

***CITY OF CARL JUNCTION, MISSOURI***

**Audited Financial Statements**

***Year ended April 30, 2007***

**MENSE, CHURCHWELL & MENSE, P.C.**  
**Certified Public Accountants**

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Board of Aldermen  
City of Carl Junction  
Carl Junction, MO 64834

We have audited the accompanying financial statements of cash receipts, disbursements and changes in cash balances – all funds; and cash receipts, disbursements, and changes in cash balance – budget and actual for each fund of the City of Carl Junction, Missouri, as of and for the year ended April 30, 2007. These financial statements are the responsibility of the City of Carl Junction, Missouri's management. Our responsibility is to express opinions 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. 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 the 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 opinions.

As described more fully in Note 1, the City of Carl Junction, Missouri has prepared these financial statements using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements are not intended to be a complete presentation of the financial position and results of operations of the City of Carl Junction, Missouri in conformity with accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between the cash basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



**INDEPENDENT AUDITOR'S REPORT  
(CONTINUED)**

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Carl Junction, Missouri as of April 30, 2007, or the changes in its financial position for the year then ended. Further, the City has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of all funds of the City of Carl Junction, Missouri as of April 30, 2007, and their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of accounting described in Note 1.



MENSE, CHURCHWELL & MENSE, P. C.

Certified Public Accountants

Joplin, Missouri  
June 19, 2007

**CITY OF CARL JUNCTION, MISSOURI**Statement of Cash Receipts, Disbursements, and Changes in Cash Balances - All Funds  
For the year ended April 30, 2007

Funds	Beginning Cash Balances May 1, 2006	Cash Receipts	Disbursements	Ending Cash Balances April 30, 2007
General Fund	\$ 213,415.23	\$ 1,148,714.03	\$ 1,123,138.05	\$ 238,991.21
Special Revenue Funds	541,241.77	972,704.85	710,543.55	803,403.07
Debt Service Fund	375,127.16	162,323.30	40,412.53	497,037.93
Capital Projects Fund	69.25	283,122.57	282,146.81	1,045.01
Enterprise Funds	927,589.26	1,656,414.53	1,261,889.25	1,322,114.54
	<u>\$ 2,057,442.67</u>	<u>\$ 4,223,279.28</u>	<u>\$ 3,418,130.19</u>	<u>\$ 2,862,591.76</u>

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

**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
General Fund  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Taxes	\$ 645,000.00	\$ 645,000.00	\$ 641,552.18	\$ (3,447.82)
Intergovernmental	-	-	46,024.21	46,024.21
Licenses and permits	26,500.00	26,500.00	37,410.74	10,910.74
Charges for services	85,200.00	85,200.00	78,047.96	(7,152.04)
Fines, forfeits and penalties	75,000.00	75,000.00	103,131.76	28,131.76
Uses of money and property	20,850.00	20,850.00	35,715.42	14,865.42
Miscellaneous and insurance proceeds	2,750.00	2,750.00	2,331.76	(418.24)
Transfers in	204,500.00	204,500.00	204,500.00	-
<b>Total Cash Receipts</b>	<b>\$ 1,059,800.00</b>	<b>\$ 1,059,800.00</b>	<b>\$ 1,148,714.03</b>	<b>\$ 88,914.03</b>
<b>Disbursements</b>				
Animal control	\$ 3,500.00	\$ 3,500.00	\$ 4,378.35	\$ (878.35)
Auto expense	800.00	852.00	1,337.11	(485.11)
Capital outlay	102,961.00	102,961.00	141,989.44	(39,028.44)
Education and training	7,800.00	8,175.00	8,299.26	(124.26)
Election expense	2,000.00	2,000.00	2,940.40	(940.40)
Fringe benefits	128,052.00	128,660.00	102,626.73	26,033.27
Gas and oil	20,000.00	20,000.00	30,704.44	(10,704.44)
Insurance	49,500.00	50,081.00	59,531.89	(9,450.89)
Janitorial expense	7,900.00	7,900.00	7,174.75	725.25
Laboratory fees	3,500.00	3,500.00	4,600.00	(1,100.00)
Membership dues	3,000.00	3,375.00	2,861.12	513.88
Miscellaneous	9,020.00	9,020.00	20,788.92	(11,768.92)
Office supplies and expense	34,500.00	34,725.00	38,570.66	(3,845.66)
Other supplies	10,275.00	10,275.00	16,524.70	(6,249.70)
Payroll expense	625,054.00	632,031.00	617,204.84	14,826.16
Prisoner expense	3,500.00	3,500.00	1,360.00	2,140.00
Professional fees	14,825.00	14,825.00	12,525.95	2,299.05
Repairs and maintenance	16,350.00	16,350.00	16,256.95	93.05
Retirement	5,595.00	5,658.00	4,009.06	1,648.94
Telephone	9,850.00	9,850.00	9,063.32	786.68
Uniforms	3,000.00	3,000.00	4,324.16	(1,324.16)
Utilities	10,000.00	10,000.00	16,066.00	(6,066.00)
<b>Total Disbursements</b>	<b>\$ 1,070,982.00</b>	<b>\$ 1,080,238.00</b>	<b>\$ 1,123,138.05</b>	<b>\$ (42,900.05)</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ (11,182.00)</b>	<b>\$ (20,438.00)</b>	<b>\$ 25,575.98</b>	<b>\$ 46,013.98</b>
<b>Cash - Beginning of Year</b>	<b>213,415.23</b>	<b>213,415.23</b>	<b>213,415.23</b>	<b>-</b>
<b>Cash - End of Year</b>	<b>\$ 202,233.23</b>	<b>\$ 192,977.23</b>	<b>\$ 238,991.21</b>	<b>\$ 46,013.98</b>

