

ANNUAL REPORT OF
CITY OF MOBERLY, MISSOURI
YEAR ENDED JUNE 30, 2007

CITY OF MOBERLY, MISSOURI

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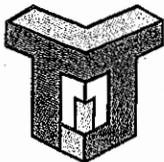
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INDEPENDENT AUDITOR'S REPORT

City Manager and Members
of the City Council
City of Moberly, Missouri

We have audited the accompanying cash basis financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Moberly, Missouri, as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Moberly's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 1, the City's policy is to prepare its financial statements on the cash basis of accounting. Consequently, revenue and the related assets are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. The cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

To the extent this communication contains statements by a tax professional who is subject to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, such professional hereby asserts that any U. S. federal tax advice was not intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purpose.

Member of the American Institute of Certified Public Accountants and the Missouri Society of Certified Public Accountants.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Moberly, Missouri, at June 30, 2007, and the respective changes in financial position and the respective budgetary comparisons for the general fund, the city transportation trust fund and the airport operating fund for the year then ended in conformity with the basis of accounting described in Note I.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 21, 2009, on our consideration of the City of Moberly, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis (pages 3 through 10) is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the cash basis financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules described in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund cash basis financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects to the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the City. This schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Timothy M. Jeffries, CPA, PC

July 21, 2009

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

As management of the City of Moberly, Missouri, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2007. The City implemented Governmental Accounting Standards Board GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, for the first time for fiscal year 2004. As discussed in Note I.B, Statement 34 allows for the optional retroactive reporting of infrastructure. The City elected not to capitalize its infrastructure.

Financial Highlights

- The assets of the City of Moberly exceeded its liabilities at the close of the most recent fiscal year by \$20,176,012 (net assets). Of this amount, \$6,243,424 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net assets decreased by \$1,802,605.
- As of the close of the current fiscal year, the City of Moberly's governmental funds reported combined ending fund balances of \$7,208,659. Of this amount \$6,385,618 is unreserved and available for use within the City's designation and policies.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$2,235,629 or 36% of the total general fund expenditures.
- The City's bond payable decreased \$1,283,000 due to scheduled payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with the broad overview of the City's finances, in a manner similar to private-sector business.

CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator to whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, transportation, cultural, parks and recreation and community development. The business-type activities of the City include Electric, Water, Wastewater and Sanitation operations. The government-wide financial statements can be found on page 11-13 of this report.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

The City maintains 23 governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, City Transportation Trust, Capital Improvement Trust and Park Sales Tax Trust funds, which are considered to be major funds. Data from the other 19 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 14-20.

Proprietary Funds - The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its combined water and sewerage system operations, solid waste operation and public parking system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the combined water and sewerage system fund since it is considered to be a major fund of the City. The basic proprietary fund financial statements can be found on pages 21-22 of this report.

Internal Service Fund - This report also includes information for the fiduciary fund which is used to account for the financing of the City's health insurance benefit plan. The activity in this fund is blended into the government-wide Statement of Net Assets and Statement of Activities. The internal service fund financial statements can be found on pages 21-22 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-46.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 47 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 48-81 of this report.

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

Governmental-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of government's financial position. In the case of the City of Moberly, assets exceeded liabilities by \$20,176,012 as of June 30, 2007.

2007 NET ASSETS

	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 7,546,602	\$ 4,007,795	\$ 11,554,397
Restricted assets	—	8,621,615	8,621,615
Total Assets	<u>7,546,602</u>	<u>12,629,410</u>	<u>20,176,012</u>
Net Assets:			
Restricted	5,310,973	8,621,615	13,932,588
Unrestricted	2,235,629	4,007,795	6,243,424
Total Net Assets	<u>\$ 7,546,602</u>	<u>\$ 12,629,410</u>	<u>\$ 20,176,012</u>

2006 NET ASSETS

	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 6,764,712	\$ 3,762,858	\$ 10,527,570
Restricted assets	—	11,451,047	11,451,047
Total Assets	<u>6,764,712</u>	<u>15,213,905</u>	<u>21,978,617</u>
Net Assets:			
Restricted	4,396,415	11,451,047	15,847,462
Unrestricted	2,368,297	3,762,858	6,131,155
Total Net Assets	<u>\$ 6,764,712</u>	<u>\$ 15,213,905</u>	<u>\$ 21,978,617</u>

As of June 30, 2007, the City is able to report positive balances in all two categories of net assets for the government as a whole.

Analysis of the City's Operations - Overall the City had a decrease in net assets of \$1,802,605.

Governmental Activities: Governmental activities increased the net assets by \$781,890 or 43.4% of the total decrease in net assets.

CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)

Business-type Activities: Net Assets from business-type activities decreased by \$2,584,495 from \$15,213,905 to \$12,629,410. This decrease was primarily due to an excess of operating expenditures over operating revenues.

The following tables provide a summary of the City's operations for year ended June 30, 2007 and 2006.

2007 CHANGES IN NET ASSETS

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program Revenues:			
Charges for services	\$ 1,022,314	\$ 4,850,185	\$ 5,872,499
Operating grants and contributions	576,174	—	576,174
General Revenues:			
Property taxes	1,623,035	—	1,623,035
Sales and use taxes	5,201,308	—	5,201,308
Franchise taxes	1,719,591	—	1,719,591
Motor vehicle and fuel taxes	195,528	—	195,528
911 emergency phone taxes	218,893	—	218,893
Cigarette taxes	111,238	—	111,238
Lodging	51,202	—	51,202
Other taxes	7,935	—	7,935
Interest and investment earnings	327,477	869,531	1,197,008
Transfers	(743,900)	743,900	—
Capital lease proceeds	295,040	—	295,040
Loan proceeds	28,000	—	28,000
Miscellaneous	230,711	—	230,711
Total Revenues	\$ 10,864,546	\$ 6,463,616	\$ 17,328,162
Expenses:			
General government	\$ 2,178,649	\$ —	\$ 2,178,649
Public safety	3,620,888	—	3,620,888
Transportation	2,459,162	—	2,459,162
Economic and community development	249,020	—	249,020
Park and recreation	1,574,937	—	1,574,937
Combined waterworks and sewerage	—	8,152,340	8,152,340
Solid waste	—	894,798	894,798
Public parking	—	973	973
Total Expenses	10,082,656	9,048,111	19,130,767
Increase (Decrease) in net assets	781,890	(2,584,495)	(1,802,605)
Net Assets-July 1, 2006	6,764,712	15,213,905	21,978,617
Net Assets-June 30, 2007	\$ 7,546,602	\$ 12,629,410	\$ 20,176,012

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

2006 CHANGES IN NET ASSETS

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program Revenues:			
Charges for services	\$ 811,239	\$ 4,902,776	\$ 5,714,015
Operating grants and contributions	158,602	—	158,602
General Revenues:			
Property taxes	1,260,570	—	1,260,570
Sales and use taxes	5,151,127	—	5,151,127
Franchise taxes	1,702,441	—	1,702,441
Motor vehicle and fuel taxes	563,768	—	563,768
911 emergency phone taxes	204,708	—	204,708
Cigarette taxes	99,616	—	99,616
Other taxes	45,135	—	45,135
Interest and investment earnings	207,205	690,380	897,585
Transfers	(461,504)	461,504	—
Miscellaneous	494,044	—	494,044
Total Revenues	\$ 10,236,951	\$ 6,054,660	\$ 16,291,611
Expenses:			
General government	\$ 1,806,672	\$ —	\$ 1,806,672
Public safety	3,559,376	—	3,559,376
Transportation	2,849,085	—	2,849,085
Economic and community development	248,374	—	248,374
Park and recreation	1,521,536	—	1,521,536
Combined waterworks and sewerage	—	9,094,432	9,094,432
Solid waste	—	927,146	927,146
Public parking	—	3,626	3,626
Total Expenses	9,985,043	10,025,204	20,010,247
Special items			
Bond issue proceeds	—	5,555,849	5,555,849
Increase in net assets	251,908	1,585,305	1,837,213
Net Assets-July 1, 2005	6,512,804	13,628,600	20,141,404
Net Assets-June 30, 2006	\$ 6,764,712	\$ 15,213,905	\$ 21,978,617

Financial Analysis of the Government's Funds

Governmental funds - The focus of the City of Moberly's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

At the end of the current fiscal year, the City of Moberly's governmental funds reported combined ending fund balances of \$7,208,659. Of this total amount \$6,385,618 constitutes unreserved fund balance.

In the general fund, the City budgeted for an increase in the fund balance of \$97,714. Due to actual revenues being more than budgeted and actual expenses being more than budgeted, the actual fund balance increase for fiscal year 2007 was \$254,440.

Proprietary funds - The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

General Fund Budgetary Highlights - The City made no revisions to the original appropriations approved by the City Council.

Debt Administration

At the end of the current fiscal year, the City of Moberly had total revenue bonded debt, lease payable and note payable debt of \$21,406,329. Of this amount, \$19,691,000 represents bonds secured solely by combined water and sewerage system revenues, \$1,635,040 represents capital lease obligations and \$80,289 represents note payable.

**2007 Outstanding Debt at Year End
Revenue Bonds, Note Payable Debt and Capital Lease Debt**

	Governmental Activities	Business-Type Activities	Total
Revenue bonds	\$ —	\$ 19,691,000	\$ 19,691,000
Capital lease	1,635,040	—	1,635,040
Note payable	80,289	—	80,289
Total	<u>\$ 1,715,329</u>	<u>\$ 19,691,000</u>	<u>\$ 21,406,329</u>

**2006 Outstanding Debt at Year End
Revenue Bonds, Note Payable Debt and Capital Lease Debt**

	Governmental Activities	Business-Type Activities	Total
Revenue bonds	\$ —	\$ 20,974,000	\$ 20,974,000
Capital lease	1,779,003	—	1,779,003
Note payable	146,600	—	146,600
Total	<u>\$ 1,925,603</u>	<u>\$ 20,974,000</u>	<u>\$ 22,899,603</u>

**CITY OF MOBERLY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2007
(UNAUDITED)**

During the fiscal year, the City's total debt decreased by \$1,493,274 or 6.5%. The decrease was due to retirement of \$1,816,314 of outstanding debt and the issuance of \$323,040 of additional debt during the year.

Additional information on the City of Moberly's long-term debt can be found in Note III-B, III-C, III-D and III-E on pages 32-40 of this report.

Request for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City of Moberly, Missouri, Attn: Greg Hodge, Finance Director, at 101 West Reed Street, Moberly, Missouri 65270, call (660) 263-4420.

CITY OF MOBERLY, MISSOURI
STATEMENT OF NET ASSETS - CASH BASIS
JUNE 30, 2007

ASSETS	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 9,272,087	\$ 2,282,310	\$ 11,554,397
Internal balances	(1,725,485)	1,725,485	-
Total Current Assets	<u>7,546,602</u>	<u>4,007,795</u>	<u>11,554,397</u>
Restricted Assets:			
Cash and cash equivalents	-	2,504,997	2,504,997
Investments	-	6,116,618	6,116,618
Total Restricted Assets	<u>-</u>	<u>8,621,615</u>	<u>8,621,615</u>
Total Assets	<u>7,546,602</u>	<u>12,629,410</u>	<u>20,176,012</u>
NET ASSETS			
Restricted for:			
Debt service	823,041	1,594,982	2,418,023
Other purposes	4,487,932	7,026,633	11,514,565
Unrestricted	<u>2,235,629</u>	<u>4,007,795</u>	<u>6,243,424</u>
Total Net Assets	<u>\$ 7,546,602</u>	<u>\$ 12,629,410</u>	<u>\$ 20,176,012</u>

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF ACTIVITIES - CASH BASIS
YEAR ENDED JUNE 30, 2007

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
General Government	\$ 2,178,649	\$ 576,364	\$ -	\$ (1,602,285)	\$ -	\$ (1,602,285)
Total General Government	2,178,649	576,364	-	(1,602,285)	-	(1,602,285)
Public Safety:						
Police	2,407,553	-	26,628	(2,380,925)	-	(2,380,925)
Fire and Emergency Management	1,100,656	-	-	(1,100,656)	-	(1,100,656)
Cemetery	112,679	27,523	-	(85,156)	-	(85,156)
Total Public Safety	3,620,888	27,523	26,628	(3,566,737)	-	(3,566,737)
Transportation:						
Streets and sidewalks	1,716,566	-	25,303	(1,691,263)	-	(1,691,263)
Airport	742,596	147,672	524,243	(70,681)	-	(70,681)
Total Transportation	2,459,162	147,672	549,546	(1,761,944)	-	(1,761,944)
Economic and Community Development:						
Economic and Community Development	249,020	-	-	(249,020)	-	(249,020)
Total Economic and Community Dev	249,020	-	-	(249,020)	-	(249,020)
Park and Recreation:						
Park	1,574,937	270,755	-	(1,304,182)	-	(1,304,182)
Total Park and Recreation	1,574,937	270,755	-	(1,304,182)	-	(1,304,182)
Total Governmental Activities	10,082,656	1,022,314	576,174	(8,484,168)	-	(8,484,168)
Business-Type Activities:						
Combined Waterworks and Sewerage	8,152,340	3,901,956	-	-	(4,250,384)	(4,250,384)
Solid Waste	894,798	946,854	-	-	52,056	52,056
Public Parking System	973	1,375	-	-	402	402
Total Business-Type Activities	9,048,111	4,850,185	-	-	(4,197,926)	(4,197,926)
Total	\$ 19,130,767	\$ 5,872,499	\$ 576,174	\$ (8,484,168)	\$ (4,197,926)	\$ (12,682,094)

