

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF MONETT, MISSOURI**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**MARCH 31, 2010**

**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 10<sup>th</sup>.
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.

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED MARCH 31, 2010**

Functions/Programs	Budgeted Amount		Current Year Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Business license and permits	\$ 46,100	\$ 33,500	\$ 33,755	\$ 255
Federal and state grants	1,960,935	203,225	187,335	(15,890)
Fines and forfeitures	215,200	195,300	181,919	(13,381)
Franchise fees	373,500	489,000	502,202	13,202
Sales tax	2,737,250	2,337,745	2,333,544	(4,201)
Interest income	50,000	4,000	3,443	(557)
Intergovernmental	-	-	-	-
Other revenue	713,175	677,504	699,021	21,517
Other taxes and assessments	348,000	316,000	315,060	(940)
Rental revenue	142,200	145,700	157,269	11,569
<b>Total revenues</b>	<b>6,586,360</b>	<b>4,401,974</b>	<b>4,413,548</b>	<b>11,574</b>
<b>Expenditures</b>				
Salaries	3,031,105	3,105,750	2,938,191	(167,559)
Payroll taxes	224,825	231,005	216,415	(14,590)
Community development block grant	-	-	-	-
Computer	34,000	78,410	82,519	4,109
Education and travel	35,500	32,870	18,921	(13,949)
Election	4,000	-	-	-
Health and life insurance	423,800	429,200	382,857	(46,343)
Insurance	74,625	97,915	98,994	1,079
Merchandise	125,000	24,800	23,663	(1,137)
Miscellaneous	23,500	27,770	32,104	4,334
Professional and consulting service	156,500	237,395	249,692	12,297
Repairs and maintenance	862,020	922,265	843,830	(78,435)
Retirement	320,950	323,700	304,320	(19,380)
Supplies	320,100	276,955	284,583	7,628
Telephone	35,700	34,845	38,960	4,115
Workman's compensation	74,130	131,650	122,897	(8,753)
Capital outlay	3,402,325	463,450	614,159	150,709
Debt service - principal	659,075	701,160	759,571	58,411
Debt service - interest	170,200	151,793	148,972	(2,821)
<b>Total expenditures</b>	<b>9,977,355</b>	<b>7,270,933</b>	<b>7,160,648</b>	<b>(110,285)</b>
Excess (deficiency) of revenues over expenditures	(3,390,995)	(2,868,959)	(2,747,100)	121,859
<b>Other financing sources (uses)</b>				
Due from (to) other funds	-	-	-	-
Proceeds from exchange of assets	-	-	72,797	72,797
Settlement	-	651,000	651,036	36
Proceeds from Financing	-	-	86,300	86,300
Payments in Lieu of Taxes (PILOTS)	2,133,040	2,008,890	2,113,366	104,476
Transfers	650,000	466,000	466,727	727
<b>Total other financing sources (uses)</b>	<b>2,783,040</b>	<b>3,125,890</b>	<b>3,390,226</b>	<b>264,336</b>
Revenues and other sources over (under) expenditures and other uses	\$ (607,955)	\$ 256,931	\$ 643,126	\$ 386,195

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,**  
**BUDGET AND ACTUAL**  
**E - 911 FUND**  
**FOR THE FISCAL YEAR ENDED MARCH 31, 2010**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>Current Year Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	-	-	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	-	-	-	-
Interest income	-	-	-	-
Intergovernmental	-	-	-	-
Other revenue	10,800	10,800	10,800	-
Other taxes and assessments	40,000	30,000	37,256	7,256
Rental revenue	-	-	-	-
<b>Total revenues</b>	<b>50,800</b>	<b>40,800</b>	<b>48,056</b>	<b>7,256</b>
<b>Expenditures</b>				
Salaries	39,275	40,000	40,480	480
Payroll taxes	2,950	3,000	3,017	17
Community development block grant	-	-	-	-
Computer	6,200	6,000	2,140	(3,860)
Education and travel	4,400	3,880	3,876	(4)
Election	-	-	-	-
Health and life insurance	6,500	5,700	4,347	(1,353)
Insurance	400	300	328	28
Merchandise	-	-	-	-
Miscellaneous	100	100	25	(75)
Professional and consulting service	2,500	2,425	-	(2,425)
Repairs and maintenance	-	-	-	-
Retirement	4,400	4,400	4,063	(337)
Supplies	1,500	1,455	621	(834)
Telephone	25,000	24,250	26,270	2,020
Workman's compensation	100	200	134	(66)
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
<b>Total expenditures</b>	<b>93,325</b>	<b>91,710</b>	<b>85,301</b>	<b>(6,409)</b>
Excess (deficiency) of revenues over expenditures	(42,525)	(50,910)	(37,245)	13,665
<b>Other financing sources (uses)</b>				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	-	25,000	25,000	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>
Revenues and other sources over (under) expenditures and other uses	\$ (42,525)	\$ (25,910)	\$ (12,245)	\$ 13,665

