

CITY OF MOSCOW MILLS, MISSOURI
AUDIT OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

CITY OF MOSCOW MILLS, MISSOURI
CASH BASIS FINANCIAL STATEMENTS
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CITY OF MOSCOW MILLS, MISSOURI

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Robert E. Croghan, Jr. CPA
Michael P. Croghan CPA
Cynthia Croghan Backes CPA

11007 Manchester Road
Kirkwood, Missouri 63122-1259
phone 314 966-6644
fax 314 966-3074

Robert E. Croghan CPA (Retired)

INDEPENDENT AUDITOR'S REPORT

Board of Aldermen
City of Moscow Mills, Missouri

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, and each major fund of the City of Moscow Mills, Missouri, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to error or fraud.

Auditor's Responsibility

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 from material misstatement.

An audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position- cash basis of the governmental activities, the business-type activities, and each major fund of the City of Moscow Mills, Missouri, as of December 31, 2015, and the respective changes in financial position- cash basis and where applicable, cash flows-cash basis, thereof for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to the matter.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moscow Mill's basic financial statements. The budgetary comparison information and management's discussion and analysis are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information on pages 34 through 40 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

The management's discussion and analysis on pages 3 through 9, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Crosby + Crosby P.C.

Certified Public Accountants

Kirkwood, Missouri
August 4, 2016



*P.O. Box 36
Moscow Mills, MO 63362
Telephone 636-356-4220
Fax 636-356-4010
moscowmillsmo.com*

Management's Discussion and Analysis
for the Fiscal Year Ended December 31, 2015

This discussion and analysis is intended to be an overview of the City of Moscow Mills' financial activities for the fiscal year ended December 31, 2015. It should be read in conjunction with the City's financial statements.

The financial statements of the City have been prepared on the pure cash basis of accounting, as applied to local governmental units, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Differences in the cash basis of accounting and accounting principles generally accepted in the United States of America arise in the recognition of revenue when received, rather than when earned, and the presentation of expenditures/expenses when paid rather than when incurred.

Financial Highlights

Key financial highlights for the fiscal year ended December 31, 2015 include the following:

Revenue:

- The City's property tax rates for 2015 increased in comparison to 2014. The rates for 2015 were .5189 for the water works fund and .2651 for the general revenue fund. These amounts are per \$100 of assessed valuation.
- Sales tax and franchise tax experienced increases in revenues for 2015.
- Water and Sewer utility user fees rates were increased by 3% for FY 2015 due to a rate study the City performed and passed in late 2009 that became effective January 1, 2010.
- Grant money was received for a radio system for the police department and for engineering services for an Inflow and Infiltration study of the City's sewer system.
- Park rental revenue, which is the main source of revenue for the park department, increased slightly in comparison to the previous year.
- The City continued under the agreements with Environmental Management Corporation and All Star Pumping and Sewer Service to allow them to haul waste to the Crooked Creek Wastewater Treatment Facility. These agreements resulted in \$66,250 of annual revenue for the Sewer Fund.
- 100% of the Fuel tax, Motor Vehicle Sales Tax, and Motor Vehicle Fee Increases revenues were deposited into the Street Fund for 2015, as was in years 2014 to 2011. In 2010 50% of these revenues were placed in the General Revenue Fund.

Expenses:

- The City's engineer prepared semi-annual compliance reports for EPA and Mo DNR, finished the monitoring of the construction of the Crooked Creek Wastewater Treatment Facility interim improvements, and prepared the renewal application for the State

Revolving Fund loan. They also reviewed, approved and monitored building permits, site plans, and other development within the City.

- Purchases for the maintenance department were: Repairs/replacement of sewer pumps, control panels, floats, cable weights, and other miscellaneous items \$16,678.88; water meters for \$9,048.26; digital dual cylinder scale \$2,047.75; and replacement of the impeller at Mette Treatment Plant high service pump \$1,069.62. Roads were patched, asphalted, and concrete sections replaced in various areas at a total cost of \$53,609.28, and \$8,308.64 was spent on ice control. New street signs were purchased at a cost of \$2,142.09. Also purchased were a replacement furnace for the shop \$2,500.00, a touch read handheld \$4,500.00, a planer/sweeper \$15,900.00, a 2016 Ford F-350 with snow plow \$45,062.00, a salt spreader \$4,780.00, and a Bobcat with brush hog attachment \$56,464.80 less \$10,000 trade in of the old Bobcat.
- Purchases for the police department were: VHF portable radios and trunked radio system \$4,176.29 paid for in full by a LLEBG grant, two Remington shoguns \$800.00, a projector screen \$574.97, and two 2016 Ford SUV's on a three year lease through Ford with an initial payment of \$10,726.09.
- City Hall purchased a mailbox cluster for use by the various boards and commissions at a total installed cost of \$1,757.33.
- The Court Department purchased a new computer and monitor \$616.88.

Using the Basic Financial Statements

The City's basic financial statements consist of a series of financial statements and the associated notes to those statements. The statements are organized so the reader can understand the cash basis operations of the City as a whole. The "Basic Financial Statements" section includes government-wide financial statements, fund financial statements and notes to financial statements. The government-wide financial statements, consisting of the Statement of Net Assets (Cash Basis) and the Statement of Activities (Cash Basis), provide highly consolidated cash basis financial information and render a government-wide perspective of the City's cash basis financial condition.

By showing the change in net assets (cash basis) for the year, the reader may ascertain whether the City's cash basis financial condition has improved or deteriorated. The changes which are discussed in this MD&A may be financial or non-financial in nature. Non-financial factors, which may have an impact on the City's financial condition, include increases in or erosion of the property tax base, current property tax laws in Missouri restricting revenue growth, facility conditions, and other factors.

Government-wide Financial Analysis

Net assets of the governmental and business-type activities of the City at December 31, 2015 of \$ 3,158,744.11 reflect the City's total assets of cash and investments (net).