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF ACTIVITIES - CASH BASIS (Cont'd)
YEAR ENDED JUNE 30, 2007

Public Parking System	Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
General Revenues:							
Taxes:							
	Property taxes, levied for general purposes			1,623,035	-		1,623,035
	Sales and use taxes			5,201,308	-		5,201,308
	Franchise taxes			1,719,591	-		1,719,591
	Motor vehicle and fuel taxes			195,528	-		195,528
	911 Emergency phone			218,893	-		218,893
	Cigarette taxes			111,238	-		111,238
	Lodging			51,202	-		51,202
	Other			7,935	-		7,935
	Unrestricted investment earnings			327,477	869,531		1,197,008
	Transfers			(743,900)	743,900		-
	Capital lease proceeds			295,040	-		295,040
	Loan proceeds			28,000	-		28,000
	Miscellaneous			230,711	-		230,711
	Total general revenues			9,266,058	1,613,431		10,879,489
Special Items							
	Bond issue proceeds			-	-		-
	Total special items			-	-		-
	Total general revenue and special items			9,266,058	1,613,431		10,879,489
	Change in net assets			781,890	(2,584,495)		(1,802,605)
	Net assets - beginning			6,764,712	15,213,905		21,978,617
	Net assets - ending			<u>\$ 7,546,602</u>	<u>\$ 12,629,410</u>		<u>\$ 20,176,012</u>

CITY OF MOBERLY, MISSOURI
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS -
GOVERNMENTAL FUNDS
JUNE 30, 2007

	<u>General Fund</u>	<u>City Transportation Trust Fund</u>	<u>Capital Improvement Trust Fund</u>	<u>Park Sales Tax Trust Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 5,744,214	\$ 2,061,658	\$ 540,971	\$ -	\$ 587,301	\$ 8,934,144
Due from other funds	-	-	147,188	823,041	889,398	1,859,627
Total Assets	<u>\$ 5,744,214</u>	<u>\$ 2,061,658</u>	<u>\$ 688,159</u>	<u>\$ 823,041</u>	<u>\$ 1,476,699</u>	<u>\$ 10,793,771</u>
LIABILITIES						
Due to other funds	\$ 3,508,585	\$ 76,165	\$ -	\$ -	\$ 362	\$ 3,585,112
Total Liabilities	<u>3,508,585</u>	<u>76,165</u>	<u>-</u>	<u>-</u>	<u>362</u>	<u>3,585,112</u>
FUND BALANCES						
Fund balance- reserved for debt service	-	-	-	823,041	-	823,041
Fund balance - unreserved reported in:						
General fund	2,235,629	-	-	-	-	2,235,629
Special revenue funds	-	1,985,493	688,159	-	1,476,337	4,149,989
Total Fund Balances	<u>\$ 2,235,629</u>	<u>\$ 1,985,493</u>	<u>\$ 688,159</u>	<u>\$ 823,041</u>	<u>\$ 1,476,337</u>	<u>\$ 7,208,659</u>

**RECONCILIATION OF THE COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
TO STATEMENT OF NET ASSETS ARISING FROM CASH BASIS TRANSACTIONS**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Cash held for the City's health insurance account is not reported in the funds	<u>337,943</u>
Net assets of governmental activities	<u>\$ 7,546,602</u>

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2007

	General Fund	City Transportation Trust Fund	Capital Improvement Trust Fund	Park Sales Tax Trust Fund	Other Governmental Funds	Total Governmental Funds
REVENUES COLLECTED						
Property taxes	\$ 843,149	\$ -	\$ -	\$ -	\$ 779,886	\$ 1,623,035
Other taxes	4,221,304	1,020,931	1,020,525	1,020,288	222,647	7,505,695
Licenses, permits and fees	549,113	-	-	-	-	549,113
Charges for goods and services	54,774	-	-	144,189	274,238	473,201
Intergovernmental	25,000	-	-	-	551,174	576,174
Interest	177,228	88,086	25,251	-	16,859	307,424
Miscellaneous	66,800	52,279	7,148	61,726	42,758	230,711
Total Revenues Collected	<u>5,937,368</u>	<u>1,161,296</u>	<u>1,052,924</u>	<u>1,226,203</u>	<u>1,887,562</u>	<u>11,265,353</u>
EXPENDITURES PAID						
General government	1,711,484	-	328,561	-	130,217	2,170,262
Public safety	3,498,352	-	-	-	80,290	3,578,642
Economic and community development	246,116	-	-	-	-	246,116
Transportation	747,436	787,298	-	-	915,881	2,450,615
Park and recreation	-	-	-	988,988	578,815	1,567,803
Total Expenditures Paid	<u>6,203,388</u>	<u>787,298</u>	<u>328,561</u>	<u>988,988</u>	<u>1,705,203</u>	<u>10,013,438</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	(266,020)	373,998	724,363	237,215	182,359	1,251,915
Other Financing Sources (Uses)	520,460	15,557	(983,890)	(96,117)	123,130	(420,860)
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Sources (Uses)	254,440	389,555	(259,527)	141,098	305,489	<u>\$ 831,055</u>
Fund Balance, beginning of year	<u>1,981,189</u>	<u>1,595,938</u>	<u>947,686</u>	<u>681,943</u>	<u>1,170,848</u>	
Fund Balance, end of year	<u>\$ 2,235,629</u>	<u>\$ 1,985,493</u>	<u>\$ 688,159</u>	<u>\$ 823,041</u>	<u>\$ 1,476,337</u>	

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2007

Net change in fund balances - total governmental funds	\$	831,055
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds do not report the activity of the health insurance account		
Premium income	853,306	
Interest income	20,053	
Health premiums, claims and administrative costs	<u>(922,524)</u>	<u>(49,165)</u>

Change in Net Assets of Governmental Activities	\$	<u><u>781,890</u></u>
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See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES COLLECTED				
Property taxes	\$ 800,000	\$ 800,000	\$ 843,149	\$ 43,149
Other taxes	3,968,990	3,968,990	4,221,304	252,314
Licenses, permits and fees	483,258	483,258	549,113	65,855
Charges for services	41,300	41,300	54,774	13,474
Intergovernmental	30,000	30,000	25,000	(5,000)
Interest	50,000	50,000	177,228	127,228
Miscellaneous	54,050	54,050	66,800	12,750
Total Revenues Collected	<u>5,427,598</u>	<u>5,427,598</u>	<u>5,937,368</u>	<u>509,770</u>
EXPENDITURES PAID				
General government	1,370,945	1,370,945	1,711,484	(340,539)
Public safety	3,760,446	3,760,446	3,498,352	262,094
Economic and community development	308,890	308,890	246,116	62,774
Transportation	747,516	747,516	747,436	80
Total Expenditures Paid	<u>6,187,797</u>	<u>6,187,797</u>	<u>6,203,388</u>	<u>(15,591)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(760,199)</u>	<u>(760,199)</u>	<u>(266,020)</u>	<u>494,179</u>
OTHER FINANCING SOURCES (USES)				
Capital lease/loan proceeds	-	-	323,040	323,040
Interfund transfers in (out)	857,913	857,913	197,420	(660,493)
Total Other Financing Sources (Uses)	<u>857,913</u>	<u>857,913</u>	<u>520,460</u>	<u>(337,453)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Sources (Uses)	97,714	97,714	254,440	<u>\$ 156,726</u>
Fund Balance, beginning of year	<u>1,981,189</u>	<u>1,981,189</u>	<u>1,981,189</u>	
Fund Balance, end of year	<u>\$ 2,078,903</u>	<u>\$ 2,078,903</u>	<u>\$ 2,235,629</u>	

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CITY TRANSPORTATION TRUST FUND
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 993,582	\$ 993,582	\$ 1,020,931	\$ 27,349
Interest income	45,000	45,000	88,086	43,086
Miscellaneous	50,000	50,000	52,279	2,279
Total Revenues	<u>1,088,582</u>	<u>1,088,582</u>	<u>1,161,296</u>	<u>72,714</u>
EXPENDITURES PAID				
Transportation	<u>1,891,600</u>	<u>1,891,600</u>	<u>787,298</u>	<u>1,104,302</u>
Total Expenditures Paid	<u>1,891,600</u>	<u>1,891,600</u>	<u>787,298</u>	<u>1,104,302</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(803,018)</u>	<u>(803,018)</u>	<u>373,998</u>	<u>1,177,016</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)	<u>(27,494)</u>	<u>(27,494)</u>	<u>15,557</u>	<u>43,051</u>
Total Other Financing Sources (Uses)	<u>(27,494)</u>	<u>(27,494)</u>	<u>15,557</u>	<u>43,051</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Sources (Uses)	<u>(830,512)</u>	<u>(830,512)</u>	<u>389,555</u>	<u>\$ 1,220,067</u>
Fund Balance, beginning of year	<u>1,595,938</u>	<u>1,595,938</u>	<u>1,595,938</u>	
Fund Balance, end of year	<u>\$ 765,426</u>	<u>\$ 765,426</u>	<u>\$ 1,985,493</u>	

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT TRUST FUND
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 993,582	\$ 993,582	\$ 1,020,525	\$ 26,943
Interest income	15,000	15,000	25,251	10,251
Miscellaneous	-	-	7,148	7,148
Total Revenues	<u>1,008,582</u>	<u>1,008,582</u>	<u>1,052,924</u>	<u>44,342</u>
EXPENDITURES PAID				
General Government	<u>516,000</u>	<u>516,000</u>	<u>328,561</u>	<u>187,439</u>
Total Expenditures Paid	<u>516,000</u>	<u>516,000</u>	<u>328,561</u>	<u>187,439</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>492,582</u>	<u>492,582</u>	<u>724,363</u>	<u>231,781</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)	<u>(1,106,012)</u>	<u>(1,106,012)</u>	<u>(983,890)</u>	<u>122,122</u>
Total Other Financing Sources (Uses)	<u>(1,106,012)</u>	<u>(1,106,012)</u>	<u>(983,890)</u>	<u>122,122</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Sources (Uses)	<u>(613,430)</u>	<u>(613,430)</u>	<u>(259,527)</u>	<u>\$ 353,903</u>
Fund Balance, beginning of year	<u>947,686</u>	<u>947,686</u>	<u>947,686</u>	
Fund Balance, end of year	<u>\$ 334,256</u>	<u>\$ 334,256</u>	<u>\$ 688,159</u>	

See notes to financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
PARK SALES TAX TRUST FUND
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 984,300	\$ 984,300	\$ 1,020,288	\$ 35,988
Charges for services	82,000	82,000	144,189	62,189
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>61,726</u>	<u>58,726</u>
Total Revenues Collected	<u>1,069,300</u>	<u>1,069,300</u>	<u>1,226,203</u>	<u>156,903</u>
EXPENDITURES PAID				
Parks and Recreation	<u>977,098</u>	<u>977,098</u>	<u>988,988</u>	<u>(11,890)</u>
Total Expenditures Paid	<u>977,098</u>	<u>977,098</u>	<u>988,988</u>	<u>(11,890)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>92,202</u>	<u>92,202</u>	<u>237,215</u>	<u>145,013</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)	<u>(136,849)</u>	<u>(136,849)</u>	<u>(96,117)</u>	<u>40,732</u>
Total Other Financing Sources (Uses)	<u>(136,849)</u>	<u>(136,849)</u>	<u>(96,117)</u>	<u>40,732</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	(44,647)	(44,647)	141,098	<u>\$ 185,745</u>
Fund Balance, beginning of year	<u>681,943</u>	<u>681,943</u>	<u>681,943</u>	
Fund Balance, end of year	<u>\$ 637,296</u>	<u>\$ 637,296</u>	<u>\$ 823,041</u>	

See notes to financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF NET ASSETS - CASH BASIS
PROPRIETARY FUND TYPES
JUNE 30, 2007

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>	
	<u>CWSSS</u>	<u>Solid Waste</u>	<u>Non-Major Enterprise Fund</u>	<u>Internal Service Fund</u>	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 1,927,310	\$ 355,000	\$ -	\$ 2,282,310	\$ 444,311
Due from other funds	<u>1,540,473</u>	<u>305,256</u>	<u>26,944</u>	<u>1,872,673</u>	<u>-</u>
Total Current Assets	<u>3,467,783</u>	<u>660,256</u>	<u>26,944</u>	<u>4,154,983</u>	<u>444,311</u>
RESTRICTED ASSETS					
Cash and cash equivalents	2,398,629	-	-	2,398,629	-
Investments	<u>6,116,618</u>	<u>-</u>	<u>-</u>	<u>6,116,618</u>	<u>-</u>
Total Restricted Assets	<u>8,515,247</u>	<u>-</u>	<u>-</u>	<u>8,515,247</u>	<u>-</u>
Total Assets	<u>11,983,030</u>	<u>660,256</u>	<u>26,944</u>	<u>12,670,230</u>	<u>444,311</u>
LIABILITIES					
Due to other funds	<u>147,188</u>	<u>-</u>	<u>-</u>	<u>147,188</u>	<u>-</u>
Total Liabilities	<u>147,188</u>	<u>-</u>	<u>-</u>	<u>147,188</u>	<u>-</u>
NET ASSETS					
Restricted for debt service - expendable	1,594,982	-	-	1,594,982	-
Restricted for construction - expendable	6,762,684	-	-	6,762,684	-
Restricted for customers deposits - expendable	157,581	-	-	157,581	-
Unrestricted	<u>3,320,595</u>	<u>660,256</u>	<u>26,944</u>	<u>4,007,795</u>	<u>444,311</u>
Total Net Assets	<u>\$ 11,835,842</u>	<u>\$ 660,256</u>	<u>\$ 26,944</u>	<u>\$ 12,523,042</u>	<u>\$ 444,311</u>