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



**CITY OF CARL JUNCTION, MISSOURI**  
**Statement of Cash Receipts, Disbursements,**  
**and Changes in Cash Balances - Budget and Actual**  
**Special Revenue Funds**  
**For the year ended April 30, 2007**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Taxes	\$ 345,000.00	\$ 345,000.00	\$ 355,518.90	\$ 10,518.90
Intergovernmental	226,000.00	226,000.00	243,090.99	17,090.99
Licenses and permits	1,000.00	1,000.00	320.00	(680.00)
Charges for services	28,500.00	28,500.00	25,040.70	(3,459.30)
Uses of money and property	5,500.00	5,500.00	19,426.66	13,926.66
Miscellaneous	500.00	500.00	1,630.42	1,130.42
Transfers in	170,000.00	170,000.00	327,677.18	157,677.18
<b>Total Cash Receipts</b>	<b>\$ 776,500.00</b>	<b>\$ 776,500.00</b>	<b>\$ 972,704.85</b>	<b>\$ 196,204.85</b>
<b>Disbursements</b>				
Auto expense	\$ 800.00	\$ 852.00	\$ 752.24	\$ 99.76
Capital outlay	22,900.00	22,900.00	24,674.85	(1,774.85)
Clothing allowance	350.00	350.00	495.75	(145.75)
Education and training	50.00	425.00	194.63	230.37
Fringe benefits	23,519.00	24,127.00	23,387.70	739.30
Gas and oil	6,800.00	6,800.00	9,260.23	(2,460.23)
Insurance	10,330.00	10,911.00	17,488.48	(6,577.48)
Membership dues	3,000.00	3,375.00	1,884.12	1,490.88
Miscellaneous	3,050.00	3,050.00	2,704.38	345.62
Office supplies and expense	1,000.00	1,225.00	3,244.08	(2,019.08)
Other supplies	28,975.00	28,975.00	35,202.02	(6,227.02)
Payroll expense	157,459.00	164,436.00	161,001.52	3,434.48
Professional fees	12,525.00	12,525.00	16,632.74	(4,107.74)
Repairs and maintenance	317,240.00	317,240.00	125,168.20	192,071.80
Retirement	1,194.00	1,257.00	1,102.05	154.95
Street lighting	20,000.00	20,000.00	26,537.78	(6,537.78)
Telephone	1,820.00	1,820.00	1,688.87	131.13
Transfers out	249,500.00	249,500.00	250,105.37	(605.37)
Utilities	10,700.00	10,700.00	9,018.54	1,681.46
<b>Total Disbursements</b>	<b>\$ 871,212.00</b>	<b>\$ 880,468.00</b>	<b>\$ 710,543.55</b>	<b>\$ 169,924.45</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ (94,712.00)</b>	<b>\$ (103,968.00)</b>	<b>\$ 262,161.30</b>	<b>\$ 366,129.30</b>
<b>Cash - Beginning of Year</b>	<b>541,241.77</b>	<b>541,241.77</b>	<b>541,241.77</b>	<b>-</b>
<b>Cash - End of Year</b>	<b>\$ 446,529.77</b>	<b>\$ 437,273.77</b>	<b>\$ 803,403.07</b>	<b>\$ 366,129.30</b>

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

**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
Debt Service Fund  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Cash Receipts				
Taxes	\$ 130,000.00	\$ 130,000.00	\$ 149,991.79	\$ 19,991.79
Uses of money and property	2,500.00	2,500.00	12,331.51	9,831.51
Total Cash Receipts	<u>\$ 132,500.00</u>	<u>\$ 132,500.00</u>	<u>\$ 162,323.30</u>	<u>\$ 29,823.30</u>
Disbursements				
Debt service	<u>\$ 60,550.00</u>	<u>\$ 60,550.00</u>	<u>\$ 40,412.53</u>	<u>\$ 20,137.47</u>
Total Disbursements	<u>\$ 60,550.00</u>	<u>\$ 60,550.00</u>	<u>\$ 40,412.53</u>	<u>\$ 20,137.47</u>
Excess of Cash Receipts Over (Under) Disbursements	\$ 71,950.00	\$ 71,950.00	\$ 121,910.77	\$ 49,960.77
Cash - Beginning of Year	<u>375,127.16</u>	<u>375,127.16</u>	<u>375,127.16</u>	-
Cash - End of Year	<u><u>\$ 447,077.16</u></u>	<u><u>\$ 447,077.16</u></u>	<u><u>\$ 497,037.93</u></u>	<u><u>\$ 49,960.77</u></u>

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



**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
Capital Projects Fund  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Cash Receipts				
Intergovernmental	\$ -	\$ -	\$ 282,325.40	\$ 282,325.40
Uses of money and property	-	-	797.17	797.17
Total Cash Receipts	\$ -	\$ -	\$ 283,122.57	\$ 283,122.57
Disbursements				
Capital outlay	\$ -	\$ -	\$ 75.00	\$ 75.00
Transfers out	-	-	282,071.81	(282,071.81)
Total Disbursements	\$ -	\$ -	\$ 282,146.81	\$ (281,996.81)
Excess of Cash Receipts Over (Under) Disbursements	\$ -	\$ -	\$ 975.76	\$ 975.76
Cash - Beginning of Year	-	-	69.25	69.25
Cash - End of Year	\$ -	\$ -	\$ 1,045.01	\$ 1,045.01

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

**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
Enterprise Fund  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Charges for services	\$ 1,225,300.00	\$ 1,225,300.00	\$ 1,339,339.21	\$ 114,039.21
Intergovernmental	-	-	10,600.88	10,600.88
Use of money and property	5,250.00	5,250.00	29,895.90	24,645.90
Other	32,000.00	32,000.00	43,153.14	11,153.14
Lease proceeds	-	-	233,425.40	233,425.40
<b>Total Cash Receipts</b>	<b>\$ 1,262,550.00</b>	<b>\$ 1,262,550.00</b>	<b>\$ 1,656,414.53</b>	<b>\$ 393,864.53</b>
<b>Disbursements</b>				
Auto expense	\$ 1,600.00	\$ 1,704.00	\$ 1,504.47	\$ 199.53
Capital outlay	114,600.00	114,600.00	288,338.92	(173,738.92)
Clothing allowance	1,100.00	1,100.00	1,336.91	(236.91)
Debt service	177,250.00	208,910.00	203,097.47	5,812.53
Education and training	500.00	1,250.00	517.46	732.54
Fringe benefits	53,071.00	54,287.00	37,288.08	16,998.92
Gas and oil	12,000.00	12,000.00	17,680.09	(5,680.09)
Insurance	21,600.00	27,962.00	32,929.63	(4,967.63)
Laboratory fees	800.00	800.00	1,169.00	(369.00)
Membership dues	6,000.00	6,750.00	5,821.81	928.19
Miscellaneous	3,500.00	3,500.00	22,411.66	(18,911.66)
Office supplies and expense	15,000.00	15,450.00	17,675.46	(2,225.46)
Other supplies	50,550.00	50,550.00	51,761.65	(1,211.65)
Payroll expense	281,717.00	295,671.00	288,218.24	7,452.76
Professional fees	27,050.00	40,050.00	51,329.35	(11,279.35)
Repairs and maintenance	142,500.00	142,500.00	136,473.37	6,026.63
Retirement	2,740.00	2,866.00	3,027.79	(161.79)
Telephone	2,800.00	2,800.00	3,320.49	(520.49)
Transfers out	104,200.00	104,200.00	-	104,200.00
Utilities	91,950.00	91,950.00	97,987.40	(6,037.40)
<b>Total Disbursements</b>	<b>\$ 1,110,528.00</b>	<b>\$ 1,178,900.00</b>	<b>\$ 1,261,889.25</b>	<b>\$ (82,989.25)</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ 152,022.00</b>	<b>\$ 83,650.00</b>	<b>\$ 394,525.28</b>	<b>\$ 310,875.28</b>
Cash - Beginning of Year	927,589.26	927,589.26	927,589.26	-
Cash - End of Year	<u>\$ 1,079,611.26</u>	<u>\$ 1,011,239.26</u>	<u>\$ 1,322,114.54</u>	<u>\$ 310,875.28</u>

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

## **CITY OF CARL JUNCTION, MISSOURI**

Notes to the Financial Statements

April 30, 2007

### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **I.A. INTRODUCTION**

The City of Carl Junction, Missouri is incorporated and operates as a fourth class city as provided for in Chapter 79 of the Missouri Revised Statutes (RSMO). The City operates under an elected Mayor/Board of Aldermen form of government. The City's major operations include health services, public safety, recreation and parks, and general administrative services. In addition, the City provides water and sewer services.