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,**  
**BUDGET AND ACTUAL**  
**TAX INCREMENT FINANCING - DISTRICT 1**  
**FOR THE FISCAL YEAR ENDED MARCH 31, 2010**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>Current Year Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	-	-	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	589,250	463,825	470,891	7,066
Interest income	137,000	4,500	6,134	1,634
Intergovernmental	-	1,120,692	1,120,692	-
Other revenue	-	-	-	-
Other taxes and assessments	241,000	1,000	917	(83)
Rental revenue	-	-	-	-
<b>Total revenues</b>	<b>967,250</b>	<b>1,590,017</b>	<b>1,598,634</b>	<b>\$ 8,617</b>
<b><u>Expenditures</u></b>				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Community development block grant	-	-	-	-
Computer	-	-	-	-
Education and travel	-	-	-	-
Election	-	-	-	-
Health and life insurance	-	-	-	-
Insurance	-	-	-	-
Merchandise	-	-	-	-
Miscellaneous	2,000	2,000	420	(1,580)
Professional and consulting service	5,000	60,000	94,039	34,039
Repairs and maintenance	-	-	-	-
Retirement	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Workman's compensation	-	-	-	-
Capital outlay	8,035,000	159,300	141,835	(17,465)
Debt service - principal	355,000	1,760,000	1,760,000	-
Debt service - interest	505,000	386,285	386,182	(103)
<b>Total expenditures</b>	<b>8,902,000</b>	<b>2,367,585</b>	<b>2,382,476</b>	<b>14,891</b>
Excess (deficiency) of revenues over expenditures	(7,934,750)	(777,568)	(783,842)	(6,274)
<b><u>Other financing sources (uses)</u></b>				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	(414,000)	(95,000)	(95,727)	(727)
<b>Total other financing sources (uses)</b>	<b>(414,000)</b>	<b>(95,000)</b>	<b>(95,727)</b>	<b>(727)</b>
Revenues and other sources over (under) expenditures and other uses	\$ (8,348,750)	\$ (872,568)	\$ (879,569)	\$ (7,001)

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE,**  
**BUDGET AND ACTUAL**  
**TAX INCREMENT FINANCING - DISTRICT 2**  
**FOR THE FISCAL YEAR ENDED MARCH 31, 2010**

<u>Functions/Programs</u>	<u>Budgeted Amount</u>		<u>Current Year Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	-	-	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	284,200	229,050	225,548	(3,502)
Interest income	35,000	10,500	187	(10,313)
Intergovernmental	-	-	-	-
Other revenue	-	-	-	-
Other taxes and assessments	87,200	2,200	2,137	(63)
Rental revenue	-	-	-	-
<b>Total revenues</b>	<b>406,400</b>	<b>241,750</b>	<b>227,872</b>	<b>(13,878)</b>
<b>Expenditures</b>				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Community development block grant	-	-	-	-
Computer	-	-	-	-
Education and travel	-	-	-	-
Election	-	-	-	-
Health and life insurance	-	-	-	-
Insurance	-	-	-	-
Merchandise	-	-	-	-
Miscellaneous	-	-	-	-
Professional and consulting service	5,000	30,000	32,568	2,568
Repairs and maintenance	-	-	-	-
Retirement	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Workman's compensation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	215,000	189,588	189,588	-
<b>Total expenditures</b>	<b>220,000</b>	<b>219,588</b>	<b>222,156</b>	<b>2,568</b>
Excess (deficiency) of revenues over expenditures	186,400	22,162	5,716	(16,446)
<b>Other financing sources (uses)</b>				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenues and other sources over (under) expenditures and other uses</b>	<b>\$ 186,400</b>	<b>\$ 22,162</b>	<b>\$ 5,716</b>	<b>\$ (16,446)</b>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI**  
**SCHEDULE OF FUNDING PROCESS**  
**RETIREMENT SYSTEM**  
**MARCH 31, 2010**

<b>Actuarial Valuation Date</b>	<b>(a) Actuarial Value of Assets</b>	<b>(b) Entry Age Actuarial Accrued Liability</b>	<b>(b-a) Unfunded Accrued Liability (UAL)</b>	<b>(a/b) Funded Ratio</b>	<b>(c) Annual Covered Payroll</b>	<b>[(b-a)/c] UAL as a Percentage of Covered Payroll</b>
2/28/2007	9,287,107	9,113,567	(173,540)	102%	4,314,237	
2/28/2008	10,370,464	9,987,480	(382,984)	104	4,700,760	
2/28/2009	8,815,555	10,382,004	1,566,449	85	4,668,686	34

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, 2006, annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

See accompanying notes to the financial statements.