**RECONCILIATION OF THE STATEMENT OF NET ASSETS - CASH BASIS
TO STATEMENT OF NET ASSETS ARISING FROM CASH BASIS TRANSACTIONS**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Cash held for the City's health insurance account is not reported in the funds	<u>106,368</u>
Net assets of business-type activities	<u>\$ 12,629,410</u>

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
STATEMENT OF OPERATING REVENUES COLLECTED, OPERATING EXPENSES
PAID AND CHANGES IN NET ASSETS
PROPRIETARY FUND TYPES
YEAR ENDED JUNE 30, 2007

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities
	CWSSS	Solid Waste	Non-Major Enterprise Funds		Internal Service Fund
Operating Revenues Collected					
Charges for services	\$ 3,893,170	\$ 885,810	\$ -	\$ 4,778,980	\$ 1,051,181
Collections	-	-	1,375	1,375	-
Miscellaneous	8,786	61,044	-	69,830	-
Total Operating Revenues Collected	<u>3,901,956</u>	<u>946,854</u>	<u>1,375</u>	<u>4,850,185</u>	<u>1,051,181</u>
Operating Expenses Paid					
Salaries and payroll taxes	1,110,229	75,730	-	1,185,959	-
Supplies and materials	469,655	6,227	-	475,882	-
Repairs and maintenance	238,452	5,214	-	243,666	-
Contractual services	3,501,867	736,088	-	4,237,955	1,136,451
Capital outlay	148,509	52,508	-	201,017	-
Miscellaneous	343,097	19,031	-	362,128	-
Total Operating Expenses Paid	<u>5,811,809</u>	<u>894,798</u>	<u>-</u>	<u>6,706,607</u>	<u>1,136,451</u>
Operating Income (Loss)	<u>(1,909,853)</u>	<u>52,056</u>	<u>1,375</u>	<u>(1,856,422)</u>	<u>(85,270)</u>
Nonoperating Revenues (Expenses)					
Interest received	846,813	18,068	-	864,881	24,703
Principal, interest and fees paid	<u>(2,325,452)</u>	<u>-</u>	<u>-</u>	<u>(2,325,452)</u>	<u>-</u>
Net Non-Operating Revenues (Expenses)	<u>(1,478,639)</u>	<u>18,068</u>	<u>-</u>	<u>(1,460,571)</u>	<u>24,703</u>
Excess (Deficit) Operating Revenues Collected over Operating Expenses Paid Before Operating Transfer	(3,388,492)	70,124	1,375	(3,316,993)	(60,567)
Operating Transfer In (Out)	<u>743,900</u>	<u>-</u>	<u>-</u>	<u>743,900</u>	<u>-</u>
Excess (Deficit) Operating Revenues Collected over Operating Expenses Paid	(2,644,592)	70,124	1,375	(2,573,093)	(60,567)
Net Assets, Beginning of Year	<u>14,480,434</u>	<u>590,132</u>	<u>25,569</u>	<u>15,096,135</u>	<u>504,878</u>
Net Assets, End of Year	<u>\$ 11,835,842</u>	<u>\$ 660,256</u>	<u>\$ 26,944</u>	<u>\$ 12,523,042</u>	<u>\$ 444,311</u>

See notes to the financial statements

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Moberly, Missouri, is an incorporated city located in Randolph County, Missouri. The City operates under a Mayor-Council form of government, and is exempt from federal and state income taxes as a political subdivision of the State of Missouri.

The City of Moberly, Missouri, is the basic level of government which has financial accountability and control over all activities related to the City. The City receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the City is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since council members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The City complies with cash basis accounting principles. For enterprise funds, GASB Statement Nos. 20 and 34 provide the City the option of electing to apply FASB pronouncements issued after November 30, 1989. The City has elected not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- The financial statements include:
 - A Management Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations.

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units of which the City appointed a voting majority of the units' board; the City is either able to impose its will on the unit or a financial benefit or burden relationship exists. There are no

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

component units as defined in Governmental Accounting Standards Board Statement No. 14 which are included in the City's reporting entity.

During 2004, the City adopted GASB Statement No. 34, *Basic Financial Statements - and Management Discussion and Analysis - For State and Local Governments*, as amended. The City does not plan to retroactively report infrastructure.

C. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City first utilizes restricted resources to finance qualifying activities. The principal operating revenues and operating expenses of the City's enterprise funds are charges to customers for sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City's net assets are reported in two parts - restricted net assets and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, permits and charges, etc.). The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, cultural and recreation, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc). The City does not allocate indirect costs.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories of governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditure/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Proprietary Fund

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Internal Service Fund

The internal service fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. This fund accounts for the financing of the City's employee health plan.

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

<u>Fund</u>	<u>Brief Description</u>
Major: General	See above for description

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds:	
City Transportation Trust	Accounts for revenues and expenditures of the City Transportation Trust Fund
Capital Improvement Trust Grant	Accounts for revenues and expenditures of the Capital Improvement Trust Grant
Park Sales Tax Trust	Accounts for revenues and expenditures of the Park Sales Tax Trust Fund
Proprietary Funds:	
Combined Waterworks and Sewerage System	Accounts for activities involved in providing water and wastewater services to the public.
Solid Waste	Accounts for revenues and expenditures of the Solid Waste Fund
Nonmajor:	
Special Revenue Funds:	
Airport Operating	Accounts for revenues and expenditures of the Airport Operating Fund
Parks and Recreation	Accounts for revenues and expenditures of the Parks and Recreation Fund
Street Improvements	Accounts for revenues and expenditures of the Street Improvements Fund
Perpetual Care Cemetery Principal	Accounts for revenues and expenditures of the Perpetual Care Cemetery Principal Fund
Perpetual Care Cemetery Interest	Accounts for revenues and expenditures of the Perpetual Care Cemetery Interest Fund
MODAG Grant/Loan	Accounts for revenues and expenditures of the MODAG Grant/Loan Fund
911 Emergency Telephone	Accounts for revenues and expenditures of the 911 Emergency Telephone Fund
Use Tax Trust	Accounts for revenues and expenditures of the Use Tax Trust Fund

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

McCormick Place TIF	Accounts for revenues and expenditures of the McCormick Place TIF Fund
DNR Grant	Accounts for revenues and expenditures of the DNR Grant Fund
Hwy. 63 Waterline Relocation	Accounts for revenues and expenditures of the Hwy. 63 Waterline Relocation Fund
Rollins Street Renovation	Accounts for revenues and expenditures of the Rollins Street Renovation Fund
Police Grant Match	Accounts for revenues and expenditures of the Police Grant Match Fund
Fire Escrow	Accounts for revenues and expenditures of the Fire Escrow Fund
Project Residuals	Accounts for revenues and expenditures of Project Residuals
Security Equipment Grant	Accounts for revenues and expenditures of the Security Equipment Grant
Bullet Proof Vest Grant	Accounts for revenues and expenditures of the Bullet Proof Vest Grant
Cell Franchise	Accounts for revenues and expenditures of the Cell Franchise
Historic Preservation	Accounts for revenues and expenditures of the Historic Preservation
Proprietary Fund: Public Parking System	Accounts for revenues and expenditures of the Public Parking System Fund

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting, Measurement Focus and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the cash basis of accounting. Revenues are recorded when received and expenses are recorded when paid.

All proprietary funds utilize the cash basis of accounting. Revenues are recognized when received and expenses are recognized when paid. Investments are recorded as assets.

Governmental fund financial statements are reported using the cash basis of accounting. Revenues are recognized when received and expenditures are recognized when paid. Investments are recorded as assets.

As a result of the use of this cash basis of accounting, certain assets and their related revenues and certain liabilities and their related expenses are not recorded in these financial statements. If the City utilized the basis of accounting recognized as generally accepted, the financial statements would be presented on the accrual basis of accounting.

Compensated Absences

Sick pay accumulates at the rate of one day per month. Employees can accumulate up to 90 days. Accumulated, but unused sick pay expires upon termination of employment.

Vacation pay accumulates at varying rates based on length of employment. Employees have one year to use vacation time earned from the previous year of employment. With the approval of supervisors, an employee can accumulate up to eight weeks of vacation in special circumstances. The city manager and department heads are exempt from the eight week maximum accumulation limitation. As of June 30, 2007, accumulated, but unused vacation and other time off for governmental funds and enterprise funds is \$283,551 and \$41,394, respectively.

Use of Estimates

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

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are charged to expenditures as they are paid. Capital outlays report the cost of property, plant and equipment.

Equity Classifications

Government-wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets - All other net assets that do not meet the definition of "restricted".

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

E. Post Employment Benefits

COBRA Benefits - Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the month for the actual month covered. This program is offered for duration of 18 months after the termination date. There is no associated cost to the City under this program.

F. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Function

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Missouri or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note III-A, all deposits were fully insured or collateralized.

B. Budgets

The City adopts a budget as required by Missouri Statute. Expenditures in excess of budget must be approved by Council during the year ended June 30, 2007.

Actual expenditures exceeded budgeted expenditures in the General Fund, Park Sales Tax Trust Fund, 911 Emergency Telephone Service Fund, and the McCormick Place TIF Fund by \$15,591, \$11,890, \$14,640 and \$52,955, respectively.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

A. Deposits and Investments

The City complies with various restrictions on deposits and investments which are imposed by state statutes as follows:

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

Investments - The City may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (2) repurchase agreements maturing and becoming payable within ninety days secured by U. S. Treasury obligations or obligations of U. S. government agencies or instrumentalities of any maturity, as provided by law.

The deposits and investments held at June 30, 2007 are shown below:

	Maturities	Carrying Value
Deposits:		
Demand deposits		\$ 12,304,394
		12,304,394
Investments:		
Time deposits	09/13/07	905,000
Time deposit	10/03/07	100,000
Time deposit	12/11/07	95,000
Time deposit	12/23/07	200,000
Time deposit	03/23/08	100,000
Time deposit	04/02/08	355,000
U.S. Federal Obligations		6,116,618
		7,871,618
Total deposits and investments		\$ 20,176,012
Reconciliation to Statement of Net Assets:		
Current Assets:		
Cash and cash equivalents		\$ 11,554,397
Restricted Assets:		
Cash and cash equivalents		2,504,997
Investments		6,116,618
Total		\$ 20,176,012

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

Custodial Credit Risk. Deposits in financial institutions, reported as components of cash and investments had a bank balance of \$13,140,680 at June 30, 2007, which was fully insured by depository insurance or secured with collateral.

Investment interest rate risk. The City has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held at June 30, 2007, are provided in the previous schedule.

Investment credit risk. The Board has given the Clerk the authority to invest idle funds of the City in low-risk investments such as United States government securities or collateralized certificates of deposit.

Concentration of investment credit risk. The City places no limit on the amount it may invest in any one issuer. At June 30, 2007, the City had no concentration of credit risk.

B. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2007:

	Business-Type		Governmental Activities			Total
	Activities		Capital	Accrued		
	Revenue		Lease	Compensated	Note	
	Bonds		Payable	Absences	Payable	
	Payable					
Balance, July 1, 2006	\$20,974,000	\$	1,779,003	\$ 349,472	\$ 146,600	\$23,249,075
Revenue bond proceeds	—		—	—	—	—
Revenue bond payments	(1,283,000)		—	—	—	(1,283,000)
Lease proceeds	—		295,040	—	—	295,040
Lease payments	—		(439,003)	—	—	(439,003)
Note proceeds	—		—	—	28,000	28,000
Note principal payment	—		—	—	(94,311)	(94,311)
Increase in compensated absences	—		—	222,773	—	222,773
Decrease in compensated absences	—		—	(247,300)	—	(247,300)
Balance, June 30, 2007	<u>\$19,691,000</u>	<u>\$</u>	<u>1,635,040</u>	<u>\$ 324,945</u>	<u>\$ 80,289</u>	<u>\$21,731,274</u>

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

C. Bonds Payable

The following is a summary of bonded debt transactions of the City for the year ended June 30, 2007:

	Business-Type Activities
	Revenue
Debt payable, July 1, 2006	\$ 20,974,000
Debt issued	—
Debt retired	(1,283,000)
Debt payable, June 30, 2007	\$ 19,691,000

Debt payable at June 30, 2007, was comprised of the following individual issues:

Revenue bonds:

\$6,600,000 1995 combined waterworks and sewerage system revenue bonds (State Revolving Fund Program) due in annual installments through January 1, 2008; interest at 4.00% to 5.65%.	\$ 566,000
\$2,895,000 2004A combined waterworks and sewerage system refunding revenue bonds, due in annual installments through August 15, 2015; interest at 3.250% to 4.250%.	2,275,000
\$7,150,000 2004B combined waterworks and sewerage system refunding revenue bonds (state revolving fund program), due in annual installments through January 1, 2024; interest at 2.000% to 5.000%.	6,505,000
\$5,100,000 2004C Combined waterworks and sewerage system revenue bonds due in annual installments through January 1, 2026; interest at 3.000% to 5.050%.	4,885,000
\$5,460,000 2007A Combined waterworks and sewerage system revenue bonds due in annual installments through July 1, 2026; interest at 4.000% to 5.250%.	5,460,000
Total	\$ 19,691,000

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

Annual requirements to amortize long-term debt principal and interest at June 30, 2007:

Year Ending June 30,	Principal	Interest	Total
2008	\$ 1,541,000	\$ 914,447	\$ 2,455,447
2009	990,000	843,476	1,833,476
2010	1,015,000	802,349	1,817,349
2011	1,050,000	759,200	1,809,200
2012	1,070,000	710,212	1,780,212
2013-2017	5,420,000	2,826,845	8,246,845
2018-2022	4,875,000	1,599,018	6,474,018
2023-2027	3,730,000	398,957	4,128,957
Total	<u>\$ 19,691,000</u>	<u>\$ 8,854,504</u>	<u>\$ 28,545,504</u>

Restricted Funds available to service debt:

Year Ending June 30,	
Sinking	\$ 987,048
Reserve	<u>607,934</u>
Total	<u>\$ 1,594,982</u>

Advance Refunding

On February 15, 1995, the City issued \$3.275 million in Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds with an interest rate ranging from 3.00% to 5.20% to advance refund \$2.585 million of outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds with an interest rate ranging from 7.05% to 7.50%. The net proceeds of \$2,945,700 (after payment of \$154,488 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded revenue bonds. As a result, these bonds are considered to be defeased and the liability for those bonds has been removed from the enterprise long-term debt accounts.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

On May 15, 2004, the City issued \$2.895 million in Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds with an interest rate ranging from 3.250% to 4.250% to advance refund \$2.785 million of outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds with an interest rate ranging from 3.00% to 5.20%. The net proceeds of \$2,840,649 (after payment of \$54,351 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide funds for refunding the 1994 bond issue on August 15, 2004.

On May 28, 2004, the City issued \$7.150 million in Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program) with an interest rate ranging from 2.00% to 5.00% to advance refund \$7.595 million of outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds with an interest rate ranging from 1.10% to 5.00%. The net proceeds of \$7,746,086 (after payment of \$126,319 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide funds for refunding the 2003 bond issue on July 1, 2004.

The City in effect decreased its aggregate debt service payments by \$1,470,227 over the next 23 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$814,330.

On December 9, 2004, the City issued \$5.1 million in Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) with an interest rate ranging from 3.000% to 5.250% for the purpose of extending and improving the City's Combined Waterworks and Sewerage System. The net proceeds of \$5,207,300 (after payment of \$116,414 in underwriting fees, insurance, and other issuance costs plus accrued interest of \$223,714) will be used to extend and improve the system.

On April 21, 2007, the City issued \$5.46 million in Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) with an interest rate ranging from 4.000% to 5.250% for the purpose of extending and improving the City's Combined Waterworks and Sewerage System. The net proceeds of \$5,555,849 (after payment of \$103,108 in underwriting fees, insurance, and other issuance costs plus accrued interest of \$198,957) will be used to extend and improve the system.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

General obligation bonds represent indebtedness secured by the full faith and credit of the City. Revenue bonds are the obligation of specific Enterprise Funds and are generally payable solely from the revenues of the respective funds.

The Missouri State Constitution permits a City, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "City purposes" not to exceed ten percent of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional ten percent of the assessed value of taxable tangible property, 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 constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed twenty percent of the assessed valuation of taxable property.

At June 30, 2007, the Constitutional general obligation debt limit, based on the assessed valuation at December 31, 2006, of approximately \$121,948,528 was \$24,389,706 which, after reduction for outstanding general obligation bonds of \$0, provides a general obligation debt margin of \$24,389,709.

Common provisions in the revenue bond ordinances specify that the City:

- A. establish various restricted cash accounts as summarized in Note 2;
- B. periodically distribute the net revenues of the Enterprise Funds to the restricted accounts using the priorities and amounts indicated in the individual ordinances;
- C. set users' rates at levels which will generate revenues sufficient to pay ordinary operating and maintenance expenses and the revenue bond service;
- D. meet certain minimum revenue requirements before issuing additional revenue bonds serviceable from the respective fund;
- E. maintain reasonable insurance coverage for the respective funds' facilities, and
- F. may retire bonds early, including the payment of premiums, subject to conditions specified in the ordinances.

At June 30, 2007, retained earnings of the Enterprise Funds were reserved for debt service, operations and maintenance, and depreciation and replacement to the extent that assets restricted for these purposes exceeded related liabilities payable from restricted cash.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

D. Notes Payable- Governmental Activities

On June 17, 2003, the City entered into a note agreement with the Bank of Cairo and Moberly to finance the purchase of equipment in the amount of \$103,642. The note is payable on demand, but if demand is not made the note is payable in five annual payments. Interest is at 3 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider. This note was paid off during fiscal year 2007 with principal of \$43,297 and interest of \$10,310.

Balance at June 30, 2007 \$

On September 16, 2005, the City entered into a note agreement with the Bank Midwest to finance the purchase of equipment in the amount of \$35,877. The note is payable on demand, but if demand is not made the note is payable in three annual payments. Interest is at 4.2605 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider.

Balance at June 30, 2007 \$ 12,351

Scheduled payments are as follows:

Year Ending <u>June 30,</u>	
2008	<u>\$ 12,879</u>
	12,879
Less - amount representing interest	<u>528</u>
Total	<u><u>\$ 12,351</u></u>

On February 21, 2006, the City entered into a note agreement with the Bank Midwest to finance the purchase of equipment in the amount of \$16,022. The note is payable on demand, but if demand is not made the note is payable in two annual payments. Interest is at 4.050 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider.

Balance at June 30, 2007 \$ 8,163

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

Scheduled payments are as follows:

Year Ending <u>June 30,</u>	
2008	\$ <u>8,494</u>
	8,494
Less - amount representing interest	<u>331</u>
Total	<u>\$ 8,163</u>

On April 19, 2006, the City entered into a note agreement with the Bank Midwest to finance the purchase of equipment in the amount of \$18,744. The note is payable on demand, but if demand is not made the note is payable in two annual payments. Interest is at 4.050 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider.

Balance at June 30, 2007 \$ 9,560

Scheduled payments are as follows:

Year Ending <u>June 30,</u>	
2008	\$ <u>9,953</u>
	9,953
Less - amount representing interest	<u>393</u>
Total	<u>\$ 9,560</u>

On May 19, 2006, the City entered into a note agreement with the Bank Midwest to finance the purchase of equipment in the amount of \$32,660. The note is payable on demand, but if demand is not made the note is payable in three annual payments. Interest is at 4.1861 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider.

Balance at June 30, 2007 \$ 22,215

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

Scheduled payments are as follows:

Year Ending <u>June 30,</u>	
2008	\$ 11,811
2009	<u>11,810</u>
	23,621
Less - amount representing interest	<u>1,406</u>
Total	<u>\$ 22,215</u>

On November 7, 2006, the City entered into a note agreement with the Bank Midwest to finance the purchase of equipment in the amount of \$28,000. The note is payable on demand, but if demand is not made the note is payable in three annual payments. Interest is at 4.050 percent. Equipment is pledged as collateral. The loan is subject to an annual non-appropriation termination rider.

Balance at June 30, 2007	<u>\$ 28,000</u>
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Scheduled payments are as follows:

Year Ending <u>June 30,</u>	
2008	\$ 14,868
2009	<u>14,867</u>
	29,735
Less - amount representing interest	<u>1,735</u>
Total	<u>\$ 28,000</u>

E. Leases - Governmental Activities

The City is the lessee under several capital leases. The following is a summary of the future minimum lease payments under the leases as of June 30, 2007 assuming noncancellation:

Year Ended <u>June 30,</u>	Athletic Complex <u>Project</u>	<u>Equipment</u>	<u>Total</u>
2008	\$ 505,108	\$ 95,568	\$ 505,108
2009	941,737	95,567	941,737
2010	—	76,638	76,638
2011	—	57,578	57,578
	<u>1,446,845</u>	<u>325,351</u>	<u>1,772,196</u>
Less - Amount Representing Interest	<u>(106,845)</u>	<u>(30,311)</u>	<u>(137,156)</u>
Total Minimum Lease Payments	<u>\$ 1,340,000</u>	<u>\$ 295,040</u>	<u>\$ 1,635,040</u>

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

In August, 1999, the City entered into a leasing agreement to fund the construction of the Athletic Complex Project. The agreement is backed by leasehold revenue bonds issued by the Moberly, Missouri, Public Building Corporation. The City is obligated to make rental payments sufficient to pay the \$4,250,000 Series 1999 bonds principal and interest to the Moberly, Missouri, Public Building Corporation. The lease is cancelable by the City at any time during the lease by exercising a non-appropriation clause. However, the City is not expected to abandon the lease and, accordingly, the lease obligation is regarded as debt.

On April 4, 2007, the City entered into a leasing agreement with Clayton Holdings, LLC to finance the purchase of equipment. The lease is cancelable by the City at any time during the lease by exercising a non-appropriation clause. However, the City is not expected to abandon the lease and, accordingly, the lease obligation is regarded as debt.

F. Interfund Transfers

Interfund transfers during the year ended June 30, 2007 were as follows:

Disbursing Fund	Receiving Fund	Amount
General	Perpetual Care Interest	\$ 8,725
General	Airport Operating	27,158
General	McCormick Place TIF	26,492
General	Hwy. 63 Waterline Relocation	1,200
General	Cell Franchise Tax	50,618
General	Historic Preservation	4,000
CWWSS	General	159,117
Capital Improvement Trust	CWWSS	903,017
Capital Improvement Trust	McCormick Place TIF	13,232
Capital Improvement Trust	General	103,487
City Transportation Trust	McCormick Place TIF	13,231
Park Sales Tax Trust	Parks and Recreation	96,117
Use Tax Trust	General	51,283
Use Tax Trust	City Transportation Trust	28,788
Use Tax Trust	Capital Improvement Trust	35,846
Security Equipment Grant	General	1,726

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

<u>Disbursing</u>	<u>Receiving</u>	<u>Purpose of Transfer</u>
General	Perpetual Care Interest	Budgeted transfer for operational expenses/fund balance.
General	Airport Operating	Budgeted transfer for operational expenses/fund balance.
General	McCormick Place TIF	Budgeted transfer of portion of sales tax receipts, combined with similar percentages from Transportation Trust Fund and Capital Improvement Trust Fund plus contribution from Randolph County, all refunded to Orscheln Properties under terms of the TIF.
General	Hwy. 63 Interchanges	Transfer City match portion of grant to grant fund.
General	Cell Franchise Tax	Transfer settlement of cellular telephone franchise fee lawsuit into segregated special projects fund to be disbursed as directed by City Council.
General	Historic Preservation	Transfer City match portion of grant to grant fund.
CWSS	General	Budgeted transfer of administrative fees from Utilities to General Fund.
Capital Improvement Trust	CWSS	Payment of bond principal plus interest for 2004B bonds.
Capital Improvement Trust	McCormick Place TIF	Budgeted transfer of portion of sales tax receipts, combined with similar percentages from Transportation Trust Fund and General Fund plus contribution from Randolph County, all refunded to Orscheln Properties under terms of the TIF.
Capital Improvement Trust	General	Budgeted transfer of sewer main repair arbitration settlement. Was originally deposited into incorrect fund.
City Transportation Trust	McCormick Place TIF	Budgeted transfer of portion of sales tax receipts, combined with similar percentages from Capital Improvement Trust Fund and General Fund plus contribution from Randolph County, all refunded to Orscheln Properties under terms of the TIF.
Park Sales Tax Trust	Parks and Recreation	Budgeted transfer for operational expenses/fund balance.
Use Tax Trust	General	Budgeted transfer for operational expenses/fund balance.
Use Tax Trust	City Transportation Trust	Close CD investment of use tax funds and transfer balance to correct fund.
Use Tax Trust	Capital Improvement Trust	Close CD investment of use tax funds and transfer balance to correct fund.
Security Equipment Grant	General	Transfer grant funds for purchase of security related equipment.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

G. Restricted Net Assets

<u>Activity</u>	<u>Restricted By</u>	<u>Amount</u>
Capital Improvement Trust	Law	\$ 688,159
City Transportation Trust	Law	1,985,493
Park Sales Tax Trust	Law	823,041
Airport Operating	Council action	3,757
Parks and Recreation	Council action	290,476
Street Improvements	Council action	283,321
Perpetual Care Cemetery Principal	Law	259,359
Perpetual Care Cemetery Interest	Law	(362)
MODAG Grant/Loan	Council action	24,297
911 Emergency Telephone Service	Law	221,379
Use Tax Trust	Law	264,292
DNR Grant	Law	62,161
Rollins Street Renovation	Law	1,821
Police Grant Match	Law	49
Fire Escrow	Council action	7,350
Project Residuals	Council action	6,191
Bullet Proof Vest	Council action	1,628
Cell Franchise	Council action	50,618
Health Account	Council action	337,943
		<u>\$ 5,310,973</u>

H. Deficit Fund Balance

At June 30, 2007, the Perpetual Care Cemetery - Interest Fund had a deficit fund balance of \$362.