The accompanying financial statements present the cash receipts, disbursements, and changes in cash balances of all funds of the City of Carl Junction, Missouri, and comparisons of such information with the corresponding budgeted information for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Enterprise Fund.

#### **I.B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION**

**I.B.1.** These financial statements present the financial information of the City of Carl Junction, Missouri, the primary government.

Component units of the City are based on significant influence which the City exercises over such units. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). The City has no component units.

#### **I.B.2. FUNDS AND ACCOUNT GROUPS**

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

##### **Governmental Fund Types**

**General Fund** – The General Fund is the general operating fund of the City. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

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



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION (CONTINUED)**

**I.B.2. FUNDS AND ACCOUNT GROUPS (CONTINUED)**

**Governmental Fund Types (Continued)**

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and payment of governmental fund type debt including general obligation bonds.

**Capital Projects Fund** – The Capital Projects Fund is used to account for transfers from the General Fund and proceeds from grants which are used for payment on City construction projects.

**Proprietary Fund Types**

**Enterprise Funds** – Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing water and sewer services to the general public on a continuing basis are financed through user charges.

**I.C. BASIS OF ACCOUNTING**

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

The financial statements are prepared on the cash basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred.

**I.D. BUDGETARY DATA**

The City is required by State Statutes to prepare an annual operating budget. The budget shall present a complete financial plan for the ensuing budget year and shall include at least the following information:

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.D. BUDGETARY DATA (CONTINUED)**

- (1) A budget message;
- (2) Estimated receipts and a comparative statement of actual or estimated receipts for the two preceding years itemized by year, fund, and source;
- (3) Proposed disbursements together with a comparative statement of actual or estimated disbursements for the two preceding years itemized by year, fund, activity and object;
- (4) Amount required for debt payment; and
- (5) A general budget summary.

The Board of Aldermen follows these procedures in the preparation of the budget:

- (1) Prior to May 1, Mayor submits to the City Council a proposed operating budget for the fiscal year commencing May 1.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) Prior to May 1, the budget is legally enacted through passage of an ordinance.
- (4) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Proprietary Funds.

The budget may be revised. If total disbursements are increased the City shall adopt a resolution setting forth the facts and reasons making the increase necessary. In no event shall total authorized expenditures from a fund exceed the estimated revenues plus the unencumbered beginning balance. The budgets were amended during the year.

**I.E. CASH AND INVESTMENTS**

The City maintains a demand deposit account that is available for use by all funds. Cash applicable to a particular fund is readily identifiable.



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.E. CASH AND INVESTMENTS (CONTINUED)**

The City is allowed to invest in obligations of the United States Government or any agency thereof, maturing and becoming payable not more than three years from date of purchase. In addition the City may enter into repurchase agreements maturing and becoming payable within ninety days, secured by United States Governmental Agencies or Instrumentalities of any maturity.

**I.F. CASH RECEIPTS AND DISBURSEMENTS**

**I.F.1 Sales Tax**

The City levies a one percent sales tax and a one-half percent transportation on taxable sales within the City. The tax is collected by the Missouri Department of Revenue and remitted to the City. Pursuant to ordinance the transportation tax is restricted to street improvements and repairs.

**I.F.2 Property Taxes**

Property taxes are an enforceable lien on property as of January 1. Taxes are levied November 1 and are due and payable in full by December 31, unpaid taxes become delinquent after December 31. The City bills and collects its own property taxes.

The assessed valuation of the tangible taxable property for the calendar year 2006 for purposes of local taxation was:

Real Estate	\$ 48,815,731
Personal Property	<u>13,511,204</u>
	<u>\$ 62,326,935</u>

The tax levy of \$100.00 of the assessed valuation of tangible property for the calendar year was:

General	\$ .5090
Debt Service	<u>.2352</u>
	<u>\$ .7442</u>

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I.F.3 Compensated Absences**

Vacation and sick leave are considered to be expenditures in the year paid. Vacation leave may not accrue from one year to the next. Unused vacation leave is paid in the event of termination. An employee may accumulate up to 45 days of sick leave. Unused sick leave is forfeited upon termination. At April 30, 2007, the liability for unused sick leave had not been determined. The City compensates employees for overtime worked by accruing compensatory time off at the rate of 1.5 times the employee's normal rate of pay and 2 times for Sundays and holidays. An employee may accrue up to 40 hours of compensatory time off per year. At April 30, 2007 the estimated unused accrued compensatory time off was amounted to approximately \$8,860.21. The amount attributed to enterprise funds could not be determined. The amount to be paid from current resources is not significant.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**II.A. BUDGET COMPLIANCE**

The City exceeded budgeted appropriations for the year in the General Fund and Enterprise Fund.

**II.B. GENERAL OBLIGATION DEBT**

**II.B.1 General Obligation Bonds (State Revolving Fund Program) Series 1994**

The bond ordinance relating to the General Obligation Bonds (State Revolving Fund Program) Series 1994 contains a number of restrictions or covenants that are financial related.

The ordinance authorizing the issuance of the general obligation bonds above requires the following fund and account be maintained by the City in connection therewith:

- a) Debt Service Fund
- b) Depreciation and Replacement Account



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.B. GENERAL OBLIGATION DEBT (CONTINUED)**

**II.B.1 General Obligation Bonds (State Revolving Fund Program) Series 1994  
(Continued)**

**Distributions from the Construction Fund**

The City has assigned the proceeds of the Bonds held in the Construction Account to the State Environmental Improvements and Energy Resources Authority (the Authority) to secure the City's obligations under the Ordinance. Moneys in the Construction Account shall be disbursed to the City for the sole purpose of paying the cost of extending and improving the sewerage system in accordance with the plans and specifications prepared by the Consulting Engineer, Allgeier, Martin & Associates, Inc., approved by the Governing Body of the City and on file in the office of the City Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body of the City, and for paying the costs and expenses incident to the issuance of the Bonds.

