

Required Supplementary Information

**CITY OF MONETT, MISSOURI
NOTES TO BUDGETARY COMPARISON SCHEDULES
MARCH 31, 2011**

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.

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2011**

Functions/Programs	Budgeted Amount		Current Year Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Business license and permits	\$ 33,000	\$ 61,000	\$ 61,541	\$ 541
Federal and state grants	171,665	128,125	128,475	350
Fines and forfeitures	205,000	166,000	184,346	18,346
Franchise fees	471,450	488,750	523,107	34,357
Sales tax	2,993,710	2,360,210	2,333,762	(26,448)
Interest income	13,500	4,000	4,725	725
Intergovernmental	3,761,985	-	-	-
Other revenue	488,686	516,286	519,501	3,215
Other taxes and assessments	356,400	318,900	326,340	7,440
Rental revenue	162,750	147,250	149,053	1,803
Total revenues	<u>8,658,146</u>	<u>4,190,521</u>	<u>4,230,850</u>	<u>40,329</u>
Expenditures				
Salaries	3,106,845	3,082,645	2,925,922	(156,723)
Payroll taxes	237,665	232,930	212,212	(20,718)
Computer	79,540	89,340	95,038	5,698
Education and travel	37,360	32,780	25,879	(6,901)
Election	-	-	-	-
Health and life insurance	428,735	428,385	421,093	(7,292)
Insurance	100,895	100,595	78,249	(22,346)
Merchandise	17,000	19,000	17,246	(1,754)
Miscellaneous	32,568	29,618	32,481	2,863
Professional and consulting service	404,385	321,485	331,591	10,106
Repairs and maintenance	994,165	985,715	944,934	(40,781)
Retirement	341,985	329,845	312,964	(16,881)
Supplies	303,227	315,627	310,952	(4,675)
Telephone	62,390	38,140	37,373	(767)
Workman's compensation	140,210	138,860	124,439	(14,421)
Capital outlay	494,300	394,725	376,517	(18,208)
Debt service - principal	4,509,477	654,477	654,671	194
Debt service - interest	642,868	124,929	126,469	1,540
Total expenditures	<u>11,933,615</u>	<u>7,319,096</u>	<u>7,028,030</u>	<u>(291,066)</u>
Excess (deficiency) of revenues over expenditures	(3,275,469)	(3,128,575)	(2,797,180)	331,395
Other financing sources (uses)				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	625	625
Settlement	-	-	11,591	11,591
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	2,181,865	2,181,865	2,339,104	157,239
Transfers	975,000	975,000	975,000	-
Total other financing sources (uses)	<u>3,156,865</u>	<u>3,156,865</u>	<u>3,326,320</u>	<u>169,455</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ (118,604)</u>	<u>\$ 28,290</u>	<u>\$ 529,140</u>	<u>\$ 500,850</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
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FOR THE FISCAL YEAR ENDED MARCH 31, 2011**

Functions/Programs	Budgeted Amount		Current Year Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Business license and permits	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	-	-	-
Fines and forfeitures	-	-	-	-
Franchise fees	-	-	-	-
Sales tax	-	-	-	-
Interest income	-	-	-	-
Intergovernmental	-	-	-	-
Other revenue	10,800	10,800	11,397	597
Other taxes and assessments	37,500	28,000	29,550	1,550
Rental revenue	-	-	-	-
Total revenues	48,300	38,800	40,947	2,147
Expenditures				
Salaries	40,000	40,000	39,351	(649)
Payroll taxes	3,060	3,060	2,997	(63)
Computer	6,000	6,000	5,025	(975)
Education and travel	3,880	3,880	2,660	(1,220)
Election	-	-	-	-
Health and life insurance	4,850	4,850	4,718	(132)
Insurance	300	300	385	85
Merchandise	-	-	-	-
Miscellaneous	100	100	37	(63)
Professional and consulting service	1,500	1,500	180	(1,320)
Repairs and maintenance	-	-	-	-
Retirement	4,520	4,520	4,428	(92)
Supplies	1,400	1,400	877	(523)
Telephone	24,250	24,250	24,567	317
Workman's compensation	250	250	138	(112)
Capital outlay	4,000	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	94,110	90,110	85,363	(4,747)
Excess (deficiency) of revenues over expenditures	(45,810)	(51,310)	(44,416)	6,894
Other financing sources (uses)				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	\$ (45,810)	\$ (51,310)	\$ (44,416)	\$ 6,894