IV. OTHER INFORMATION

A. Employee Pension Plan

1. Plan Description

The City of Moberly participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

IV. OTHER INFORMATION (Continued)

LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

2. Funding Status

The City of Moberly's full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rate is 9.6% (general), 5.1% (police) and 7.0% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

3. Annual Pension Cost

For 2007, the political subdivision's annual pension cost of \$309,428 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2005 and/or February 28, 2006 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2007 included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually, (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back 1 year for men and 7 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2007 was 15 years.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

IV. OTHER INFORMATION (Continued)

Three-Year Trend Information

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/05	\$ 316,900	100%	\$ —
6/30/06	350,998	100%	—
6/30/07	309,428	100%	—

B. Assessed Valuation and Tax Levy

The assessed valuation of the tangible taxable property and the tax levies per \$100 assessed valuation of that property for 2006 were \$121,948,528.

Tax Rates per \$100 Assessed Valuation

General	\$.6945
Park	.3222
Total	<u>\$ 1.0167</u>

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by June 30.

C. Special Tax Bills

During the fiscal year ended June 30, 1986, the City issued Special Tax Bills totaling \$308,085 in relation to sewer lines constructed in five sewer districts. There is \$1,594 due from an individual at June 30, 2007.

Ordinance No. 6888 passed May 3, 1993, assessed the costs for the Moberly Downtown Neighborhood Improvement Project. The costs totaled \$159,305.85 and are a special assessment against the property. Property owners may elect to pay the assessment in full or over a period of time at 6.5% interest. As of June 30, 2007, assessments in the amount of \$155,975.85 had been paid, leaving unpaid special assessments of \$3,330.00.

The City of Moberly has a city-wide cleanup program where private contractors demolish dilapidated structures within the city limits with the costs being charged as a special assessment against the property. The balance of the special assessments at June 30, 2007 totaled \$193,478.43.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

IV. OTHER INFORMATION (Continued)

D. Post-Employment Health Care Benefits

The City provides health and dental insurance to employees who retire after thirty years of service with the City. The coverage is provided until the employee qualifies for Medicare. At June 30, 2007, there were eleven employees that qualified for benefits and the City contributed \$343.55 to individual employee accounts on a monthly basis. The total contribution for fiscal year 2007 was \$37,790.

E. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance.

F. Landfill Closure and Postclosure Costs

State and federal laws and regulations require that the City of Moberly place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Since the City reports on the cash basis of accounting no liability is reported in the financial statements for future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of the landfill closure and postclosure costs should be based on the amount of landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$3,214,068 as of June 30, 2007, which is based on 17.1% usage of the landfill. The actual cost of closure and postclosure care is subject to changes resulting from inflation/deflation, changes in technology, or changes in landfill laws and regulations. The landfill is expected to be filled to capacity in the year 2038.

On April 12, 2005, the City entered into an agreement with Onyx Waste Services Midwest, Inc. and Onyx Maple Hill Landfill, Inc. to provide for the collection and disposal of waste and for the closure of the City's landfill. In connection with the landfill closure, Onyx agreed to fund the actual costs for the closure not to exceed \$1,008,000. Onyx also agreed to purchase the City's existing landfill equipment for \$355,000. As of June 30, 2007, the Company has expended \$1,043,025 for landfill closure.

The City does not have assets currently restricted for payment of closure and postclosure care costs. The City intends to finance landfill closure and postclosure care costs from charges to future landfill users and/or General Fund reserves.

CITY OF MOBERLY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

IV. OTHER INFORMATION (Continued)

G. Contingencies

The City routinely becomes involved in lawsuits arising in the ordinary course of business. Based on discussions with the City Attorney, management believes there are no outstanding matters which will have a material effect on the financial statements of the City.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

H. Note Receivable

The Randolph County/Moberly City Economic Development Corporation is indebted to the City in the amount of \$368,647.24. The note is non-interest bearing and is to be paid in full by June 30, 2008.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MOBERLY, MISSOURI
PENSION PLAN FUNDING PROGRESS
YEAR ENDED JUNE 30, 2007

The following information is required and presented in accordance with Governmental Accounting Board Statement 27, "Accounting for Pensions by State and Local Governmental Employers" (see Note IV-A).

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

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
02/28/2005	\$ 11,967,319	\$ 11,330,164	\$ (637,155)	106%	\$ 4,015,253	
02/28/2006	12,145,494	10,935,832	(1,209,662)	111%	3,778,693	
02/28/2007	12,003,569	10,424,385	(1,579,184)	115%	3,875,744	

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.

COMBINING FINANCIAL STATEMENTS

COMBINING FINANCIAL STATEMENTS

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Airport Operating	Accounts for revenues and expenditures of the Airport Operating Fund
Parks and Recreation	Accounts for revenues and expenditures of the Parks and Recreation Fund
Street Improvements	Accounts for revenues and expenditures of the Street Improvements Fund
Perpetual Care Cemetery Principal	Accounts for revenues and expenditures of the Perpetual Care Cemetery Principal Fund
Perpetual Care Cemetery Interest	Accounts for revenues and expenditures of the Perpetual Care Cemetery Interest Fund
MODAG Grant/Loan	Accounts for revenues and expenditures of the MODAG Grant/Loan Fund
911 Emergency Telephone	Accounts for revenues and expenditures of the 911 Emergency Telephone Fund
Use Tax Trust	Accounts for revenues and expenditures of the Use Tax Trust Fund
McCormick Place TIF	Accounts for revenues and expenditures of the McCormick Place TIF Fund
DNR Grant	Accounts for revenues and expenditures of the DNR Grant Fund
Hwy. 63 Waterline Relocation	Accounts for revenues and expenditures of the Hwy. 63 Waterline Relocation Fund
Rollins Street Renovation	Accounts for revenues and expenditures of the Rollins Street Renovation Fund
Police Grant Match	Accounts for revenues and expenditures of the Police Grant Match Fund
Fire Escrow	Accounts for revenues and expenditures of the Fire Escrow Fund

Project Residuals

Accounts for revenues and expenditures of
Project Residuals

Security Equipment Grant

Accounts for revenues and expenditures of the
Security Equipment Grant Fund

Bullet Proof Vest Grant

Accounts for revenues and expenditures of the
Bullet Proof Vest Grant

Cell Franchise

Accounts for revenues and expenditures of the
Cell Franchise Fund

Historic Preservation

Accounts for revenues and expenditures of the
Historic Preservation

CITY OF MOBERLY, MISSOURI
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF ASSETS AND FUND BALANCES -
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2007

	<u>Airport Operating Fund</u>	<u>Parks and Recreation</u>	<u>Street Improvements</u>	<u>Perpetual Care Cemetery Principal</u>	<u>Perpetual Care Cemetery Interest</u>	<u>MODAG Grant/Loan</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Due from other funds	<u>3,757</u>	<u>290,476</u>	<u>283,321</u>	<u>9,359</u>	<u>-</u>	<u>24,297</u>
TOTAL ASSETS	<u>\$ 3,757</u>	<u>\$ 290,476</u>	<u>\$ 283,321</u>	<u>\$ 259,359</u>	<u>\$ -</u>	<u>\$ 24,297</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 362	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>362</u>	<u>-</u>
FUND BALANCE						
Designated for debt service	-	-	-	-	-	-
Undesignated (Deficit)	<u>3,757</u>	<u>290,476</u>	<u>283,321</u>	<u>259,359</u>	<u>(362)</u>	<u>24,297</u>
TOTAL FUND BALANCE	<u>\$ 3,757</u>	<u>\$ 290,476</u>	<u>\$ 283,321</u>	<u>\$ 259,359</u>	<u>\$ (362)</u>	<u>\$ 24,297</u>

911 Emergency Telephone Service	Use Tax Trust Fund	McCormick Place TIF	DNR Grant	Hwy. 63 Waterline Relocation	Rollins Street Renovation	Police Grant Match	Fire Escrow
\$ -	\$ 264,292	\$ -	\$ 62,161	\$ -	\$ 1,821	\$ 49	\$ 7,350
<u>221,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 221,379</u>	<u>\$ 264,292</u>	<u>\$ -</u>	<u>\$ 62,161</u>	<u>\$ -</u>	<u>\$ 1,821</u>	<u>\$ 49</u>	<u>\$ 7,350</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>221,379</u>	<u>264,292</u>	<u>-</u>	<u>62,161</u>	<u>-</u>	<u>1,821</u>	<u>49</u>	<u>7,350</u>
<u>\$ 221,379</u>	<u>\$ 264,292</u>	<u>\$ -</u>	<u>\$ 62,161</u>	<u>\$ -</u>	<u>\$ 1,821</u>	<u>\$ 49</u>	<u>\$ 7,350</u>

<u>Project Residuals</u>	<u>Security Equipment Grant</u>	<u>Bulletproof Vest Grant</u>	<u>Cell Franchise</u>	<u>Historic Preservation</u>	<u>Totals (Memorandum Only)</u>
\$ -	\$ -	\$ 1,628	\$ -	\$ -	\$ 587,301
<u>6,191</u>	<u>-</u>	<u>-</u>	<u>50,618</u>	<u>-</u>	<u>889,398</u>
<u>\$ 6,191</u>	<u>\$ -</u>	<u>\$ 1,628</u>	<u>\$ 50,618</u>	<u>\$ -</u>	<u>\$ 1,476,699</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 362</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>362</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,191</u>	<u>-</u>	<u>1,628</u>	<u>50,618</u>	<u>-</u>	<u>1,476,337</u>
<u>\$ 6,191</u>	<u>\$ -</u>	<u>\$ 1,628</u>	<u>\$ 50,618</u>	<u>\$ -</u>	<u>\$ 1,476,337</u>

CITY OF MOBERLY, MISSOURI
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES
PAID AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

	Airport Operating Fund	Parks and Recreation	Street Improvements	Perpetual Care Cemetery Principal	Perpetual Care Cemetery Interest	MODAG Grant/Loan
REVENUES COLLECTED						
Property taxes	\$ -	\$ 382,831	\$ 397,055	\$ -	\$ -	\$ -
Other taxes	-	3,754	-	-	-	-
Charges for goods and services	147,672	126,566	-	-	-	-
Federal and state grants	524,243	-	-	-	-	-
Interest income	-	-	-	-	11,360	-
Miscellaneous	5,586	3,246	-	5,538	-	-
Total Revenues Collected	<u>677,501</u>	<u>516,397</u>	<u>397,055</u>	<u>5,538</u>	<u>11,360</u>	<u>-</u>
EXPENDITURES PAID						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	10,650	-
Transportation	742,149	-	146,068	-	-	-
Park and recreation	-	578,815	-	-	-	-
Debt service	-	-	-	-	-	-
Total Expenditures Paid	<u>742,149</u>	<u>578,815</u>	<u>146,068</u>	<u>-</u>	<u>10,650</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(64,648)</u>	<u>(62,418)</u>	<u>250,987</u>	<u>5,538</u>	<u>710</u>	<u>-</u>
Other Financing Sources (Uses)	<u>27,158</u>	<u>96,117</u>	<u>-</u>	<u>-</u>	<u>8,725</u>	<u>-</u>
Excess (Deficit) of Revenue Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(37,490)</u>	<u>33,699</u>	<u>250,987</u>	<u>5,538</u>	<u>9,435</u>	<u>-</u>
Fund Balance, beginning of year (Deficit)	<u>41,247</u>	<u>256,777</u>	<u>32,334</u>	<u>253,821</u>	<u>(9,797)</u>	<u>24,297</u>
Fund Balance, end of year (Deficit)	<u>\$ 3,757</u>	<u>\$ 290,476</u>	<u>\$ 283,321</u>	<u>\$ 259,359</u>	<u>\$ (362)</u>	<u>\$ 24,297</u>

911 Emergency Telephone Service	Use Tax Trust Fund	McCormick Place TIF	DNR Grant	Hwy. 63 Waterline Relocation	Rollins Street Renovation	Police Grant Match	Fire Escrow
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
218,893	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,800	20,503	-	-
-	3,299	-	2,180	-	-	-	20
-	-	-	23,978	-	-	-	4,410
<u>218,893</u>	<u>3,299</u>	<u>-</u>	<u>26,158</u>	<u>4,800</u>	<u>20,503</u>	<u>-</u>	<u>4,430</u>
-	-	52,955	45,766	-	-	-	1,099
69,640	-	-	-	-	-	-	-
-	-	-	-	6,000	21,664	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>69,640</u>	<u>-</u>	<u>52,955</u>	<u>45,766</u>	<u>6,000</u>	<u>21,664</u>	<u>-</u>	<u>1,099</u>
<u>149,253</u>	<u>3,299</u>	<u>(52,955)</u>	<u>(19,608)</u>	<u>(1,200)</u>	<u>(1,161)</u>	<u>-</u>	<u>3,331</u>
<u>-</u>	<u>(115,917)</u>	<u>52,955</u>	<u>-</u>	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
149,253	(112,618)	-	(19,608)	-	(1,161)	-	3,331
<u>72,126</u>	<u>376,910</u>	<u>-</u>	<u>81,769</u>	<u>-</u>	<u>2,982</u>	<u>49</u>	<u>4,019</u>
<u>\$ 221,379</u>	<u>\$ 264,292</u>	<u>\$ -</u>	<u>\$ 62,161</u>	<u>\$ -</u>	<u>\$ 1,821</u>	<u>\$ 49</u>	<u>\$ 7,350</u>