Requisitions shall be submitted for withdrawals from the Construction Account and accompanied by a certificate executed by the Authorized Representative that such payment is being made for a purpose within the scope of the Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof.

**Application of Moneys in the Debt Service Fund**

The City covenants that all amounts paid and credited to the Debt Service Fund shall be expended and used by the City for the sole purpose of paying the principal of and interest on the Bonds as and when the same become due. The City will administer and allocate all of the moneys held in the Debt Service Fund on the dates and in the amounts as provided.

**Tax Covenant**

For the purpose of providing for the payment of the principal of and interest on the Bonds as the same become due, there shall be levied upon all of the taxable tangible property, real and personal, within the City a direct ad valorem tax sufficient to produce the additional amounts necessary for the payment of such principal and interest and other amounts as the same becomes due and payable in each year.

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.B. GENERAL OBLIGATION DEBT (CONTINUED)**

**II.B.1 General Obligation Bonds (State Revolving Fund Program) Series 1994 (Continued)**

**Tax Covenant (Continued)**

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the City are levied and collected. The proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the City and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Mayor or chief financial officer of the City is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes are collected.

**II.B.2 Capital Lease Obligations**

On March 1, 1999, the City entered into a lease-purchase agreement with Freeman Health Systems for a City Hall facility. The lease is payable monthly at \$329.17, final payment due February 1, 2009, subject to non-appropriation of funds. Total cost of building is \$40,000.

**II.B.3 Notes Payable**

On July 30, 2004, the City assumed a promissory note in the amount of \$54,412.00 from the Missouri Department of Natural Resources to finance the costs of construction of ballpark lighting. Payments are due semiannually at \$2,951.50, with no stated interest, final payment by February 1, 2014.

On November 4, 2005, the City assumed a promissory note in the amount of \$99,952.00 from the Missouri Department of Natural Resources to finance the costs of the design, acquisition, installation and implementation of energy conservation measures for the Police Department building. Payments are due semiannually at \$3,123.50, with no stated interest, final payment by August 1, 2021.



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.C. BOND DEFEASANCE**

On June 1, 2004, the City transferred \$512,943.75 from the Debt Service Fund to an escrow account to provide for refunding of \$500,000.00 of Series 1994 General Obligation Bonds.

GASB Statement No. 7, Advance Refundings Resulting in Defeasance of Debt, provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of April 30, 2007, the outstanding balances of bond series that have been refunded and defeased in substance by transferring funds to irrevocable escrow accounts to provide for all future debt payments was \$470,000.00.

**II.D. ENTERPRISE FUND DEBT**

**II.D.1 Capital Lease Obligations**

On June 7, 2006, the City entered into a lease-purchase agreement with Missouri Association of Municipal Utilities for acquisition and installation of fluoridation equipment at each of its seven existing well sites. The lease is payable monthly at \$2,000.00 plus interest at 4.02% on the outstanding balance of the lease. Final payment is due May 20, 2016, subject to non-appropriation of funds. Total cost of the project is \$257,000.

**II.D.2 Revenue Bonds (State Revolving Fund Program) Series 2002**

The bond ordinance relating to the Revenue Bonds (State Revolving Fund Program) Series 2002 contains a number of restrictions or covenants that are financial related. The ordinance authorizing the issuance of the revenue bonds above requires the following accounts be maintained by the City in connection therewith:

- a) Construction Account
- b) Reserve Account
- c) Debt Service Account
- d) Principal Account
- e) Interest Account



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.D. ENTERPRISE FUND DEBT (CONTINUED)**

**II.D.2 Revenue Bonds (State Revolving Fund Program) Series 2002 (Continued)**

**Distributions from the Construction Fund**

The City has assigned the proceeds of the Bonds held in the Construction Account to the State Environmental Improvements and Energy Resources Authority (the Authority) to secure the City's obligations under the Ordinance. Moneys in the Construction Account shall be disbursed to the City for the sole purpose of paying the cost of extending and improving the sewerage system in accordance with the plans and specifications prepared by the Consulting Engineer, Allgeier, Martin & Associates, Inc., approved by the Governing Body of the City and on file in the office of the City Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body of the City, and for paying the costs and expenses incident to the issuance of the Bonds.

Requisitions shall be submitted for withdrawals from the Construction Account and accompanied by a certificate executed by the Authorized Representative that such payment is being made for a purpose within the scope of the Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof.

**Application of Moneys in the Revenue Fund**

The City covenants that all amounts paid and credited to the Revenue Fund shall be expended and used by the City for the sole purpose of paying the principal of and interest on the Bonds as and when the same become due. The City will administer and allocate all of the moneys held in the Revenue Fund on the dates and in the amounts as provided.

**Rate Covenant**

The City will fix, establish, maintain and collect rates and charges for the use and services furnished by or through the waterworks system to produce income and revenues sufficient to (a) pay the costs of the operation and maintenance of the system; (b) pay the principal of and interest on the bonds as and when due; (c) enable the City to have in each fiscal year net revenues of not less than 110% of the amount required to be paid by the City in the fiscal year on account of both principal of and interest on all system revenue bonds at the time outstanding, provided that interest on any SRF program bonds will be reduced by the SRF subsidy, if any; and (d) provide reasonable

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.D. ENTERPRISE FUND DEBT (CONTINUED)**

**II.D.2 Revenue Bonds (State Revolving Fund Program) Series 2002 (Continued)**

**Rate Covenant (Continued)**

and adequate reserves for the payment of the bonds and the interest thereon and for the protection and benefit of the system as provided. The City will require prompt payment of accounts for services rendered by or through the system and will promptly take whatever action is legally permissible to enforce and collect delinquent charges.

**II.D.3 Revenue Bonds (State Revolving Fund Program) Series 2003**

The bond ordinance relating to the Revenue Bonds (State Revolving Fund Program) Series 2003 contains a number of restrictions or covenants that are financial related.

The ordinance authorizing the issuance of the revenue bonds above requires the following accounts be maintained by the City in connection therewith:

- a) Construction Account
- b) Reserve Account
- c) Debt Service Account
- d) Principal Account
- e) Interest Account

**Distributions from the Construction Fund**

The City has assigned the proceeds of the Bonds held in the Construction Account to the State Environmental Improvements and Energy Resources Authority (the Authority) to secure the City's obligations under the Ordinance. Moneys in the Construction Account shall be disbursed to the City for the sole purpose of paying the cost of extending and improving the waterworks system in accordance with the plans and specifications prepared by the Consulting Engineer, Allgeier, Martin & Associates, Inc., approved by the Governing Body of the City and on file in the office of the City Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body of the City, and for paying the costs and expenses incident to the issuance of the Bonds.



