - interest	155,500	36,472	36,472	-
Total expenditures	<u>5,952,600</u>	<u>6,867,661</u>	<u>6,867,661</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,271,600)	(1,126,171)	(1,126,171)	-
Other financing sources (uses)				
Due from (to) other funds	71,000	-	-	-
Proceeds from Financing	392,500	540,856	540,856	-
Transfers	950,000	1,095,000	1,095,000	-
Revenues and other sources over (under) expenditures and other uses	<u>\$ 141,900</u>	<u>\$ 509,685</u>	<u>\$ 509,685</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,
BUDGET AND ACUTUAL
E-911 FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2006**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>March 31, 2006</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	75,816	75,816	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	-	-	-	-
Interest income	-	-	-	-
Intergovernmental	-	-	-	-
Other revenue	-	87,262	87,262	-
Other taxes and assessments	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Rental revenue	-	-	-	-
Total revenues	<u>-</u>	<u>163,078</u>	<u>163,078</u>	<u>-</u>
Expenditures				
Salaries	1,500	35,033	35,033	-
Payroll taxes	100	2,509	2,509	-
Community development block grant	-	-	-	-
Computer	-	-	-	-
Education and travel	1,300	1,678	1,678	-
Election	-	-	-	-
Health and life insurance	-	4,032	4,032	-
Insurance	100	373	373	-
Miscellaneous	100	98	98	-
Professional and consulting service	-	-	-	-
Repairs and maintenance	1,900	-	-	-
Retirement	-	4,510	4,510	-
Supplies	700	650	650	-
Telephone	-	25,943	25,943	-
Utilities	-	-	-	-
Workman's compensation	-	147	147	-
Capital outlay	-	159,813	159,813	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	<u>5,700</u>	<u>234,786</u>	<u>234,786</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(5,700)</u>	<u>(71,708)</u>	<u>(71,708)</u>	<u>-</u>
Other financing sources (uses)				
Due from (to) other funds	-	-	-	-
Proceeds from Financing	-	-	-	-
Transfers	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	<u>\$ (5,700)</u>	<u>\$ (71,708)</u>	<u>\$ (71,708)</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,
BUDGET AND ACUTUAL
TAX INCREMENT FINANCING FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2006**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>March 31, 2006</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	1,800,000	-	-	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	500,000	607,440	607,440	-
Interest income	-	114,604	114,604	-
Intergovernmental	-	-	-	-
Other revenue	2,000	-	-	-
Other taxes and assessments	175,000	216,982	216,982	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Rental revenue	-	-	-	-
Total revenues	<u>2,477,000</u>	<u>939,026</u>	<u>939,026</u>	<u>-</u>
Expenditures				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Community development block grant	-	-	-	-
Computer	-	-	-	-
Education and travel	-	-	-	-
Election	-	-	-	-
Health and life insurance	-	-	-	-
Insurance	-	-	-	-
Miscellaneous	3,000	420	420	-
Professional and consulting service	-	5,423	5,423	-
Repairs and maintenance	-	-	-	-
Retirement	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Utilities	-	-	-	-
Workman's compensation	-	-	-	-
Capital outlay	5,729,000	700,346	700,346	-
Debt service - principal	340,000	340,000	340,000	-
Debt service - interest	92,000	91,570	91,570	-
Total expenditures	<u>6,164,000</u>	<u>1,137,759</u>	<u>1,137,759</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(3,687,000)	(198,733)	(198,733)	-
Other financing sources (uses)				
Due from (to) other funds	(71,000)	-	-	-
Proceeds from Financing	4,000,000	5,205,040	5,205,040	-
Transfers	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	<u>\$ 242,000</u>	<u>\$ 5,006,307</u>	<u>\$ 5,006,307</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
SCHEDULE OF FUNDING PROCESS
RETIREMENT SYSTEM
MARCH 31, 2006**

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Entry Age Actuarial Accrued Liability</u>	<u>(b-a) Unfunded Accrued Liability (UAL)</u>	<u>(a/b) Funde d Ratio</u>	<u>(c) Annual Covered Payroll</u>	<u>[(b-a)/c] UAL as a Percentage of Covered Payroll</u>
2/28/2003	\$ 5,601,648	\$ 6,047,268	\$ 445,620	93%	\$3,616,132	12%
2/28/2004	6,449,695	6,769,368	319,673	95	3,838,923	8
2/28/2005	7,373,261	7,597,821	224,560	97	4,030,211	6

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2001, annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.