Governmental Funds Financial Analysis

Governmental Activities	2014	2015
Revenues Collected		
Program Revenues Collected		
Charges for Services and Sales	\$ 254,375.81	\$ 243,938.03
Operating Grants	97,877.14	102,845.31
General Revenues Collected		
Property Taxes	61,718.03	71,352.24
Franchise & Public Services Taxes	115,645.11	120,961.59
Sales Tax	415,417.87	463,570.07
Investment Income	2,239.90	2,617.12
Miscellaneous	7,422.51	8,386.76
Total Revenues Collected	<u>954,696.37</u>	<u>1,013,671.12</u>
Expenses Paid		
General Government	159,951.38	168,008.51
Public Safety	464,712.74	462,056.70
Public Works - Streets	205,664.53	298,544.86
Park & Recreation	9,227.89	7,396.09
Total Expenses Paid	<u>839,556.54</u>	<u>936,006.16</u>
Excess of Revenues Collected Over Expenses Paid	115,139.83	77,664.96
Net Position, January 1	<u>877,971.00</u>	<u>993,110.83</u>
Net Position, December 31	<u>\$ 993,110.83</u>	<u>\$ 1,070,775.79</u>

Business Type Activities Analysis

Business-Type Activities	2014	2015
Revenues Collected		
Program Revenues Collected		
Charges for Services and Sales	\$ 1,155,386.24	\$ 1,237,119.28
Grants		45,000.00
Miscellaneous	64,036.15	68,547.72
General Revenues Collected		
Property Taxes	120,802.79	139,659.38
Investment Income	8,303.24	4,936.29
Total Revenues Collected	<u>1,348,528.42</u>	<u>1,495,262.67</u>
Expenses Paid		
Water	253,777.57	276,343.38
Sewer	365,237.40	426,151.95
Water & Sewer Bond Debt Reserve	353,156.06	367,326.44
Water Repair & Replacement	11,516.98	5,365.61
Sewer Repair & Replacement	110,768.20	6,348.41
Trash	134,562.46	137,523.27
Total Expenses Paid	<u>1,229,018.67</u>	<u>1,219,059.06</u>
Bond Proceeds	4,977,100.00	
Bond Payments to Escrow	<u>(5,448,600.00)</u>	<u>-</u>
	(471,500.00)	
Net Income	(351,990.25)	276,203.61
Net Position, January 1	<u>2,163,754.96</u>	<u>1,811,764.71</u>
Net Position, December 31	<u>\$ 1,811,764.71</u>	<u>\$ 2,087,968.32</u>

The Water Fund experienced an 8.2% increase in revenues as compared to FY 2014. The water fund shows a net income of \$ 97,172.57 for 2015.

The Sewer Fund experienced a 13.0% increase in revenues as compared to FY 2014. The Sewer fund shows a net income of \$ 63,355.05 for 2015.

General Fund Budgetary Highlights

The City's annual budget covers the period January 1, 2015 to December 31, 2015.

The General Fund revenues exceeded budgetary projections by 8.61%. The expenditures came in at 9.59% under the anticipated expenditures.

Capital Assets and Debt Administration

The City operates under the cash basis of accounting, therefore, capital asset purchases are recorded as expenditures and depreciation is not recognized. Capital assets are not reflected in the financial statements.

At year end the City had debt in the amount of \$7,176,553

1999 General Revenue Bonds	\$ 115,000
2014 General Revenue Bonds	4,616,875
2005 Lease Purchase for Mette Facility	2,395,415
2015 Capital Lease – vehicles	49,263

Budgetary Analysis

The City's 2016 budget process proved to be very challenging. With the City's growth comes a greater demand on the City's assets. The City has many needs to address and the FY2016 budget reflect our efforts to meet those objectives.

The City has budget funds for the departments as follows:

Maintenance Dept:

1. Continue resurfacing roads that are deteriorating and patching streets that need repairs.
2. Maintenance Superintendent to attend the annual MIRMA conference and MRWA conference in an effort to stay in compliance with new regulations, which will keep insurance premium costs down.
3. Update/replace worn road and traffic control signs.
4. Obtain easements, bid, and construct the water loop from the Hoelting property to Winchester Place.
5. Continue grading at the old lagoon at 500 Hwy MM, which will be done in stages.
6. Continue with upgrades and improvements as agreed to in the Administrative Order for Compliance upon Consent with the Environmental Protection Agency and continue to file semi-annual reports with EPA and DNR.
7. Purchase a portable generator, testing meters, gas pump, large trash pump, mower, two weed eaters, chain saw, and Christmas pole decorations.
8. Purchase the necessary items to start a sewer lab testing facility at the Crooked Creek Wastewater Treatment Facility.
9. All three water towers to be cleaned and inspected.
10. The sewer man hole located behind City Hall will be removed and replaced.

Police Dept:

11. Efficiently utilize the police training fund to keep all police personnel POST certified.

12. Purchase a shotgun, interrogation recording equipment, tasers, evidence tracking equipment, gun safe, animal control safety equipment, computer server, and continue to make lease payments on the two 2016 vehicles.

Office Dept:

13. City Clerk to attend the MCCFOA Spring Conference and fall Regionals, MIRMA Annual Conference, and MML Annual Conference.
14. Completion of and payment for the 2015 audit.

Court Dept:

15. Deb Freise to attend the Court Clerk's annual conferences. The Judge to attend the Missouri Municipal and Associates Circuit Judges Association annual conference.

Misc:

16. Three Board of Aldermen members to attend the annual MML Conference and two Board of Aldermen to attend the MML Elected Official Conference.
17. Employees to receive a 3% wage/salary increase as of 1/1/2016.
18. Obtain grants from local, state, and federal sources for the purpose of equipment acquisition and/or wages.
19. Remit payments when funds are available for the Site Lease/Lease Purchase agreement on the Mette Road facilities.
20. The budget will be reviewed by the Board of Aldermen on a quarterly basis.
21. Continue work on new policies and procedures and updates to city code.
22. Seek funding for a new city hall facility.

Budgetary Restrictions for 2016

23. Hiring freeze in all departments unless prior permission is given by the Board of Alderman.
24. All overtime and compensatory time is to be kept to a minimum.
25. Department heads to carefully scrutinize all purchases and expenditures.
26. Monthly expenses to be reviewed by the Board of Alderman to determine budget compliance.

27. No amounts from the restricted cash accounts in General Revenue fund, Water Works fund, Sewer fund, and Street fund shall be expended without prior approval of the Board of Aldermen.
28. Beginning 2016 cash balances for the General Revenue fund, Water Works fund, Sewer fund, and Street fund shall be set at the unencumbered beginning checking balance as of January 1, 2016, unless the budget requires partial use of that amount. Approximately \$105,000 to be transferred from the Street Fund to the Street Repair and replacement fund as of 1/2/16.
29. The General Revenue fund will have a restricted cash reserve amount set at \$400,000, which is an amount equal to approximately six months of General Revenue expenses. This set amount will be reviewed annually.