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**II.D. ENTERPRISE FUND DEBT (CONTINUED)**

**II.D.3 Revenue Bonds (State Revolving Fund Program) Series 2003**

**Distributions from the Construction Fund (Continued)**

Requisitions shall be submitted for withdrawals from the Construction Account and accompanied by a certificate executed by the Authorized Representative that such payment is being made for a purpose within the scope of the Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof.

**Application of Moneys in the Revenue Fund**

The City covenants that all amounts paid and credited to the Revenue Fund shall be expended and used by the City for the sole purpose of paying the principal of and interest on the Bonds as and when the same become due. The City will administer and allocate all of the moneys held in the Revenue Fund on the dates and in the amounts as provided.

**Rate Covenant**

The City will fix, establish, maintain and collect rates and charges for the use and services furnished by or through the waterworks system to produce income and revenues sufficient to (a) pay the costs of the operation and maintenance of the system; (b) pay the principal of and interest on the bonds as and when due; (c) enable the City to have in each fiscal year net revenues of not less than 110% of the amount required to be paid by the City in the fiscal year on account of both principal of and interest on all system revenue bonds at the time outstanding, provided that interest on any SRF program bonds will be reduced by the SRF subsidy, if any; and (d) provide reasonable and adequate reserves for the payment of the bonds and the interest thereon and for the protection and benefit of the system as provided. The City will require prompt payment of accounts for service rendered by or through the system and will promptly take whatever action is legally permissible to enforce and collect delinquent charges.

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**III. DETAILED NOTES ON FUNDS AND ACCOUNT BALANCES**

**III.A. DEPOSITS AND INVESTMENTS**

**Deposits**

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. RSMo Chapter 110 requires that public funds shall be secured by the deposit of securities of the character prescribed by section 30.270, RSMo. The value of which shall at all times be not less than one hundred percent of the actual amount of the funds on deposit with the depository less the amount, if any, insured by the Federal Deposit Insurance Corporation. All deposits were legally secured at April 30, 2007.

At April 30, 2007, the City’s carrying amounts of deposits was \$2,861,891.76 and the bank balance was \$2,933,454.86. 100% of the bank balance was held by one bank resulting in a concentration of credit risk. Of the bank’s balance, \$100,000.00 was covered by Federal Depository Insurance and \$2,833,454.86 was collateralized with securities held by the pledging financial institution’s agents but not in the City’s name.

**Investments**

The City’s policies and applicable laws regarding investments are discussed in Note I.E. During the year ended April 30, 2007 the City invested idle funds in interest bearing deposit accounts with the Community Bank & Trust.

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that, in the event of the failure of counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have an investment policy for custodial credit risk.

**III.B. RESTRICTED ASSETS**

The following amounts of the respective ending cash balances of the following funds are restricted as follows:

General Fund-	
Customer Deposits and Bond	\$ <u>7,393.61</u>



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**III. DETAILED NOTES ON FUNDS AND ACCOUNT BALANCES (CONTINUED)**

**III.B. RESTRICTED ASSETS (CONTINUED)**

Enterprise Fund-	
Replacements	\$ 132,203.66
Customer Deposits	<u>94,345.91</u>
	<u>\$ 226,549.57</u>

The amounts above are composed of:

Deposits- Community Bank and Trust, Carl Junction, Missouri	<u>\$ 233,943.18</u>
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**III.C. LONG-TERM DEBT**

The City's long-term debt is to be repaid from governmental type funds and proprietary type funds.

As of April 30, 2007, the long-term debt consisted of the following:

**Bonds Payable**

1994 Series General Obligation Bonds (State Revolving Fund Program) Series 1994, original issue amount \$1,300,000, dated November 1, 1994, interest rates from 5.25% to 7.20%, final maturity January 2014.	\$ 640,000.00
2002 Series Revenue Bonds (State Revolving Fund Program) Series 2002, original issue amount \$860,000, dated May 8, 2002, interest rates from 3.00% to 5.15%, final maturity January 2023.	705,000.00
2003 Series Revenue Bonds (State Revolving Fund Program) Series 2003, original issue amount \$1,760,000.00, dated April 3, 2003, interest rates from 2.00% to 4.70%, final maturity January 2024.	<u>1,535,000.00</u>
Total Bonds Payable	<u>\$2,880,000.00</u>

**Capital Lease Obligations**

Lease purchase agreement on fluoridation system, \$2,000.00 payable monthly, plus interest of 4.02% on unpaid balance, final payment due May 20, 2016	\$ 235,000.00
Lease purchase agreement on building, \$329.17 payable monthly, final payment due February 1, 2009	<u>7,241.34</u>
Total Capital Lease Obligations	<u>\$ 242,241.34</u>



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**III. DETAILED NOTES ON FUNDS AND ACCOUNT BALANCES (CONTINUED)**

**III.C. LONG-TERM DEBT (CONTINUED)**

**Notes Payable**

Note payable on ballpark lighting, payable semiannually at \$2,951.50, final payment due February 1, 2014	\$ 39,654.50
Note payable on energy conservation measures, payable semiannually at \$3,123.50, final payment due August 1, 2021	<u>90,581.50</u>
Total Notes Payable	<u>\$ 130,236.00</u>

**Accrued Compensated Absences**

Accrued compensated absences are comprised of compensatory time off	<u>\$ 8,860.21</u>
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**Changes in Long-Term Debt**

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

<u>Type of Debt</u>	<u>Balance April 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance April 30, 2007</u>
General Obligation Bonds Payable	\$ 650,000.00	\$ -0-	10,000.00	\$ 640,000.00
Revenue Bonds Payable	2,355,000.00	-0-	115,000.00	2,240,000.00
Capital Lease Obligations	17,341.66	257,000.00	32,100.32	242,241.34
Notes Payable	142,386.00	-0-	12,150.00	130,236.00
Accrued Compensated Absences	<u>9,824.90</u>	<u>-0-</u>	<u>964.69</u>	<u>8,860.21</u>
<b>Total Long-Term Debt</b>	<u><b>\$3,174,552.56</b></u>	<u><b>\$ 257,000.00</b></u>	<u><b>\$ 170,215.01</b></u>	<u><b>\$ 3,261,337.55</b></u>

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**III. DETAILED NOTES ON FUNDS AND ACCOUNT BALANCES (CONTINUED)**

**III.C. LONG-TERM DEBT (CONTINUED)**

**Annual Debt Service Requirements**

The annual debt service requirements to maturity, including principal and interest, for long-term debt of the City as of April 30, 2007 are as follows:

Year Ending April 30,	Bonds Payable	Capital Lease Obligations	Notes Payable
2008	\$ 321,980.02	\$ 37,755.43	\$ 12,150.00
2009	319,495.02	36,984.13	12,150.00
2010	311,317.52	32,572.24	12,150.00
2011	322,712.52	31,449.30	12,150.00
2012	327,582.52	30,327.78	12,150.00
2013-2017	1,298,686.34	129,432.76	41,374.50
2018-2022	921,325.04		28,111.50
2023-2024	293,555.00		
Total Principal and interests	\$4,116,653.98	\$ 298,521.64	\$ 130,236.00
Less interest	1,236,653.98	56,280.30	
Principal Outstanding at April 30, 2007	\$2,880,000.00	\$ 242,241.34	\$ 130,236.00