<u>Project Residuals</u>	<u>Security Equipment Grant</u>	<u>Bulletproof Vest Grant</u>	<u>Cell Franchise</u>	<u>Historic Preservation</u>	<u>Totals (Memorandum Only)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 779,886
-	-	-	-	-	222,647
-	-	-	-	-	274,238
-	-	1,628	-	-	551,174
-	-	-	-	-	16,859
-	-	-	-	-	42,758
<u>-</u>	<u>-</u>	<u>1,628</u>	<u>-</u>	<u>-</u>	<u>1,887,562</u>
26,397	-	-	-	4,000	130,217
-	-	-	-	-	80,290
-	-	-	-	-	915,881
-	-	-	-	-	578,815
-	-	-	-	-	-
<u>26,397</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>1,705,203</u>
(26,397)	-	1,628	-	(4,000)	182,359
-	(1,726)	-	50,618	4,000	123,130
(26,397)	(1,726)	1,628	50,618	-	305,489
32,588	1,726	-	-	-	1,170,848
<u>\$ 6,191</u>	<u>\$ -</u>	<u>\$ 1,628</u>	<u>\$ 50,618</u>	<u>\$ -</u>	<u>\$ 1,476,337</u>

**CITY OF MOBERLY, MISSOURI
AIRPORT OPERATING FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Charges for goods and services	\$ 89,800	\$ 89,800	\$ 147,672	\$ 57,872
Federal and state grants	630,000	630,000	524,243	(105,757)
Miscellaneous	5,000	5,000	5,586	586
Total Revenues Collected	<u>724,800</u>	<u>724,800</u>	<u>677,501</u>	<u>(47,299)</u>
EXPENDITURES PAID				
Transportation				
Salaries and payroll taxes	32,983	32,983	36,284	(3,301)
Supplies and materials	74,025	74,025	140,512	(66,487)
Repairs and maintenance	10,000	10,000	4,195	5,805
Contractual services	150,000	150,000	45,803	104,197
Capital outlay	480,250	480,250	508,328	(28,078)
Miscellaneous	4,700	4,700	7,027	(2,327)
Total Expenditures Paid	<u>751,958</u>	<u>751,958</u>	<u>742,149</u>	<u>9,809</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(27,158)</u>	<u>(27,158)</u>	<u>(64,648)</u>	<u>(37,490)</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	27,158	27,158	27,158	-
Total Other Financing Sources (Uses)	<u>27,158</u>	<u>27,158</u>	<u>27,158</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	(37,490)	<u>\$ (37,490)</u>
Fund Balance, beginning of year	<u>41,247</u>	<u>41,247</u>	<u>41,247</u>	
Fund Balance, end of year	<u>\$ 41,247</u>	<u>\$ 41,247</u>	<u>\$ 3,757</u>	

**CITY OF MOBERLY, MISSOURI
PARKS AND RECREATION FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Property taxes	\$ 365,000	\$ 365,000	\$ 382,831	\$ 17,831
Other taxes	3,000	3,000	3,754	754
Charges for goods and services	107,100	107,100	126,566	19,466
Miscellaneous	2,000	2,000	3,246	1,246
Total Revenues Collected	<u>477,100</u>	<u>477,100</u>	<u>516,397</u>	<u>39,297</u>
EXPENDITURES PAID				
Parks and Recreation				
Concessions				
Salaries and payroll taxes	22,109	22,109	19,010	3,099
Supplies and materials	2,000	2,000	1,828	172
Repairs and maintenance	150	150	-	150
Contractual services	500	500	399	101
Total Concessions	<u>24,759</u>	<u>24,759</u>	<u>21,237</u>	<u>3,522</u>
Parks				
Salaries and payroll taxes	193,528	193,528	152,715	40,813
Supplies and materials	45,450	45,450	55,049	(9,599)
Repairs and maintenance	20,150	20,150	-	20,150
Contractual services	19,100	19,100	46,244	(27,144)
Capital outlay	22,000	22,000	19,171	2,829
Miscellaneous	1,100	1,100	2,434	(1,334)
Total Parks	<u>301,328</u>	<u>301,328</u>	<u>275,613</u>	<u>25,715</u>
Swimming Pool				
Salaries and payroll taxes	29,094	29,094	37,660	(8,566)
Supplies and materials	19,850	19,850	22,366	(2,516)
Repairs and maintenance	2,750	2,750	-	2,750
Contractual services	4,000	4,000	7,042	(3,042)
Capital outlay	3,000	3,000	2,391	609
Miscellaneous	500	500	421	79
Total Swimming Pool	<u>59,194</u>	<u>59,194</u>	<u>69,880</u>	<u>(10,686)</u>

**CITY OF MOBERLY, MISSOURI
PARKS AND RECREATION FUND (CONTINUED)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES PAID (cont'd)				
Recreation				
Salaries and payroll taxes	182,043	182,043	183,113	(1,070)
Supplies and materials	23,050	23,050	20,760	2,290
Contractual services	11,825	11,825	9,204	2,621
Capital outlay	-	-	(3,062)	3,062
Miscellaneous	4,650	4,650	2,070	2,580
Total Recreation	<u>221,568</u>	<u>221,568</u>	<u>212,085</u>	<u>9,483</u>
Total Expenditures Paid	<u>606,849</u>	<u>606,849</u>	<u>578,815</u>	<u>28,034</u>
Excess (Deficit) of Revenues				
Collected over Expenditures Paid	<u>(129,749)</u>	<u>(129,749)</u>	<u>(62,418)</u>	<u>67,331</u>
Other Financing Sources (Uses)				
Interfund Transfers in (out)				
Park Sales Tax Trust Fund	<u>136,849</u>	<u>136,849</u>	<u>96,117</u>	<u>(40,732)</u>
Total Other Financing sources (Uses)	<u>136,849</u>	<u>136,849</u>	<u>96,117</u>	<u>(40,732)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	7,100	7,100	33,699	<u>\$ 26,599</u>
Fund Balance, beginning of year	<u>\$ 256,777</u>	<u>\$ 256,777</u>	<u>\$ 256,777</u>	
Fund Balance, end of year	<u>\$ 263,877</u>	<u>\$ 263,877</u>	<u>\$ 290,476</u>	

**CITY OF MOBERLY, MISSOURI
STREET IMPROVEMENTS FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 400,000	\$ 400,000	\$ 397,055	\$ (2,945)
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Revenues Collected	<u>401,000</u>	<u>401,000</u>	<u>397,055</u>	<u>(3,945)</u>
EXPENDITURES PAID				
Transportation				
Repairs and maintenance	80,000	80,000	107,995	(27,995)
Capital outlay	84,280	84,280	37,549	46,731
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>524</u>	<u>2,476</u>
Total Expenditures Paid	<u>167,280</u>	<u>167,280</u>	<u>146,068</u>	<u>21,212</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>233,720</u>	<u>233,720</u>	<u>250,987</u>	<u>17,267</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	<u>(233,720)</u>	<u>(233,720)</u>	<u>-</u>	<u>233,720</u>
Total Other Financing Sources (Uses)	<u>(233,720)</u>	<u>(233,720)</u>	<u>-</u>	<u>233,720</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	250,987	<u>\$ 250,987</u>
Fund Balance, beginning of year	<u>32,334</u>	<u>32,334</u>	<u>32,334</u>	
Fund Balance, end of year	<u>\$ 32,334</u>	<u>\$ 32,334</u>	<u>\$ 283,321</u>	

**CITY OF MOBERLY, MISSOURI
 PERPETUAL CARE CEMETERY - PRINCIPAL FUND
 STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,538	\$ 538
Total Revenues Collected	<u>5,000</u>	<u>5,000</u>	<u>5,538</u>	<u>538</u>
EXPENDITURES PAID				
Public Safety				
Miscellaneous	-	-	-	-
Total Expenditures Paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (Deficit) of Revenues Collected over Expenditures Paid	 5,000	 5,000	 5,538	 <u>\$ 538</u>
 Fund Balance, beginning of year	 <u>253,821</u>	 <u>253,821</u>	 <u>253,821</u>	
 Fund Balance, end of year	 <u>\$ 258,821</u>	 <u>\$ 258,821</u>	 <u>\$ 259,359</u>	

CITY OF MOBERLY, MISSOURI
PERPETUAL CARE CEMETERY - INTEREST FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Interest income	\$ 10,000	\$ 10,000	\$ 11,360	\$ 1,360
Total Revenues Collected	<u>10,000</u>	<u>10,000</u>	<u>11,360</u>	<u>1,360</u>
EXPENDITURES PAID				
Public Safety				
Supplies and materials	3,725	3,725	1,525	2,200
Repairs and maintenance	10,000	10,000	8,501	1,499
Contractual services	4,000	4,000	549	3,451
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>75</u>	<u>925</u>
Total Expenditures Paid	<u>18,725</u>	<u>18,725</u>	<u>10,650</u>	<u>8,075</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(8,725)</u>	<u>(8,725)</u>	<u>710</u>	<u>9,435</u>
Other Financing Sources (Uses)				
Interfund Transfers in (out)				
General Fund	<u>8,725</u>	<u>8,725</u>	<u>8,725</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>8,725</u>	<u>8,725</u>	<u>8,725</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	9,435	<u>\$ 9,435</u>
Fund Balance, beginning of year	<u>(9,797)</u>	<u>(9,797)</u>	<u>(9,797)</u>	
Fund Balance, end of year (deficit)	<u>\$ (9,797)</u>	<u>\$ (9,797)</u>	<u>\$ (362)</u>	

**CITY OF MOBERLY, MISSOURI
MODAG GRANT/LOAN FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		Positive (Negative)
REVENUES COLLECTED				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	-	-	-	-
EXPENDITURES PAID				
Total Expenditures Paid	-	-	-	-
Excess (Deficit) of Revenues Collected over Expenditures Paid	-	-	-	\$ -
Fund Balance, beginning of year	26,797	26,797	24,297	
Fund Balance, end of year	\$ 26,797	\$ 26,797	\$ 24,297	

CITY OF MOBERLY, MISSOURI
911 EMERGENCY TELEPHONE SERVICE FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 185,000	\$ 185,000	\$ 218,893	\$ 33,893
Total Revenues Collected	<u>185,000</u>	<u>185,000</u>	<u>218,893</u>	<u>33,893</u>
EXPENDITURES PAID				
Public Safety				
Supplies and materials	47,000	47,000	33,096	13,904
Capital outlay	<u>8,000</u>	<u>8,000</u>	<u>36,544</u>	<u>(28,544)</u>
Total Expenditures Paid	<u>55,000</u>	<u>55,000</u>	<u>69,640</u>	<u>(14,640)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>130,000</u>	<u>130,000</u>	<u>149,253</u>	<u>19,253</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>150,000</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>150,000</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	(20,000)	(20,000)	149,253	<u>\$ 169,253</u>
Fund Balance, beginning of year	<u>72,126</u>	<u>72,126</u>	<u>72,126</u>	
Fund Balance, end of year	<u>\$ 52,126</u>	<u>\$ 52,126</u>	<u>\$ 221,379</u>	

CITY OF MOBERLY, MISSOURI
USE TAX TRUST FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Interest income	\$ 1,500	\$ 1,500	\$ 3,299	\$ 1,799
Total Revenues Collected	<u>1,500</u>	<u>1,500</u>	<u>3,299</u>	<u>1,799</u>
EXPENDITURES PAID	-	-	-	-
Total Expenditures Paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>1,500</u>	<u>1,500</u>	<u>3,299</u>	<u>1,799</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	(49,517)	(49,517)	(51,283)	(1,766)
City Transportation Trust Fund	-	-	(28,788)	(28,788)
Capital Improvement Trust Fund	-	-	(35,846)	(35,846)
Total Other Financing Sources (Uses)	<u>(49,517)</u>	<u>(49,517)</u>	<u>(115,917)</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(48,017)</u>	<u>(48,017)</u>	<u>(112,618)</u>	<u>\$ 1,799</u>
Fund Balance, beginning of year	<u>376,910</u>	<u>376,910</u>	<u>376,910</u>	
Fund Balance, end of year	<u>\$ 328,893</u>	<u>\$ 328,893</u>	<u>\$ 264,292</u>	