Contacting the City's Financial Management

While this Management's Discussion & Analysis is designed to provide a general overview of the cash basis financial condition and operations of the City, citizens, tax payers and creditors may want further details. To obtain such details, please contact Michael Clynch, Mayor or Linda Haynes, City Clerk at Moscow Mills City Hall, P.O. Box 36, 500 Hwy MM, Moscow Mills, Missouri 63362 or call 636-356-4220 during regular office hours, Monday through Friday, 8:00 a.m. to 4:30 p.m.

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF ACTIVITIES - CASH BASIS
YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues Received			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Government Activities	Business-type Activities	Total
Governmental Activities:							
General Government	\$ 168,008.51	\$ 29,723.68	\$ -	\$ -	\$ (138,284.83)	\$ -	\$ (138,284.83)
Public Safety	462,056.70	202,602.39	4,176.29	-	(255,278.02)	-	(255,278.02)
Park and Recreation Program	7,396.09	11,611.96	-	-	4,215.87	-	4,215.87
Public Works - Streets	298,544.86	-	98,669.02	-	(199,875.84)	-	(199,875.84)
Total governmental activities:	936,006.16	243,938.03	102,845.31	-	(589,222.82)	-	(589,222.82)
Business-type Activities:							
Water	276,343.38	456,204.69	-	-	-	179,861.31	179,861.31
Sewer	426,151.95	639,283.06	45,000.00	-	-	258,131.11	258,131.11
Water & Sewer Bond Debt Reserve	367,326.44	-	-	-	(367,326.44)	-	(367,326.44)
Water Repair and Replacement	5,365.61	-	-	-	(5,365.61)	-	(5,365.61)
Sewer Repair and Replacement	6,348.41	-	-	-	(6,348.41)	-	(6,348.41)
Trash	137,523.27	141,631.53	-	-	-	4,108.26	4,108.26
Total business-type activities:	1,219,059.06	1,237,119.28	45,000.00	-	-	63,060.22	63,060.22
Total City	\$ 2,155,065.22	\$ 1,481,057.31	\$ 147,845.31	\$ -	\$ (589,222.82)	\$ 63,060.22	\$ (526,162.60)
General Revenues:							
Taxes							
Property Taxes					71,352.24	139,659.38	211,011.62
Franchise and Public Service Taxes					120,961.59	-	120,961.59
Sales Tax					463,570.07	-	463,570.07
Investment Income					2,617.12	4,936.29	7,553.41
Miscellaneous					8,386.76	68,547.72	76,934.48
Transfers between funds					-	-	-
Total General Revenues					666,887.78	213,143.39	880,031.17
Change in Net Position					77,664.96	276,203.61	353,868.57
Net Position - beginning					993,110.83	1,811,764.71	2,804,875.54
Net Position - ending					\$ 1,070,775.79	\$ 2,087,968.32	\$ 3,158,744.11

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

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	Major Funds			Total
	General	Street	Street Repair & Replacement	Governmental Funds
<u>ASSETS</u>				
Cash and Investments	\$ 559,843.35	\$ 143,375.27	\$ 365,568.42	\$ 1,068,787.04
Restricted Assets:				
Cash and Investments				
Total Assets	\$ 559,843.35	\$ 143,375.27	\$ 365,568.42	\$ 1,068,787.04
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities				
None	\$ -	\$ -	\$ -	\$ -
Fund Equity:				
Fund Balance:				
Assigned	-	143,375.27	365,568.42	508,943.69
Unassigned	559,843.35			559,843.35
Total Fund Equity	559,843.35	143,375.27	365,568.42	1,068,787.04
Total Liabilities and Fund Equity	\$ 559,843.35	\$ 143,375.27	\$ 365,568.42	
Reconciliation to Statement of Net Position:				
Amounts reported for governmental activities in the statement of net position are different because:				
There are no adjustments				
				-
Net position of governmental activities				\$ 1,068,787.04

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

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - CASH BASIS - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015

	Major Funds			Total Governmental Funds
	General	Street	Street Repair & Replacement	
REVENUES:				
Taxes	\$ 507,564.18	\$ 148,319.72	\$ -	\$ 655,883.90
Intergovernmental	4,176.29	98,669.02		102,845.31
Licenses, Permits and Fees	29,723.68			29,723.68
Interest	1,988.75	72.81	555.56	2,617.12
Fines and Forfeitures	202,602.39			202,602.39
Park	11,611.96			11,611.96
Miscellaneous	8,386.76	-		8,386.76
Total Revenues	<u>766,054.01</u>	<u>247,061.55</u>	<u>555.56</u>	<u>1,013,671.12</u>
EXPENDITURES:				
Current:				
General Government	168,008.51	-	-	168,008.51
Public Safety	462,056.70			462,056.70
Parks and Recreation	7,396.09			7,396.09
Public Works - Streets		151,628.78	146,916.08	298,544.86
Total Expenditures	<u>637,461.30</u>	<u>151,628.78</u>	<u>146,916.08</u>	<u>936,006.16</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>128,592.71</u>	<u>95,432.77</u>	<u>(146,360.52)</u>	<u>77,664.96</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers	-	(81,783.21)	81,783.21	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>(81,783.21)</u>	<u>81,783.21</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	128,592.71	13,649.56	(64,577.31)	77,664.96
FUND BALANCE, JANUARY 1, 2015	<u>433,239.39</u>	<u>129,725.71</u>	<u>430,145.73</u>	<u>993,110.83</u>
FUND BALANCE, DECEMBER 31, 2015	<u>\$ 561,832.10</u>	<u>\$ 143,375.27</u>	<u>\$ 365,568.42</u>	<u>\$ 1,070,775.79</u>