**IV. POST EMPLOYMENT BENEFITS**

**IV.A. EMPLOYEE PENSION PLAN**

1. Plan Description

The City of Carl Junction 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 CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**IV. POST EMPLOYMENT BENEFITS (CONTINUED)**

**IV.A. EMPLOYEE PENSION PLAN (CONTINUED)**

1. Plan Description (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 Carl Junction's full-time employees contribute 4% of their gross pay to the pension plan. The political subdivision is required to contribute at an actuarially determined rate; the current rate is 1.3% (general), 0.6% (police) 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 2006, the political subdivision's annual pension cost of \$33,621 was equal to the required and actual contributions. The required contribution was determined as part of the February 29, 2004 and/or February 28, 2005 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2006 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-200 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, 2006 was 15 years.



**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**IV. POST EMPLOYMENT BENEFITS (CONTINUED)**

**IV.A. EMPLOYEE PENSION PLAN (CONTINUED)**

3. Annual Pension Cost (Continued)

Fiscal Year <u>Ending</u>	<u>Three-Year Trend Information</u>		Net Pension <u>Obligation</u>
	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	
06/30/04	\$33,339	100%	\$0
06/30/05	\$36,270	100%	\$0
06/30/06	\$33,621	100%	\$0

**REQUIRED SUPPLEMENTARY INFORMATION**  
Schedule of Funding Progress

Actuarial Valuation <u>Date</u>	(a) Actuarial Value <u>of Assets</u>	(b) Entry Age Actuarial Accrued <u>Liability</u>	(b-a) Unfunded Accrued Liability <u>(UAL)</u>	(a/b) Funded <u>Ratio</u>	(c) Annual Covered <u>Payroll</u>	((b-a)/c) UAL as a Percentage of Covered <u>Payroll</u>
02/28/05	617,701	437,473	(180,228)	141%	761,637	
02/28/06	646,957	410,183	(236,774)	158%	712,608	

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.

**V. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of; damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these various risks by carrying commercial insurance.

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**VI. GRANT PROGRAM INVOLVEMENT**

The City receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State Agencies. Such audits could result in a request for reimbursement by the Federal and State Agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

**VII. INTERFUND TRANSFERS**

Interfund transfers for the year ended April 30, 2007 consisted of the following:

Fund	Transfers to:	Transfers from:
General	\$ 204,500.00	\$ -
Special Revenue	327,677.18	250,105.37
Capital Projects	605.37	282,677.18
	\$ 532,782.55	\$ 532,782.55
Total	\$ 532,782.55	\$ 532,782.55

**VIII. LITIGATION**

The City is party to various legal proceedings that normally occur in the course of governmental operations. The financial statements do not include provisions for loss on contingencies that may result from these proceedings, due to the insurance coverage maintained by the City. The City feels that any settlement or judgment not covered by insurance would not have a material effect on the financial condition of the City. Two of these legal proceedings are detailed as follows:

On February 9, 2007, Sprint Spectrum, L.P. and Nextel West Corp. filed tax protest suits on wireless communication fees collected in 2007. The City and other Missouri cities are negotiating with wireless carriers concerning back and current taxes. The City has segregated these funds from other tax collections until the court makes an ultimate determination.

Numerous claims have been filed with the City attributed to the City's sewer and storm water system and infrastructure. All such claims have been referred to the City's liability carrier for investigation and disposition. Negligence actions are covered by the City's insurance policy, inverse condemnation actions are not covered. The City is unable to predict the outcome of these claims.

**CITY OF CARL JUNCTION, MISSOURI**  
Notes to the Financial Statements (Continued)  
April 30, 2007

**IX. SEGMENT INFORMATION ON ENTERPRISE FUNDS**

The City maintains two enterprise funds that provide a variety of public services as defined in Note I.A. Selected financial information for business segments of enterprise funds for the year ended April 30, 2007, is presented as follows:

	<u>Sewer Fund</u>	<u>Water Fund</u>
Operating Revenues	<u>\$ 585,268.31</u>	<u>\$ 790,861.84</u>
Operating Income (Loss)	<u>\$ 167,014.79</u>	<u>\$ 238,960.70</u>
Net Income (Loss)	<u>\$ 212,658.24</u>	<u>\$ 175,810.57</u>
Total Assets	<u>\$ 897,894.18</u>	<u>\$ 424,220.36</u>
Total Liabilities	<u>\$ 5,520.60</u>	<u>\$ 94,333.90</u>
Total Net Assets	<u>\$ 892,373.58</u>	<u>\$ 329,886.46</u>



**CITY OF CARL JUNCTION, MISSOURI**  
Combining Statement of Cash Receipts,  
Disbursements and Changes in Cash Balances  
Special Revenue Funds  
For the year ended April 30, 2007

	Street and Alley	Parks	City Sales Tax	Municipal Court	Total
<b>Cash Receipts</b>					
Taxes	\$ 100,053.51	\$ -	\$ 255,465.39	\$ -	\$ 355,518.90
Intergovernmental	243,090.99	-	-	-	243,090.99
Licenses and permits	320.00	-	-	-	320.00
Charges for services	-	25,040.70	-	-	25,040.70
Fines, forfeits and penalties	-	-	-	97,370.84	97,370.84
Uses of money and property	5,158.63	-	14,268.03	-	19,426.66
Miscellaneous	-	221.92	-	1,408.50	1,630.42
Transfers in	-	45,000.00	282,677.18	-	327,677.18
<b>Total Cash Receipts</b>	<b>\$ 348,623.13</b>	<b>\$ 70,262.62</b>	<b>\$ 552,410.60</b>	<b>\$ 98,779.34</b>	<b>\$ 1,070,075.69</b>
<b>Disbursements</b>					
Auto expense	\$ 752.24	\$ -	\$ -	\$ -	\$ 752.24
Capital outlay	17,871.85	6,803.00	-	-	24,674.85
Clothing allowance	495.75	-	-	-	495.75
Education and training	194.63	-	-	-	194.63
Fines, forfeits and penalties	-	-	-	97,370.84	97,370.84
Fringe benefits	23,387.70	-	-	-	23,387.70
Gas and oil	8,876.27	383.96	-	-	9,260.23
Insurance	14,068.33	3,420.15	-	-	17,488.48
Membership dues	1,884.12	-	-	-	1,884.12
Miscellaneous	2,180.73	523.65	-	-	2,704.38
Office supplies and expense	3,244.08	-	-	-	3,244.08
Other supplies	24,127.07	11,074.95	-	-	35,202.02
Payroll expense	135,792.47	25,209.05	-	-	161,001.52
Professional fees	16,632.74	-	-	-	16,632.74
Repairs and maintenance	113,164.48	12,003.72	-	-	125,168.20
Retirement	1,102.05	-	-	-	1,102.05
Street lighting	26,537.78	-	-	-	26,537.78
Telephone	1,341.29	347.58	-	-	1,688.87
Transfers out	-	605.37	249,500.00	-	250,105.37
Utilities	1,589.83	7,428.71	-	-	9,018.54
<b>Total Disbursements</b>	<b>\$ 393,243.41</b>	<b>\$ 67,800.14</b>	<b>\$ 249,500.00</b>	<b>\$ 97,370.84</b>	<b>\$ 807,914.39</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ (44,620.28)</b>	<b>\$ 2,462.48</b>	<b>\$ 302,910.60</b>	<b>\$ 1,408.50</b>	<b>\$ 262,161.30</b>
<b>Cash - Beginning of Year</b>	<b>217,742.86</b>	<b>605.83</b>	<b>322,882.08</b>	<b>11.00</b>	<b>541,241.77</b>
<b>Cash - End of Year</b>	<b>\$ 173,122.58</b>	<b>\$ 3,068.31</b>	<b>\$ 625,792.68</b>	<b>\$ 1,419.50</b>	<b>\$ 803,403.07</b>