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING - DISTRICT 1
FOR THE FISCAL YEAR ENDED MARCH 31, 2011**

<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	425,000	425,000	427,740	2,740
Interest income	7,500	7,500	5,718	(1,782)
Intergovernmental	3,761,985	3,761,985	3,761,985	-
Other revenue	-	-	-	-
Other taxes and assessments	-	-	-	-
Rental revenue	-	-	-	-
Total revenues	<u>4,194,485</u>	<u>4,194,485</u>	<u>4,195,443</u>	<u>\$ 958</u>
<u>Expenditures</u>				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Computer	-	-	-	-
Education and travel	-	-	-	-
Election	-	-	-	-
Health and life insurance	-	-	-	-
Insurance	-	-	-	-
Merchandise	-	-	-	-
Miscellaneous	2,000	2,000	420	(1,580)
Professional and consulting service	70,000	225,000	274,016	49,016
Repairs and maintenance	-	-	-	-
Retirement	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Workman's compensation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	3,855,000	145,000	145,000	-
Debt service - interest	328,351	320,000	319,703	(297)
Total expenditures	<u>4,255,351</u>	<u>692,000</u>	<u>739,139</u>	<u>47,139</u>
Excess (deficiency) of revenues over expenditures	(60,866)	3,502,485	3,456,304	(46,181)
<u>Other financing sources (uses)</u>				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ (60,866)</u>	<u>\$ 3,502,485</u>	<u>\$ 3,456,304</u>	<u>\$ (46,181)</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING - DISTRICT 2
FOR THE FISCAL YEAR ENDED MARCH 31, 2011**

<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	205,500	205,500	206,744	1,244
Interest income	2,000	2,000	132	(1,868)
Intergovernmental	-	-	-	-
Other revenue	-	-	-	-
Other taxes and assessments	-	-	-	-
Rental revenue	-	-	-	-
Total revenues	<u>207,500</u>	<u>207,500</u>	<u>206,876</u>	<u>(624)</u>
<u>Expenditures</u>				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Computer	-	-	-	-
Education and travel	-	-	-	-
Election	-	-	-	-
Health and life insurance	-	-	-	-
Insurance	-	-	-	-
Merchandise	-	-	-	-
Miscellaneous	-	8,000	8,000	-
Professional and consulting service	30,000	6,100	8,796	2,696
Repairs and maintenance	-	-	-	-
Retirement	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Workman's compensation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	189,588	189,588	189,588	-
Total expenditures	<u>219,588</u>	<u>203,688</u>	<u>206,384</u>	<u>2,696</u>
Excess (deficiency) of revenues over expenditures	(12,088)	3,812	492	(3,320)
<u>Other financing sources (uses)</u>				
Due from (to) other funds	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
Settlement	-	-	-	-
Proceeds from Financing	-	-	-	-
Payments in Lieu of Taxes (PILOTS)	-	-	-	-
Transfers	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ (12,088)</u>	<u>\$ 3,812</u>	<u>\$ 492</u>	<u>\$ (3,320)</u>

See accompanying notes to the financial statements.

**CITY OF MONETT, MISSOURI
SCHEDULE OF FUNDING PROCESS
RETIREMENT SYSTEM
MARCH 31, 2011**

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/28/2008	10,370,464	9,987,480	(382,984)	104%	4,700,760	
2/28/2010	8,815,555	10,382,004	1,566,449	85	4,668,686	34
2/28/2011	9,384,712	10,625,773	1,241,061	88	4,453,440	28

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.