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

CITY OF MOSCOW MILLS, MISSOURI
 STATEMENT OF NET POSITION - CASH BASIS
 PROPRIETARY FUNDS
 DECEMBER 31, 2015

	Major Enterprise Funds							Total Enterprise Funds
	Water	Sewer	Trash	Water & Sewer Bond Debt Reserve	Water Repair & Replacement	Sewer Repair & Replacement		
ASSETS								
Cash and Investments	\$ -	\$ -	\$ 37,936.47	\$ -	\$ -	\$ -	\$ -	\$ 37,936.47
Restricted Assets:								
Cash and Investments	476,553.87	353,682.68		308,572.46	462,736.45	448,486.39		2,050,031.85
Total Assets	<u>\$ 476,553.87</u>	<u>\$ 353,682.68</u>	<u>\$ 37,936.47</u>	<u>\$ 308,572.46</u>	<u>\$ 462,736.45</u>	<u>\$ 448,486.39</u>	<u>\$ -</u>	<u>\$ 2,087,968.32</u>
NET POSITION								
Restricted for:								
Debt Service	\$ 476,553.87	\$ 353,682.68	\$ -	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ -	\$ 2,050,031.85
Unrestricted			<u>37,936.47</u>					<u>37,936.47</u>
Total Net Position	<u>\$ 476,553.87</u>	<u>\$ 353,682.68</u>	<u>\$ 37,936.47</u>	<u>\$ 308,572.46</u>	<u>\$ 462,736.45</u>	<u>\$ 448,486.39</u>	<u>\$ -</u>	<u>\$ 2,087,968.32</u>

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

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION - CASH BASIS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Major Enterprise Funds						Total Enterprise Funds
	Water	Sewer	Trash	Water & Sewer Bond Debt Reserve	Water Repair and Replacement	Sewer Repair and Replacement	
OPERATING REVENUES:							
Charges for Services	\$ 456,204.69	\$ 639,283.06	\$ 141,631.53	\$ -	\$ -	\$ -	\$ 1,237,119.28
Total Operating Revenues	<u>456,204.69</u>	<u>639,283.06</u>	<u>141,631.53</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,237,119.28</u>
OPERATING EXPENSES:							
Cost of Sales and Services:							
Salaries and Wages	94,271.16	102,281.10	2,433.94	-	-	-	198,986.20
Payroll Taxes	6,748.52	7,333.82	165.28	-	-	-	14,247.62
Miscellaneous Insurance	21,576.02	23,015.64	564.06	-	-	-	45,155.72
Contracted Services	3,631.47	4,673.67	-	-	-	-	8,305.14
Solid Waste Expense	-	-	132,035.32	-	-	-	132,035.32
Engineering	(500.00)	128,640.42	-	-	-	-	128,640.42
Legal Fees	1,250.82	1,000.50	-	-	-	-	500.50
Uniforms	42,907.09	857.93	-	-	-	-	2,108.75
Utilities	-	71,264.48	-	-	-	-	114,171.57
Publication Expense	-	-	-	-	-	-	-
Collector/Assessor Fees	8,038.09	-	-	-	-	-	8,038.09
Primacy/Connection Fees	3,314.46	1,036.40	-	-	-	-	4,350.86
Collection Agency Fees	808.79	844.60	133.31	-	-	-	1,786.70
Water Tower Lease	9,000.00	-	-	-	-	-	9,000.00
Dues & Schooling	706.69	456.69	189.91	-	-	-	1,333.29
Postage	1,510.50	1,535.13	732.22	-	-	-	3,777.85
Fuel & Mileage	6,161.51	6,759.46	-	-	-	-	12,920.97
Debit/Credit Card Fees	2,334.59	2,334.60	-	-	-	-	4,669.19
Equipment Purchase	16,263.76	19,005.41	1,167.31	-	1,069.62	-	36,338.79
Equipment Repair	20,711.69	21,107.09	-	-	-	-	41,818.78
Building Maintenance	402.50	402.50	-	-	2,198.75	6,348.41	8,547.16
System	-	-	-	-	-	-	805.00
Billing Cards	321.84	321.84	101.92	-	-	-	745.60
Supplies	9,331.93	20,401.67	-	-	2,097.24	-	31,830.84
Lab Testing	-	10,036.75	-	-	-	-	10,036.75
Accountant Expense	2,375.00	2,375.00	-	-	-	-	4,750.00
Other	431.25	467.25	-	-	-	-	898.50
Total Operating Expenses	<u>251,597.68</u>	<u>426,151.95</u>	<u>137,523.27</u>	<u>-</u>	<u>5,365.61</u>	<u>6,348.41</u>	<u>826,986.92</u>
OPERATING INCOME (LOSS)	<u>204,607.01</u>	<u>213,131.11</u>	<u>4,108.26</u>	<u>-</u>	<u>(5,365.61)</u>	<u>(6,348.41)</u>	<u>410,132.36</u>
NON-OPERATING REVENUES (EXPENSES):							
Property Taxes	139,659.38	-	-	-	-	-	139,659.38
Interest	3,268.64	338.86	36.21	318.30	-	436.63	4,936.29
Grant Revenue	-	45,000.00	-	-	537.65	-	45,000.00
Other	2,297.72	66,250.00	-	-	-	-	68,547.72
Debt Service:							
Bond Principal	(20,000.00)	-	-	(367,008.44)	-	-	(387,008.44)
Bond Interest & Fees	(4,745.70)	-	-	(318.00)	-	-	(5,063.70)
Total Non-Operating Revenues (Expenses)	<u>120,480.04</u>	<u>111,588.86</u>	<u>36.21</u>	<u>(367,008.14)</u>	<u>537.65</u>	<u>436.63</u>	<u>(133,928.75)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>325,087.05</u>	<u>324,719.97</u>	<u>4,144.47</u>	<u>(367,008.14)</u>	<u>(4,827.96)</u>	<u>(5,911.78)</u>	<u>276,203.61</u>
OPERATING TRANSFERS	<u>(227,914.48)</u>	<u>(261,364.92)</u>	<u>-</u>	<u>409,000.00</u>	<u>49,914.48</u>	<u>30,364.92</u>	<u>-</u>
NET INCOME (LOSS) AFTER OPERATING TRANSFER	<u>97,172.57</u>	<u>63,355.05</u>	<u>4,144.47</u>	<u>41,991.86</u>	<u>45,086.52</u>	<u>24,453.14</u>	<u>276,203.61</u>
TOTAL NET POSITION, JANUARY 1, 2015	<u>379,381.30</u>	<u>290,327.63</u>	<u>33,792.00</u>	<u>266,580.60</u>	<u>417,649.93</u>	<u>424,033.25</u>	<u>1,811,764.71</u>
TOTAL NET POSITION, DECEMBER 31, 2015	<u>476,553.87</u>	<u>353,682.68</u>	<u>37,936.47</u>	<u>308,572.46</u>	<u>462,736.45</u>	<u>448,486.39</u>	<u>2,087,968.32</u>