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

**CITY OF CARL JUNCTION, MISSOURI**  
**Statement of Cash Receipts, Disbursements,**  
**and Changes in Cash Balances - Budget and Actual**  
**Street and Alley Fund**  
**For the year ended April 30, 2007**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Taxes	\$ 100,000.00	\$ 100,000.00	\$ 100,053.51	\$ 53.51
Intergovernmental	226,000.00	226,000.00	243,090.99	17,090.99
Licenses and permits	1,000.00	1,000.00	320.00	(680.00)
Uses of money and property	1,000.00	1,000.00	5,158.63	4,158.63
Miscellaneous and insurance proceeds	500.00	500.00	-	(500.00)
Transfers in	125,000.00	125,000.00	-	(125,000.00)
<b>Total Cash Receipts</b>	<b>\$ 453,500.00</b>	<b>\$ 453,500.00</b>	<b>\$ 348,623.13</b>	<b>\$ (104,876.87)</b>
<b>Disbursements</b>				
Auto expense	\$ 852.00	\$ 852.00	\$ 752.24	\$ 99.76
Capital outlay	17,000.00	17,000.00	17,871.85	(871.85)
Clothing allowance	350.00	350.00	495.75	(145.75)
Education and training	375.00	375.00	194.63	180.37
Fringe benefits	24,127.00	24,127.00	23,387.70	739.30
Gas and oil	6,000.00	6,000.00	8,876.27	(2,876.27)
Insurance	8,731.00	8,731.00	14,068.33	(5,337.33)
Membership dues	3,375.00	3,375.00	1,884.12	1,490.88
Miscellaneous	1,500.00	1,500.00	2,180.73	(680.73)
Office supplies and expense	1,225.00	1,225.00	3,244.08	(2,019.08)
Other supplies	20,475.00	20,475.00	24,127.07	(3,652.07)
Payroll expense	134,954.00	134,954.00	135,792.47	(838.47)
Professional fees	12,525.00	12,525.00	16,632.74	(4,107.74)
Repairs and maintenance	300,500.00	300,500.00	113,164.48	187,335.52
Retirement	1,257.00	1,257.00	1,102.05	154.95
Street lighting	20,000.00	20,000.00	26,537.78	(6,537.78)
Telephone	1,400.00	1,400.00	1,341.29	58.71
Utilities	3,700.00	3,700.00	1,589.83	2,110.17
<b>Total Disbursements</b>	<b>\$ 558,346.00</b>	<b>\$ 558,346.00</b>	<b>\$ 393,243.41</b>	<b>\$ 165,102.59</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ (104,846.00)</b>	<b>\$ (104,846.00)</b>	<b>\$ (44,620.28)</b>	<b>\$ 60,225.72</b>
<b>Cash - Beginning of Year</b>	<b>217,742.83</b>	<b>217,742.86</b>	<b>217,742.86</b>	<b>-</b>
<b>Cash - End of Year</b>	<b>\$ 112,896.83</b>	<b>\$ 112,896.86</b>	<b>\$ 173,122.58</b>	<b>\$ 60,225.72</b>

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

**CITY OF CARL JUNCTION, MISSOURI**  
**Statement of Cash Receipts, Disbursements,**  
**and Changes in Cash Balances - Budget and Actual**  
**Park Fund**  
**For the year ended April 30, 2007**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Charges for services	\$ 28,500.00	\$ 28,500.00	\$ 25,040.70	\$ (3,459.30)
Miscellaneous	-	-	221.92	221.92
Transfers in	45,000.00	45,000.00	45,000.00	-
<b>Total Cash Receipts</b>	<b>\$ 73,500.00</b>	<b>\$ 73,500.00</b>	<b>\$ 70,262.62</b>	<b>\$ (3,237.38)</b>
<b>Disbursements</b>				
Capital outlay	\$ 5,900.00	\$ 5,900.00	\$ 6,803.00	\$ (903.00)
Education and training	50.00	50.00	-	50.00
Gas and oil	800.00	800.00	383.96	416.04
Insurance	2,180.00	2,180.00	3,420.15	(1,240.15)
Miscellaneous	1,550.00	1,550.00	523.65	1,026.35
Other supplies	8,500.00	8,500.00	11,074.95	(2,574.95)
Payroll expense	29,482.00	29,482.00	25,209.05	4,272.95
Repairs and maintenance	16,740.00	16,740.00	12,003.72	4,736.28
Telephone	420.00	420.00	347.58	72.42
Transfers out	-	-	605.37	(605.37)
Utilities	7,000.00	7,000.00	7,428.71	(428.71)
<b>Total Disbursements</b>	<b>\$ 72,622.00</b>	<b>\$ 72,622.00</b>	<b>\$ 67,800.14</b>	<b>\$ 4,821.86</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ 878.00</b>	<b>\$ 878.00</b>	<b>\$ 2,462.48</b>	<b>\$ 1,584.48</b>
<b>Cash - Beginning of Year</b>	<b>605.83</b>	<b>605.83</b>	<b>605.83</b>	<b>-</b>
<b>Cash - End of Year</b>	<b>\$ 1,483.83</b>	<b>\$ 1,483.83</b>	<b>\$ 3,068.31</b>	<b>\$ 1,584.48</b>