**CITY OF MOBERLY, MISSOURI
MCCORMICK PLACE TIF FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Property taxes	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES PAID				
General Government				
Contractual services	-	-	52,955	(52,955)
Total Expenditures Paid	<u>-</u>	<u>-</u>	<u>52,955</u>	<u>(52,955)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>-</u>	<u>-</u>	<u>(52,955)</u>	<u>(52,955)</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	-	-	26,492	26,492
City Transportation Trust Fund	-	-	13,231	13,231
Capital Improvement Trust Fund	-	-	13,232	13,232
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>52,955</u>	<u>52,955</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

**CITY OF MOBERLY, MISSOURI
DNR GRANT FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Interest income	\$ -	\$ -	\$ 2,180	\$ 2,180
Miscellaneous	4,500	4,500	23,978	19,478
Total Revenues Collected	<u>4,500</u>	<u>4,500</u>	<u>26,158</u>	<u>21,658</u>
EXPENDITURES PAID				
General Government				
Contractual services	80,000	80,000	44,157	35,843
Miscellaneous	3,500	3,500	1,609	1,891
Total Expenditures Paid	<u>83,500</u>	<u>83,500</u>	<u>45,766</u>	<u>37,734</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(79,000)</u>	<u>(79,000)</u>	<u>(19,608)</u>	<u>59,392</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(79,000)</u>	<u>(79,000)</u>	<u>(19,608)</u>	<u>\$ 59,392</u>
Fund Balance, beginning of year	<u>81,769</u>	<u>81,769</u>	<u>81,769</u>	
Fund Balance, end of year	<u>\$ 2,769</u>	<u>\$ 2,769</u>	<u>\$ 62,161</u>	

**CITY OF MOBERLY, MISSOURI
HIGHWAY 63 WATERLINE RELOCATION FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Federal and state grants	\$ -	\$ 6,000	\$ 4,800	\$ (1,200)
Total Revenues Collected	<u>-</u>	<u>6,000</u>	<u>4,800</u>	<u>(1,200)</u>
EXPENDITURES PAID				
Transportation				
Contractual services	-	6,000	6,000	-
Total Expenditures Paid	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>-</u>	<u>-</u>	<u>(1,200)</u>	<u>(1,200)</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	-	-	1,200	1,200
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>1,200</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

**CITY OF MOBERLY, MISSOURI
 ROLLINS STREET RENOVATION FUND
 STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Federal and state grants	\$ -	\$ 22,000	\$ 20,503	\$ (1,497)
Total Revenues Collected	<u>-</u>	<u>22,000</u>	<u>20,503</u>	<u>(1,497)</u>
EXPENDITURES PAID				
Transportation				
Contractual services	-	22,000	21,664	336
Total Expenditures Paid	<u>-</u>	<u>22,000</u>	<u>21,664</u>	<u>336</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	-	-	(1,161)	<u>\$ (1,161)</u>
Fund Balance, beginning of year	<u>2,982</u>	<u>2,982</u>	<u>2,982</u>	
Fund Balance, end of year	<u>\$ 2,982</u>	<u>\$ 2,982</u>	<u>\$ 1,821</u>	

**CITY OF MOBERLY, MISSOURI
POLICE GRANT MATCH FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES PAID				
Public Safety				
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
2003 LLEBG Police Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year	<u>49</u>	<u>49</u>	<u>49</u>	
Fund Balance, end of year	<u>\$ 49</u>	<u>\$ 49</u>	<u>\$ 49</u>	

**CITY OF MOBERLY, MISSOURI
 FIRE ESCROW FUND
 STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Interest income	\$ -	\$ -	\$ 20	\$ 20
Miscellaneous	<u>100,000</u>	<u>107,025</u>	<u>4,410</u>	<u>(102,615)</u>
Total Revenues Collected	<u>100,000</u>	<u>107,025</u>	<u>4,430</u>	<u>(102,595)</u>
EXPENDITURES PAID				
General government				
Miscellaneous	<u>-</u>	<u>7,025</u>	<u>1,099</u>	<u>5,926</u>
Total Expenditures Paid	<u>-</u>	<u>7,025</u>	<u>1,099</u>	<u>5,926</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	100,000	100,000	3,331	<u>\$ (96,669)</u>
Fund Balance, beginning of year	<u>4,019</u>	<u>4,019</u>	<u>4,019</u>	
Fund Balance, end of year	<u>\$ 104,019</u>	<u>\$ 104,019</u>	<u>\$ 7,350</u>	

**CITY OF MOBERLY, MISSOURI
PROJECT RESIDUALS FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES PAID				
General Government				
Miscellaneous	32,588	32,588	26,397	6,191
Total Expenditures Paid	<u>32,588</u>	<u>32,588</u>	<u>26,397</u>	<u>6,191</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(32,588)</u>	<u>(32,588)</u>	<u>(26,397)</u>	<u>6,191</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(32,588)</u>	<u>(32,588)</u>	<u>(26,397)</u>	<u>\$ 6,191</u>
Fund Balance, beginning of year	<u>32,588</u>	<u>32,588</u>	<u>32,588</u>	
Fund Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,191</u>	

**CITY OF MOBERLY, MISSOURI
SECURITY EQUIPMENT GRANT FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Federal and state grants	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	-	-	-	-
EXPENDITURES PAID				
Total Expenditures Paid	-	-	-	-
Excess (Deficit) of Revenues Collected over Expenditures Paid	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General Fund	-	-	(1,726)	(1,726)
Total Other Financing Sources (Uses)	-	-	(1,726)	(1,726)
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	(1,726)	<u>\$ (1,726)</u>
Fund Balance, beginning of year	1,726	1,726	1,726	
Fund Balance, end of year	<u>\$ 1,726</u>	<u>\$ 1,726</u>	<u>\$ -</u>	

**CITY OF MOBERLY, MISSOURI
 BULLET PROOF VEST GRANT FUND
 STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Federal and state grants	\$ -	\$ -	\$ 1,628	\$ 1,628
Total Revenues Collected	<u>-</u>	<u>-</u>	<u>1,628</u>	<u>1,628</u>
EXPENDITURES PAID				
Total Expenditures Paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>-</u>	<u>-</u>	<u>1,628</u>	<u>1,628</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,628</u>	<u>\$ 1,628</u>
Fund Balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,628</u>	

**CITY OF MOBERLY, MISSOURI
CELL FRANCHISE FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	-	-	-	-
EXPENDITURES PAID				
Total Expenditures Paid	-	-	-	-
Excess (Deficit) of Revenues Collected over Expenditures Paid	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General	-	-	50,618	50,618
Total Other Financing Sources (Uses)	-	-	50,618	50,618
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	50,618	\$ 50,618
Fund Balance, beginning of year	-	-	-	
Fund Balance, end of year	\$ -	\$ -	\$ 50,618	

**CITY OF MOBERLY, MISSOURI
HISTORIC PRESERVATION FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues Collected	-	-	-	-
EXPENDITURES PAID				
General government				
Contractual services	-	4,000	4,000	-
Total Expenditures Paid	-	4,000	4,000	-
Excess (Deficit) of Revenues Collected over Expenditures Paid	-	(4,000)	(4,000)	-
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
General	-	4,000	4,000	-
Total Other Financing Sources (Uses)	-	4,000	4,000	-
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	-	-	-	\$ -
Fund Balance, beginning of year	-	-	-	
Fund Balance, end of year	\$ -	\$ -	\$ -	

**SUPPLEMENTARY INDIVIDUAL FUND
FINANCIAL SCHEDULES**

**General Fund
City Transportation Trust Fund
Capital Improvement Trust Fund
Park Sales Tax Trust Fund**

This supplementary schedule is included to provide management additional information for financial analysis.

**CITY OF MOBERLY, MISSOURI
GENERAL FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Property Taxes				
Real estate and personal	\$ 798,500	\$ 798,500	\$ 838,989	\$ 40,489
Intangible	1,500	1,500	4,160	2,660
Total Property Taxes	<u>800,000</u>	<u>800,000</u>	<u>843,149</u>	<u>43,149</u>
Other Taxes				
Sales	2,054,790	2,054,790	2,139,564	84,774
Franchise	1,595,000	1,595,000	1,719,591	124,591
Motor vehicle sales	170,000	170,000	195,528	25,528
Non-resident lodging	50,000	50,000	51,202	1,202
Cigarette	95,000	95,000	111,238	16,238
Other	4,200	4,200	4,181	(19)
Total Other Taxes	<u>3,968,990</u>	<u>3,968,990</u>	<u>4,221,304</u>	<u>252,314</u>
Charges for Services				
Rental of facilities and equipment	12,000	12,000	19,034	7,034
Grave openings	27,500	27,500	27,523	23
Weed mowing	1,500	1,500	8,037	6,537
Miscellaneous	300	300	180	(120)
Total Charges for Services	<u>41,300</u>	<u>41,300</u>	<u>54,774</u>	<u>13,474</u>
Licenses, Permits and Fees				
Merchants license and permits	200,758	200,758	245,134	44,376
Liquor license	16,000	16,000	15,818	(182)
Permits	58,500	58,500	22,587	(35,913)
Fees	208,000	208,000	265,574	57,574
Total Licenses, Permits and Fees	<u>483,258</u>	<u>483,258</u>	<u>549,113</u>	<u>65,855</u>
Intergovernmental				
Federal and state grants	30,000	30,000	25,000	(5,000)
Total Intergovernmental	<u>30,000</u>	<u>30,000</u>	<u>25,000</u>	<u>(5,000)</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES (cont'd)				
Interest				
Interest	50,000	50,000	177,228	127,228
Total Interest	<u>50,000</u>	<u>50,000</u>	<u>177,228</u>	<u>127,228</u>
Miscellaneous				
Reimbursement	-	-	36,637	36,637
Miscellaneous	54,050	54,050	30,163	(23,887)
Total Miscellaneous	<u>54,050</u>	<u>54,050</u>	<u>66,800</u>	<u>12,750</u>
Total Revenues Collected	<u>5,427,598</u>	<u>5,427,598</u>	<u>5,937,368</u>	<u>509,770</u>
EXPENDITURES PAID				
General Government				
Finance				
Salaries and payroll taxes	109,622	109,622	93,670	15,952
Supplies and materials	7,525	7,525	7,271	254
Contractual services	3,550	3,550	3,974	(424)
Capital outlay	-	-	323,040	(323,040)
Miscellaneous	800	800	1,132	(332)
Total Finance	<u>121,497</u>	<u>121,497</u>	<u>429,087</u>	<u>(307,590)</u>
Personnel and Municipal Court				
Salaries and payroll taxes	184,989	184,989	319,860	(134,871)
Supplies and materials	30,825	30,825	26,666	4,159
Contractual services	16,885	16,885	15,567	1,318
Capital outlay	20,050	20,050	21,348	(1,298)
Miscellaneous	3,250	3,250	6,603	(3,353)
Total Personnel and Municipal Court	<u>255,999</u>	<u>255,999</u>	<u>390,044</u>	<u>(134,045)</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES PAID (cont'd)				
City Clerk				
Salaries and payroll taxes	108,185	108,185	103,610	4,575
Supplies and materials	6,075	6,075	6,337	(262)
Contractual services	3,100	3,100	3,434	(334)
Miscellaneous	9,100	9,100	7,067	2,033
Total City Clerk	<u>126,460</u>	<u>126,460</u>	<u>120,448</u>	<u>6,012</u>
City Manager				
Salaries and payroll taxes	157,617	157,617	159,884	(2,267)
Supplies and materials	4,650	4,650	3,948	702
Contractual services	3,350	3,350	4,222	(872)
Capital outlay	4,000	4,000	3,631	369
Miscellaneous	5,600	5,600	5,011	589
Total City Manager	<u>175,217</u>	<u>175,217</u>	<u>176,696</u>	<u>(1,479)</u>
City Hall				
Supplies and materials	18,500	18,500	35,897	(17,397)
Contractual services	27,600	27,600	22,288	5,312
Capital outlay	23,200	23,200	9,079	14,121
Total City Hall	<u>69,300</u>	<u>69,300</u>	<u>67,264</u>	<u>2,036</u>
Auditorium				
Salaries and payroll taxes	34,804	34,804	34,807	(3)
Supplies and materials	21,250	21,250	23,225	(1,975)
Contractual services	5,500	5,500	4,119	1,381
Capital outlay	5,000	5,000	3,250	1,750
Miscellaneous	1,350	1,350	1,486	(136)
Total Auditorium	<u>67,904</u>	<u>67,904</u>	<u>66,887</u>	<u>1,017</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
EXPENDITURES PAID (cont'd)				
General Services				
Salaries and payroll taxes	20,968	20,968	26,774	(5,806)
Supplies and materials	196,800	196,800	147,158	49,642
Contractual services	205,300	205,300	209,720	(4,420)
Capital outlay	8,000	8,000	7,343	657
Miscellaneous	71,000	71,000	31,107	39,893
Total General Services	<u>502,068</u>	<u>502,068</u>	<u>422,102</u>	<u>79,966</u>
Legal Staff				
Contractual services	52,500	52,500	38,643	13,857
Miscellaneous	-	-	313	(313)
Total Legal Staff	<u>52,500</u>	<u>52,500</u>	<u>38,956</u>	<u>13,544</u>
Total General Government	<u>1,370,945</u>	<u>1,370,945</u>	<u>1,711,484</u>	<u>(340,539)</u>
Public Safety				
Police				
Salaries and payroll taxes	2,062,328	2,062,328	2,055,271	7,057
Supplies and materials	119,775	119,775	122,267	(2,492)
Contractual services	83,343	83,343	62,527	20,816
Capital outlay	101,060	101,060	66,602	34,458
Miscellaneous	2,350	2,350	3,696	(1,346)
Total Police	<u>2,368,856</u>	<u>2,368,856</u>	<u>2,310,363</u>	<u>58,493</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES PAID (cont'd)				
Fire and Emergency Management				
Salaries and payroll taxes	1,112,826	1,112,826	973,514	139,312
Supplies and materials	42,800	42,800	34,098	8,702
Contractual services	47,300	47,300	21,273	26,027
Capital outlay	64,000	64,000	54,644	9,356
Miscellaneous	7,750	7,750	3,549	4,201
Total Fire and Emergency Management	<u>1,274,676</u>	<u>1,274,676</u>	<u>1,087,078</u>	<u>187,598</u>
Cemetery				
Salaries and payroll taxes	76,464	76,464	83,389	(6,925)
Supplies and materials	1,800	1,800	1,342	458
Contractual services	29,600	29,600	17,221	12,379
Capital outlay	9,000	9,000	(1,105)	10,105
Miscellaneous	50	50	64	(14)
Total Cemetery	<u>116,914</u>	<u>116,914</u>	<u>100,911</u>	<u>16,003</u>
Total Public Safety	<u>3,760,446</u>	<u>3,760,446</u>	<u>3,498,352</u>	<u>262,094</u>
Economic and Community Development				
Salaries and payroll taxes	214,190	214,190	216,669	(2,479)
Supplies and materials	13,850	13,850	8,456	5,394
Contractual services	37,150	37,150	10,483	26,667
Capital outlay	40,500	40,500	8,723	31,777
Miscellaneous	3,200	3,200	1,785	1,415
Total Economic and Community Development	<u>308,890</u>	<u>308,890</u>	<u>246,116</u>	<u>62,774</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
EXPENDITURES PAID (cont'd)				
Transportation				
Salaries and payroll taxes	609,491	609,491	604,305	5,186
Supplies and materials	71,775	71,775	77,702	(5,927)
Contractual services	46,700	46,700	47,957	(1,257)
Miscellaneous	19,550	19,550	17,472	2,078
Total Transportation	<u>747,516</u>	<u>747,516</u>	<u>747,436</u>	<u>80</u>
TOTAL EXPENDITURES PAID	<u>6,187,797</u>	<u>6,187,797</u>	<u>6,203,388</u>	<u>(15,591)</u>
Excess (Deficit) Revenues Collected				
Over Expenditures Paid and				
Other Financing Sources (Uses)	<u>(760,199)</u>	<u>(760,199)</u>	<u>(266,020)</u>	<u>494,179</u>
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	-	295,040	295,040
Loan proceeds	-	-	28,000	28,000
Interfund transfers in (out)				
Use Tax Trust Fund	49,517	49,517	51,283	1,766
CWWSS Fund	212,090	212,090	159,117	(52,973)
Capital Improvement Trust Fund	103,487	103,487	103,487	-
Street Improvement Fund	233,720	233,720	-	(233,720)
Solid Waste Fund	200,000	200,000	-	(200,000)
911 Emergency Telephone Service	150,000	150,000	-	(150,000)
Security Equipment Grant Fund	-	-	1,726	1,726
Airport Operating Fund	(27,158)	(27,158)	(27,158)	-
Perpetual Care Interest Fund	(8,725)	(8,725)	(8,725)	-
McCormick Place TIF Fund	(55,018)	(55,018)	(26,492)	28,526
Hwy 63 Waterline Relocation Fund	-	-	(1,200)	(1,200)
Cell Franchise Tax Fund	-	-	(50,618)	(50,618)
Historic Preservation Fund	-	-	(4,000)	(4,000)
Total Other Financing Sources (Uses)	<u>857,913</u>	<u>857,913</u>	<u>520,460</u>	<u>(337,453)</u>