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

EXHIBIT H

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF CASH FLOWS - CASH BASIS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Major Enterprise Funds						Total Enterprise Funds
	Water	Sewer	Trash	Bond & Sewer Debt Reserve	Water Repair and Replacement	Sewer Repair and Replacement	
Cash Flows from Operating Activities:							
Received from Customers	\$ 456,204.69	\$ 639,283.06	\$ 141,631.53	\$ -	\$ -	\$ -	\$ 1,237,119.28
Payments to Suppliers for Goods and Services	(150,578.00)	(316,537.03)	(134,924.05)		(5,365.61)	(6,348.41)	(613,753.10)
Payments to Employees for Services	(101,019.68)	(109,614.92)	(2,599.22)				(213,233.82)
Net Cash Provided (Used) by Operating Activities	204,607.01	213,131.11	4,108.26	-	(5,365.61)	(6,348.41)	410,132.36
Cash Flows from Noncapital Financing Activities:							
Property Taxes	139,659.38	-	-	-	-	-	139,659.38
Grant Revenue		45,000.00					45,000.00
Other income	2,297.72	66,250.00					68,547.72
Operating Transfers	(227,914.48)	(261,364.92)		409,000.00	49,914.48	30,364.92	
Net Cash Provided (Used) for Noncapital Financing Activities	(85,957.38)	(150,114.92)	-	409,000.00	49,914.48	30,364.92	253,207.10
Cash Flows from Capital and Related Financing Activities:							
Principal Paid on Bonds/Certificates	(20,000.00)			(367,008.44)			(387,008.44)
Interest and Fees Paid on Bonds/Certificates	(4,745.70)			(318.00)			(5,063.70)
Net Cash Used for Capital and Related Financial Activities	(24,745.70)			(367,326.44)			(392,072.14)
Cash Flows from Investing Activities:							
Interest Earned	3,268.64	338.86	36.21	318.30	537.65	436.63	4,936.29
Net Cash Provided by Investing Activities	3,268.64	338.86	36.21	318.30	537.65	436.63	4,936.29
Cash, Beginning of Year	379,381.30	290,327.63	33,792.00	266,580.60	417,649.93	424,033.25	1,811,764.71
Cash, End of Year	\$ 476,553.87	\$ 353,682.68	\$ 37,936.47	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,087,968.32
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities							
Operating Income(Loss)	\$ 204,607.01	\$ 213,131.11	\$ 4,108.26	\$ -	\$ (5,365.61)	\$ (6,348.41)	\$ 410,132.36
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities							
Changes in assets and liabilities:							
None							
Net Cash Provided (Used) by Operating Activities	\$ 204,607.01	\$ 213,131.11	\$ 4,108.26	\$ -	\$ (5,365.61)	\$ (6,348.41)	\$ 410,132.36

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

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF NET POSITION - CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2015

<u>ASSETS</u>	<u>Agency Funds</u>
Restricted Assets:	
Cash and Investments	\$ <u>1,051.00</u>
<u>LIABILITIES</u>	
Due to Others - Court Bonds	\$ <u>1,051.00</u>

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

CITY OF MOSCOW MILLS, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

1. Summary of Significant Accounting Policies

The financial statements of the City of Moscow Mills, Missouri have been prepared on the cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Principals Used to Determine Scope of Entity

The financial statements of the City include the financial activities of the City and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by both GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*.

Included within the reporting entity:

Tax Increment Financing Commission of the City of Moscow Mills, Missouri. The Tax Increment Financing Commission was formed to encourage economic development in the City. It is governed by a Board of Commissioners. The Commission oversees certain redevelopment activities. The Commission does not issue a separate financial statement.

The City has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the City's financial statements.

B. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis present financial information about the City's government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities-Cash Basis presents a comparison between direct expenses and program revenue for each functional program. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted

as program revenues, including taxes, are presented as general revenues. The City has the following program revenues in each activity:

General Government	Licenses and permits
Public Safety	Fine revenue; operating grants include U.S. Department of Transportation
Park and Recreation	Rental income
Publics Works-Streets	Vehicle fees and sales tax and gasoline excise tax shared by the State.
Sewer	Operating grants include Department of Natural Resources

Fund Financial Statements

During the year, the City segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of the governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. 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 expenditures/expenses of the 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 or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds; governmental, proprietary, and fiduciary.

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. The following are the City’s governmental funds:

Governmental Funds

General Fund - 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

Street Fund - to account for certain sales tax and other revenues received by the City and those expenditures for the construction and maintenance of streets.

Street Repair and Replacement - to account for certain expenditures for the construction and maintenance of streets.

Proprietary funds are used to account for activities similar to those found in the private sector, where the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are the City's proprietary funds:

Proprietary Funds

Enterprise Funds

Water Fund - to account for the revenues and expenses of the operation of the water system.

Sewer Fund - to account for the revenues and expenses of the operation of the sewage system.

Trash Fund - to account for the revenues and expenses arising from the charges to patrons of the sanitation system.

Waterworks Repair and Replacement Fund - to account for an accumulation of resources as required by revenue bonds.

Sewer Repair and Replacement Fund - to account for an accumulation of resources as required by revenue bonds.

Water and Sewer Bond Debt Reserve Fund - to account for a portion of the proceeds of revenue bonds and the payment of interest and principal on those revenue bonds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and other operating expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Fund

Agency Fund

Municipal Court - represents monies that are held by the City's municipal court in a fiduciary capacity on behalf of various individuals and entities. This fund is not considered an operating fund of the City.

Major and Non-major Funds

The funds are classified as major or non-major as follows:

Major Funds

Governmental Funds:

- General Fund
- Street
- Street Repair and Replacement

Propriety Funds:

- Water
- Sewer
- Trash
- Water and Sewer Bond Debt Reserve
- Sewer Repair and Replacement
- Waterworks Repair and Replacement

Non-major Funds

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide Statement of Net Position-Cash Basis and the Statement of Activities-Cash Basis, both governmental and business-like activities are presented using the “economic resources” measurement focus, within the limitations of the cash basis of accounting, as defined in item b below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the cash basis of accounting, is used as appropriate:

- a. All government funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net position.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, and then unrestricted resources as they are needed.