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



**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
City Sales Tax Fund  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Taxes	\$ 245,000.00	\$ 245,000.00	\$ 255,465.39	\$ 10,465.39
Uses of money and property	4,500.00	4,500.00	14,268.03	9,768.03
Transfers in	-	-	282,677.18	282,677.18
<b>Total Cash Receipts</b>	<u>\$ 249,500.00</u>	<u>\$ 249,500.00</u>	<u>\$ 552,410.60</u>	<u>\$ 302,910.60</u>
<b>Disbursements</b>				
Transfers out	<u>\$ 249,500.00</u>	<u>\$ 249,500.00</u>	<u>\$ 249,500.00</u>	<u>\$ -</u>
<b>Total Disbursements</b>	<u>\$ 249,500.00</u>	<u>\$ 249,500.00</u>	<u>\$ 249,500.00</u>	<u>\$ -</u>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	\$ -	\$ -	\$ 302,910.60	\$ 302,910.60
<b>Cash - Beginning of Year</b>	<u>322,882.08</u>	<u>322,882.08</u>	<u>322,882.08</u>	<u>-</u>
<b>Cash - End of Year</b>	<u><u>\$ 322,882.08</u></u>	<u><u>\$ 322,882.08</u></u>	<u><u>\$ 625,792.68</u></u>	<u><u>\$ 302,910.60</u></u>

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

**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
Waterworks Operation and Maintenance Account  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Charges for services	\$ 690,200.00	\$ 690,200.00	\$ 748,361.20	\$ 58,161.20
Use of money and property	750.00	750.00	5,549.71	4,799.71
Other	31,000.00	31,000.00	42,833.14	11,833.14
Lease proceeds	-	-	233,425.40	233,425.40
<b>Total Cash Receipts</b>	<b>\$ 721,950.00</b>	<b>\$ 721,950.00</b>	<b>\$ 1,030,169.45</b>	<b>\$ 308,219.45</b>
<b>Disbursements</b>				
Auto expense	\$ 852.00	\$ 852.00	\$ 752.23	\$ 99.77
Capital outlay	17,800.00	17,800.00	251,523.92	(233,723.92)
Clothing allowance	550.00	550.00	756.68	(206.68)
Debt service	118,500.00	150,160.00	149,382.07	777.93
Education and training	375.00	375.00	246.23	128.77
Fringe benefits	23,830.00	23,830.00	16,794.58	7,035.42
Gas and oil	6,000.00	6,000.00	8,856.96	(2,856.96)
Insurance	11,231.00	16,431.00	16,394.00	37.00
Membership dues	3,375.00	3,375.00	3,467.40	(92.40)
Miscellaneous	2,000.00	2,000.00	18,945.17	(16,945.17)
Office supplies and expense	7,725.00	7,725.00	9,702.70	(1,977.70)
Other supplies	16,775.00	16,775.00	11,378.77	5,396.23
Payroll expense	146,306.00	146,306.00	140,865.24	5,440.76
Professional fees	12,525.00	25,525.00	31,146.00	(5,621.00)
Repairs and maintenance	107,500.00	107,500.00	62,752.18	44,747.82
Retirement	1,423.00	1,423.00	1,439.61	(16.61)
Telephone	1,400.00	1,400.00	1,674.14	(274.14)
Transfers out	76,200.00	76,200.00	76,200.00	-
Utilities	61,650.00	61,650.00	64,255.56	(2,605.56)
<b>Total Disbursements</b>	<b>\$ 616,017.00</b>	<b>\$ 665,877.00</b>	<b>\$ 866,533.44</b>	<b>\$ (200,656.44)</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>				
	\$ 105,933.00	\$ 56,073.00	\$ 163,636.01	\$ 107,563.01
Cash - Beginning of Year	124,825.04	124,825.04	124,825.04	-
Cash - End of Year	<u>\$ 230,758.04</u>	<u>\$ 180,898.04</u>	<u>\$ 288,461.05</u>	<u>\$ 107,563.01</u>

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

**CITY OF CARL JUNCTION, MISSOURI**  
Statement of Cash Receipts, Disbursements,  
and Changes in Cash Balances - Budget and Actual  
Sewer Operation and Maintenance Account  
For the year ended April 30, 2007

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Charges for services	\$ 535,100.00	\$ 535,100.00	\$ 585,268.31	\$ 50,168.31
Use of money and property	4,500.00	4,500.00	21,210.41	16,710.41
Other	1,000.00	1,000.00	320.00	(680.00)
<b>Total Cash Receipts</b>	<b>\$ 540,600.00</b>	<b>\$ 540,600.00</b>	<b>\$ 606,798.72</b>	<b>\$ 66,198.72</b>
<b>Disbursements</b>				
Auto expense	\$ 852.00	\$ 852.00	\$ 752.24	\$ 99.76
Capital outlay	96,800.00	96,800.00	36,815.00	59,985.00
Clothing allowance	550.00	550.00	580.23	(30.23)
Debt service	58,750.00	58,750.00	53,715.40	5,034.60
Education and training	875.00	875.00	271.23	603.77
Fringe benefits	30,457.00	30,457.00	20,493.50	9,963.50
Gas and oil	6,000.00	6,000.00	8,823.13	(2,823.13)
Insurance	11,531.00	11,531.00	16,535.63	(5,004.63)
Laboratory fees	800.00	800.00	1,169.00	(369.00)
Membership dues	3,375.00	3,375.00	2,354.41	1,020.59
Miscellaneous	1,500.00	1,500.00	3,466.49	(1,966.49)
Office supplies and expense	7,725.00	7,725.00	7,972.76	(247.76)
Other supplies	33,775.00	33,775.00	40,382.88	(6,607.88)
Payroll expense	149,365.00	149,365.00	147,353.00	2,012.00
Professional fees	14,525.00	14,525.00	20,183.35	(5,658.35)
Repairs and maintenance	35,000.00	35,000.00	22,295.76	12,704.24
Retirement	1,443.00	1,443.00	1,588.18	(145.18)
Telephone	1,400.00	1,400.00	1,646.35	(246.35)
Transfers out	28,000.00	28,000.00	28,000.00	-
Utilities	30,300.00	30,300.00	33,731.84	(3,431.84)
<b>Total Disbursements</b>	<b>\$ 513,023.00</b>	<b>\$ 513,023.00</b>	<b>\$ 448,130.38</b>	<b>\$ 64,892.62</b>
<b>Excess of Cash Receipts Over (Under) Disbursements</b>	<b>\$ 27,577.00</b>	<b>\$ 27,577.00</b>	<b>\$ 158,668.34</b>	<b>\$ 131,091.34</b>
Cash - Beginning of Year	601,501.58	601,501.58	601,501.58	-
Cash - End of Year	<b>\$ 629,078.58</b>	<b>\$ 629,078.58</b>	<b>\$ 760,169.92</b>	<b>\$ 131,091.34</b>

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