**CITY OF MOBERLY, MISSOURI
GENERAL FUND (CONT'D)
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess (Deficit) Revenues Collected Over Expenditures Paid and Other Financing Sources (Uses)	97,714	97,714	254,440	\$ <u>156,726</u>
Fund Balance, beginning of year	<u>1,981,189</u>	<u>1,981,189</u>	<u>1,981,189</u>	
Fund Balance, end of year	<u>\$ 2,078,903</u>	<u>\$ 2,078,903</u>	<u>\$ 2,235,629</u>	

**CITY OF MOBERLY, MISSOURI
CITY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES COLLECTED				
Other taxes	\$ 993,582	\$ 993,582	\$ 1,020,931	\$ 27,349
Interest income	45,000	45,000	88,086	43,086
Miscellaneous	50,000	50,000	52,279	2,279
Total Revenues Collected	<u>1,088,582</u>	<u>1,088,582</u>	<u>1,161,296</u>	<u>72,714</u>
EXPENDITURES PAID				
Transportation				
Supplies and materials	-	-	99	(99)
Contractual services	1,084,000	1,084,000	266,436	817,564
Capital outlay	760,000	760,000	441,752	318,248
Miscellaneous	47,600	47,600	79,011	(31,411)
Total Expenditures Paid	<u>1,891,600</u>	<u>1,891,600</u>	<u>787,298</u>	<u>1,104,302</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>(803,018)</u>	<u>(803,018)</u>	<u>373,998</u>	<u>1,177,016</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
Use Tax Trust Fund	-	-	28,788	28,788
McCormick Place TIF	(27,494)	(27,494)	(13,231)	14,263
Total Other Financing Sources (Uses)	<u>(27,494)</u>	<u>(27,494)</u>	<u>15,557</u>	<u>43,051</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(830,512)</u>	<u>(830,512)</u>	<u>389,555</u>	<u>\$ 1,220,067</u>
Fund Balance, beginning of year	<u>1,595,938</u>	<u>1,595,938</u>	<u>1,595,938</u>	
Fund Balance, end of year	<u>\$ 765,426</u>	<u>\$ 765,426</u>	<u>\$ 1,985,493</u>	

**CITY OF MOBERLY, MISSOURI
CAPITAL IMPROVEMENT TRUST FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES COLLECTED				
Other taxes	\$ 993,582	\$ 993,582	\$ 1,020,525	\$ 26,943
Interest income	15,000	15,000	25,251	10,251
Miscellaneous	-	-	7,148	7,148
Total Revenues Collected	<u>1,008,582</u>	<u>1,008,582</u>	<u>1,052,924</u>	<u>44,342</u>
EXPENDITURES PAID				
General Government				
Contractual services	-	-	98	(98)
Miscellaneous	516,000	516,000	328,463	187,537
Total Expenditures Paid	<u>516,000</u>	<u>516,000</u>	<u>328,561</u>	<u>187,439</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>492,582</u>	<u>492,582</u>	<u>724,363</u>	<u>231,781</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
Use Tax Trust Fund	-	-	35,846	35,846
McCormick Place TIF Fund	-	-	(13,232)	(13,232)
General Fund	-	-	(103,487)	(103,487)
CWWSS Fund	(1,106,012)	(1,106,012)	(903,017)	202,995
Total Other Financing Sources (Uses)	<u>(1,106,012)</u>	<u>(1,106,012)</u>	<u>(983,890)</u>	<u>122,122</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	<u>(613,430)</u>	<u>(613,430)</u>	<u>(259,527)</u>	<u>\$ 353,903</u>
Fund Balance, beginning of year	<u>947,686</u>	<u>947,686</u>	<u>947,686</u>	
Fund Balance, end of year	<u>\$ 334,256</u>	<u>\$ 334,256</u>	<u>\$ 688,159</u>	

**CITY OF MOBERLY, MISSOURI
PARK SALES TAX TRUST FUND
STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES COLLECTED				
Other taxes	\$ 984,300	\$ 984,300	\$ 1,020,288	\$ 35,988
Charges for services	82,000	82,000	144,189	62,189
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>61,726</u>	<u>58,726</u>
Total Revenues Collected	<u>1,069,300</u>	<u>1,069,300</u>	<u>1,226,203</u>	<u>156,903</u>
EXPENDITURES PAID				
Parks and Recreation				
Salaries and payroll taxes	81,276	81,276	105,435	(24,159)
Supplies and materials	126,275	126,275	107,554	18,721
Repairs and maintenance	22,800	22,800	24,473	(1,673)
Contractual services	28,300	28,300	38,681	(10,381)
Capital outlay	215,000	215,000	206,213	8,787
Lease payments	499,397	499,397	499,397	-
Miscellaneous	<u>4,050</u>	<u>4,050</u>	<u>7,235</u>	<u>(3,185)</u>
Total Expenditures Paid	<u>977,098</u>	<u>977,098</u>	<u>988,988</u>	<u>(11,890)</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid	<u>92,202</u>	<u>92,202</u>	<u>237,215</u>	<u>145,013</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers in (out)				
Parks and Recreation Fund	<u>(136,849)</u>	<u>(136,849)</u>	<u>(96,117)</u>	<u>40,732</u>
Total Other Financing Sources (Uses)	<u>(136,849)</u>	<u>(136,849)</u>	<u>(96,117)</u>	<u>40,732</u>
Excess (Deficit) of Revenues Collected over Expenditures Paid and Other Financing Sources (Uses)	(44,647)	(44,647)	141,098	<u>\$ 185,745</u>
Fund Balance, beginning of year	<u>681,943</u>	<u>681,943</u>	<u>681,943</u>	
Fund Balance, end of year	<u>\$ 637,296</u>	<u>\$ 637,296</u>	<u>\$ 823,041</u>	

COMPLIANCE AND INTERNAL CONTROL



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

City Manager and Members
of the City Council
City of Moberly, Missouri

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moberly, Missouri (the "City"), as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 21, 2009. As described in our report on the financial statements, the City prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

To the extent this communication contains statements by a tax professional who is subject to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, such professional hereby asserts that any U. S. federal tax advice was not intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purpose.

Member of the American Institute of Certified Public Accountants and the Missouri Society of Certified Public Accountants.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated July 21, 2009.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Timothy M. Jeffries, CPA, PC

July 21, 2009



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

City Manager and Members
of the City Council
City of Moberly, Missouri

Compliance

We have audited the compliance of the City of Moberly, Missouri with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

To the extent this communication contains statements by a tax professional who is subject to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, such professional hereby asserts that any U. S. federal tax advice was not intended or written to be used by any taxpayer for the purpose of evading penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purpose.

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In our opinion, the City of Moberly, Missouri complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the City of Moberly, Missouri is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Timothy M. Jeffries, CPA, PC

July 21, 2009

CITY OF MOBERLY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2007

Grantor Agency	Program Title	CFDA Number	Grant Number	Expenditures
U.S. Department of Justice				
Passed through the Missouri Department of Public Safety				
Direct funding	Bulletproof Vest	16.607	-	\$ 1,628
U.S. Department of Housing and Urban Development				
Passed through the Missouri Department of Economic Development				
	Community Development Block Grant	14.228	2001-ND-08	20,503
U.S. Department of Transportation				
Passed through the Missouri Department of Transportation				
	Airport Improvement Program	20.106	AIRE 025-34A	526,018
	Bridge Program	20.205	STP 9900(230)	4,800
Environmental Protection Agency				
Passed through the Missouri Department of Natural Resources				
	Capitalization Grants for State Revolving Funds	66.458	C295178-02 Series 2004B	1,206,968
	Capitalization Grants for State Revolving Funds	66.468	DW291158-02 Series 2004C	113,584
	Capitalization Grants for State Revolving Funds	66.458	C295178-03 Series 2006A	<u>598,506</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 2,472,007</u>

CITY OF MOBERLY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

1. Summary of Significant Accounting Policies

A. Purpose of Schedule of Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by City of Moberly, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food, commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under-grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

The schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

2. Subrecipients

The City provided no federal awards to subrecipients during the year ended June 30, 2007.

**CITY OF MOBERLY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 AND SUMMARY OF AUDITOR'S RESULTS
 JUNE 30, 2007**

Section I: Summary of Auditor's Results

Financial Statements

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that are
 not considered to be material weaknesses? Yes None reported

Noncompliance material to financial
 statements noted? Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that
 are not considered to be material weaknesses? Yes None reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are
 required to be reported in accordance
 with section 510(a) of Circular A-133? yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
66.458	Capitalization Grants for State Revolving Funds
66.468	Capitalization Grants for State Revolving Funds
20.106	Airport Improvement Program

CITY OF MOBERLY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AND SUMMARY OF AUDITOR'S RESULTS (CONTINUED)
JUNE 30, 2007

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? yes no

Section II: Financial Statement Findings

None

Section III: Federal Award Findings and Questioned Costs

2007-A - Capitalization Grants

Condition: Audit report not completed within nine months.

Criteria: OMB Circular A-133 requires audits to be submitted within nine months of fiscal year end.

Effect: Possible cut of federal funds.

Questioned Cost: Unknown

Cause: Oversight of requirements.

Recommendation: We recommend City follow guidelines and have audit performed within nine months.

Resolution: Implementation of new accounting software package was the proximate cause of delays. Software implementation completed in early 2009 and audits will now return to regular time schedule.