Basis of Accounting

The government-wide financial statements and the fund financial statements, governmental and business-like activities, are presented using a cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods and services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Clerk submits to the Mayor and the Board of Aldermen a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
2. Prior to its approval by the Board of Aldermen, the budget document is available for public inspection.
3. The original budget was formally adopted on December 15, 2014.
4. Budgets for City funds are prepared and adopted on the cash basis (budget basis), recognizing revenues when collected and expenditures when paid.
5. Budgeted amounts are as originally adopted, or as amended by the Board of Aldermen.

For the year ended December 31, 2015, the City complied, in all material respects, with applicable budget laws.

E. Pooled Cash

Cash resources of the individual funds are combined to form a pool of cash which is managed by the City Clerk. Interest income earned is allocated to contributing funds based on cash balances.

For the purpose of the Statement of Net Position-Cash Basis, “cash and investments” includes all demand accounts and non-negotiable certificates of deposits of the City. For the purpose of the proprietary fund Statement of Cash Flows-Cash Basis, “cash” includes all demand accounts and non-negotiable certificates of deposits.

F. Capital Assets

Capital outlays of the various funds are recorded as expenditures when incurred. These capital outlays represent the cost of land, buildings and improvements, and furniture and equipment. The City does not maintain a record of its capital assets.

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. The nature of the restrictions are:

Restricted for Debt Service: The City has restricted \$2,050,031.85 for purposes of the Water and Sewer Funds as discussed in Note 4.

H. Governmental Fund Balances

The difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

Nonspendable- Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.

Restricted- Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Committed- Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the City's highest level of decision-making authority.

Assigned- Amounts constrained by the City's intent to be used for specific purposes but that are neither restricted nor committed.

Unassigned- The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes.

It is the City's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also City policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

The city has no formal minimum fund balance policies or any formal stabilization arrangement in place.

I. Net Position

Net position represents the difference between assets and liabilities.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

It is the City's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Restricted for Debt Service: The City has \$2,050,031.85 set aside for purposes of the Water and Sewer Funds as described in Note 4.

J. Interfund Activity

In the process of aggregating the financial information for the government-wide Statement of Net Position- Cash Basis and Statement of Activities- Cash Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity resulting from cash transactions or events, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

- a. *Interfund loans.* Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. *Interfund services.* Sales or purchases of goods and services between funds are reported as revenues and expenditures or expenses.
- c. *Interfund reimbursement.* Repayments from funds responsible for certain expenditures or expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures or expenses in the respective funds.
- d. *Interfund transfers.* Flow of assets from one fund to another when repayment is not expected and reported as transfers in and out.

Interfund activity and balances resulting from cash transaction or events, if any, are eliminated or reclassified in the government-wide financial statement as follows:

- a. *Interfund balances.* Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the "Governmental" and "Business-Type Activities" columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

b. *Internal activities.* Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities, except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers- Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both governmental and proprietary funds. See Note 5 for details of interfund transactions.

K. Fines and Court Costs

Missouri statute now requires municipalities to report an accounting of the percent of annual general operating revenue from fines and court costs for minor traffic violations. The City's fines, court costs and other revenues pertaining to minor traffic violations totaled \$170,434.67 for the fiscal year. "Annual general operating revenue" is defined in the statute and may or may not include various sources of the City's revenues. "General operating revenue" totaled \$747,489.37. The City's fines and court costs for minor traffic violations are 22.81% "annual general operating revenue."

L. Estimates

The preparation of the financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the final statements and accompanying notes. Actual results may differ from those estimates.

M. Adopting New Accounting Standards

The City adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions- an Amendment of GASB Statement No.27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions.

The City also adopted GASB Statement 69, *Government Combinations and Disposals of Government Operations*. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations.

The City also adopted GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date- an Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

2. Cash and Investments

The City is governed by the deposit and investment limitations of City policy and state law. The depository banks are to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC)

insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes.

The City may invest the funds in bonds or any instrument permitted by law for the investment of State monies in accordance with section 165.051 of the Missouri Revised Statutes.

The deposits and investments held at December 31, 2015, and reported at cost are as follows:

Type	Maturities	Carrying Value
Deposits:		
NOW Account		\$ 3,070,341.06
Non-negotiable certificates of deposit	Various	88,403.05
Total Deposits		<u>\$ 3,158,744.11</u>

Reconciliation to financial statements:

Current:		
Cash and investments		\$ 1,108,712.26
Cash and investments - restricted		2,050,031.26
		<u>\$ 3,158,744.11</u>

Custodial Credit Risk – Deposits – Custodial credit is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a policy for addressing custodial credit risk for deposits. As of December 31, 2015, bank balances were covered by the Federal Deposit Insurance Corporation (FDIC) or were collateralized by the pledging financial institution or its agent in the City's name.

The City has not formally adopted deposit and investment policies that limit the City’s allowable deposits or investments and address the specific types of risk to which the City is exposed.

3. Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31.

The assessed valuation of the tangible taxable property for the calendar year 2015 for purposes of local taxation was:

Residential	\$ 10,100,110
Agricultural	68,980
Commercial	7,319,576
Personal Property	8,496,050
Railroad and Utilities	783,200
	<u>\$ 26,767,916</u>

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2015 for purposes of local taxation was:

General Revenue	\$ 0.2651
Waterworks	0.5189
	<u>\$ 0.7840</u>

4. Long-Term Debt

The City's long-term debt arising from cash transactions is segmented between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Governmental Activities

As of December 31, 2015, the long-term debt outstanding, arising from cash transactions, to be repaid from governmental funds consisted of the following:

Capital Lease Obligation:

2015 capital lease with Ford Motor Credit, a division of Ford Motor Company, for two Police Interceptors (cost \$59,444.00), payable in semi-annual installments of \$10,726.09, including principal and interest at 5.8%, final payment due May 2018:

\$ 49,262.91

Total capital lease obligations

\$ 49,262.91

Business-Type Activities

As of December 31, 2015, the long-term debt, arising from cash transactions, payable from proprietary fund resources consisted of the following:

Revenue Bonds:

\$365,000.00 revenue bonds due in varying annual installments through July 1, 2020; interest at 4.125% to 6.000%:

\$ 115,000.00

\$4,977,100.00 revenue bonds due in varying annual installments through July 1, 2030; interest at 3.810%:

4,616,875.00

Total Revenue Bonds:

\$ 4,731,875.00

Capital Lease Obligation:

2005 capital lease with Gerald P. Schoenfelder
2003 Real Property Trust for certain combined
waterworks and sewerage system improvements
(cost \$1,400,000.00), payable in quarterly
installments of \$71,764.63, including principal
and interest at 6%, final payment due January
1, 2026:

\$ 2,395,415.36

Total Capital Lease Obligations:

\$ 2,395,415.36

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2015.

<u>Type of Debt</u>	<u>Balance Jan. 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Dec 31, 2015</u>	<u>Amount Due Within One Year</u>
Governmental Activities					
Capital Lease Obligations	\$ -	\$ 59,989.00	\$ 10,726.09	\$ 49,262.91	\$ 18,864.56
Business Type Activities:					
Revenue Bonds	4,939,408.00	-	207,533.00	4,731,875.00	256,129.00
Capital Lease Obligations*	<u>2,265,355.92</u>	<u>139,059.44</u>	<u>9,000.00</u>	<u>2,395,415.36</u>	<u>166,390.44</u>
Total	<u>\$ 7,204,763.92</u>	<u>\$ 199,048.44</u>	<u>\$ 227,259.09</u>	<u>\$ 7,176,553.27</u>	<u>\$ 441,384.00</u>

* Partial principal or interest payments made through December 31, 2015; unpaid interest accrued through 2015 is added to principal; restated as of January 1, 2015.

Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2015, are as follows:

Year ended Dec 31,	Governmental Activities Capital Leases		Business Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 18,864.56	\$ 2,587.62	\$ 256,129.00	\$ 181,871.70
2017	19,974.57	1,477.61	264,565.00	171,750.18
2018	10,423.78	302.31	277,863.00	161,166.63
2019			268,366.00	150,110.67
2020			284,938.00	139,400.93
2021 - 2025			1,534,188.00	531,234.44
2026 - 2030			1,845,826.00	215,968.82
	<u>\$ 49,262.91</u>	<u>\$ 4,367.54</u>	<u>\$ 4,731,875.00</u>	<u>\$ 1,551,503.37</u>

Year ended Dec 31,	Business Type Activities Capital Leases		Total Debt Service	
	Principal	Interest	Principal	Interest
2016	\$ 166,390.44	\$ 140,367.60	\$ 441,384.00	\$ 324,826.92
2017	186,153.02	129,605.01	470,692.59	302,832.80
2018	197,576.02	118,182.01	485,862.80	279,650.95
2019	209,699.99	106,058.04	478,065.99	256,168.71
2020	222,567.93	93,190.10	507,505.93	232,591.03
2021 - 2025	1,335,255.05	243,535.10	2,869,443.05	774,769.54
2026 - 2030	77,772.91	1,166.59	1,923,598.91	217,135.41
	<u>\$ 2,395,415.36</u>	<u>\$ 832,104.45</u>	<u>\$ 7,176,553.27</u>	<u>\$ 2,387,975.36</u>

** Includes unpaid interest accrued and added to principal through December 31, 2015.

Ordinances #98 and #686 of the City of Moscow Mills are concerned with the issuance of revenue bonds and requires that certain amounts be set aside from the operating accounts of the Water and Sewer Funds.

In connection with the 1999 Combined Waterworks and Sewerage System Revenue Bonds, the City received funds from a state revolving loan fund totaling \$121,875.74, which The City assigned to a trustee for its debt service reserve fund deposit. This fund's earnings are credited to the amount due on the 1999 revenue bonds.

Payments on the Governmental Activities-Capital Leases are paid from the General Fund.

Payments on the Revenue Bonds are paid from the Water Fund (\$365,000.00 issue) and from the Water and Sewer Bond Debt Reserve Fund (\$4,977,100.00 issue).

Payments on the Business-Type Activities-Capital Lease Obligation are paid from the Water Fund.

5. Interfund Transfers

Transfers between funds for the year ended for the year ended December 31, 2015, were as follows:

<u>Major Funds:</u>		<u>Transfers In</u>		<u>Transfers Out</u>
Special Revenue Funds:				
Street	\$	-		\$ 81,783.21
Street Repair & Replacement		<u>81,783.21</u>		<u>81,783.21</u>
		<u>81,783.21</u>		
Enterprise Funds:				
Water		-		227,914.48
Sewer				261,364.92
Water & Sewer Bond Fund		30,364.92		
Water Repair & Replacement		409,000.00		
Sewer Repair & Replacement		<u>49,914.48</u>		
		<u>489,279.40</u>		<u>489,279.40</u>
Grand Totals	\$	<u>571,062.61</u>		\$ <u>571,062.61</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

6. Commitments and Contingencies

Commitments

The City contracts for the collection, removal and disposal of solid waste in the City. The contract terminated December 31, 2015, with payments required monthly, based upon a rate schedule. Payments are approximately \$ 11,000.00 monthly. The contract was extended December 9, 2015 through December 31, 2018.

Contingencies

The City is defendant in various litigation. The aggregate liability, after insurance coverage, is not determinable at this time. No provision has been made in the accompanying statements for settlement costs, if any. The City has signed a consent agreement and consent order of an environmental concern with the U.S. Environmental Protection Agency.

The City receives various federal or state grant/loan programs for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The City is not aware of any noncompliance with federal or state provisions that might require the City to provide reimbursement.

7. Segment Information - Enterprise Funds

The City maintains enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended December 31, 2015, is presented below.

	Water	Sewer	Trash	Water & Sewer Bond Debt Reserve	Water Repair & Replacement	Sewer Repair & Replacement	Total
Condensed Statement of Net Position							
Assets:							
Cash and Investments	\$ -	\$ -	\$ 37,936.47	\$ -	\$ -	\$ -	\$ 37,936.47
Restricted Assets:							
Cash and Investments	476,553.87	353,682.68		308,572.46	462,736.45	448,486.39	2,050,031.85
Total Assets	\$ 476,553.87	\$ 353,682.68	\$ 37,936.47	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,087,968.32
Net Position							
Restricted for:							
Debt Service	\$ 476,553.87	\$ 353,682.68	\$ -	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,050,031.85
Unrestricted			37,936.47				37,936.47
Total Net Position	\$ 476,553.87	\$ 353,682.68	\$ 37,936.47	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,087,968.32
Condensed Statement of Revenues, Expenses and Changes in Net Position							
Operating Revenues	\$ 456,204.69	\$ 639,283.06	\$ 141,631.53	\$ -	\$ -	\$ -	\$ 1,237,119.28
Operating Expenses	251,597.68	426,151.95	137,523.27		5,365.61	6,348.41	826,986.92
Operating Income (Loss)	204,607.01	213,131.11	4,108.26	-	(5,365.61)	(6,348.41)	410,132.36
Nonoperating revenues (expenses)							
Property taxes	139,659.38	-	-	-	-	-	139,659.38
Interest	3,268.64	338.86	36.21	318.30	537.65	436.63	4,936.29
Grant Revenue		45,000.00					45,000.00
Other	2,297.72	66,250.00					68,547.72
Debt Service:							
Bond Principal	(20,000.00)			(367,008.44)			(387,008.44)
Bond Interest & Fees	(4,745.70)			(318.00)			(5,063.70)
Operating Transfers	(227,914.48)	(261,364.92)		409,000.00	49,914.48	30,364.92	
Change in Net Position	97,172.57	63,355.05	4,144.47	41,991.86	45,086.52	24,453.14	276,203.61
Beginning Net Position	379,381.30	290,327.63	33,792.00	266,580.60	417,649.93	424,033.25	1,811,764.71
Ending Net Position	\$ 476,553.87	\$ 353,682.68	\$ 37,936.47	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,087,968.32
Condensed Statement of Cash Flows							
Net Cash provided (used) by:							
Operating activities	\$ 204,607.01	\$ 213,131.11	\$ 4,108.26	\$ -	\$ (5,365.61)	\$ (6,348.41)	\$ 410,132.36
Noncapital financing activities	(85,957.38)	(150,114.92)		409,000.00	49,914.48	30,364.92	253,207.10
Capital & related financing activities	(24,745.70)			(367,326.44)			(392,072.14)
Investing activities	3,268.64	338.86	36.21	318.30	537.65	436.63	4,936.29
Net increase (decrease)	97,172.57	63,355.05	4,144.47	41,991.86	45,086.52	24,453.14	276,203.61
Beginning cash and cash equivalents	379,381.30	290,327.63	33,792.00	266,580.60	417,649.93	424,033.25	1,811,764.71
Ending cash and cash equivalents	\$ 476,553.87	\$ 353,682.68	\$ 37,936.47	\$ 308,572.46	\$ 462,736.45	\$ 448,486.39	\$ 2,087,968.32

This segment information has been prepared on the cash basis of accounting and does not include a record of its fixed assets and depreciation thereon.

8. Pledged Revenues

Utility Revenues Pledged

The City has pledged future water and sewer customer revenues to repay the 1999 and 2014 Combined Water and Sewerage System Bonds issued to improve and expand the water and sewer system. The bonds are payable solely from water and sewer customer net revenues and are payable through 2030. Net revenues are revenues of the system less expenses of the system with the exception of depreciation. The

total principal and interest remaining to be paid on the bonds is \$6,283,378.37. Principal and interest paid for the current year and total customer net revenues were \$394,089.70 and \$406,024.10, respectively.

9. Risk Management

The City is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), a protected self-insurance program of political subdivisions. The pool provides insurance coverage for workers' compensation, general liability, police liability, and property. The City does not pay premiums to purchase insurance policies, but pays an assessment to be a member of self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole. The pooling agreement requires the pool to be self-sustaining. The City believes it is not possible to estimate the range or contingent losses to be borne by the City. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in insurance coverage from the prior year.

10. Subsequent Events

Subsequent events were evaluated through August 4, 2016, which is the date the financial statements were available to be issued.

On June 1, 2016, the City agreed to purchase real estate totaling \$215,000.00

On June 11, 2016, the City agreed to a financial advisory services agreement with respect to a proposed issuance of Combined Waterworks and Sewerage System Revenue Bonds, Series 2016, in the amount of \$3,000,000.00 for the purpose of acquiring, constructing, extending and improving the combined waterworks and sewerage system of the City.

SUPPLEMENTARY INFORMATION

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
GENERAL FUND
YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Taxes				
Personal Property Tax	\$ 15,000.00	\$ 25,000.00	\$ 26,336.97	\$ 1,336.97
Real Estate Taxes	44,500.00	46,000.00	45,015.27	(984.73)
Sales Tax	250,000.00	299,000.00	315,250.35	16,250.35
Motor Vehicle Sales Tax	7,000.00			
Franchise Tax	100,000.00	113,000.00	118,799.68	5,799.68
Financial Institution Tax	10.00	365.00	365.89	0.89
Fuel Tax	30,000.00			
Motor Vehicle Fee	4,750.00			
Surtax Revenue	1,700.00	1,796.00	1,796.02	0.02
	<u>452,960.00</u>	<u>485,161.00</u>	<u>507,564.18</u>	<u>22,403.18</u>
Intergovernmental				
Grant Revenue - Equipment	-	4,176.00	4,176.29	0.29
Total Intergovernmental	<u>-</u>	<u>4,176.00</u>	<u>4,176.29</u>	<u>0.29</u>
Licenses, Permits, and Fees				
Merchants and Liquor Licenses	11,000.00	18,900.00	19,024.66	124.66
Development Fee	500.00	2,000.00	2,699.80	699.80
Dog Licenses & Fines	200.00	298.00	331.00	33.00
Building Permit	300.00	2,000.00	7,643.22	5,643.22
Filing Fee	20.00	20.00	25.00	5.00
	<u>12,020.00</u>	<u>23,218.00</u>	<u>29,723.68</u>	<u>6,505.68</u>
Interest	<u>1,600.00</u>	<u>1,725.00</u>	<u>1,988.75</u>	<u>263.75</u>
Fines and Forfeitures				
Court Fines	170,000.00	148,000.00	166,916.38	18,916.38
Domestic Violence Shelter	2,800.00	2,000.00	2,202.00	202.00
Inmate Fee	4,000.00	4,200.00	3,825.00	(375.00)
Law Enforcement Training	4,200.00	3,200.00	3,308.14	108.14
Clerk Fee Revenue	16,000.00	12,000.00	13,222.00	1,222.00
Crime Victims Compensation	10,900.00	7,500.00	8,257.50	757.50
Peace Officers Standards	1,400.00	1,000.00	1,101.00	101.00
DWI Recoupments	100.00		18.89	18.89
Transport Fees		275.00	277.98	2.98
Police Report Revenue	80.00	120.00	195.00	75.00
Sheriff's Retirement System	4,100.00	2,982.00	3,278.50	296.50
	<u>213,580.00</u>	<u>181,277.00</u>	<u>202,602.39</u>	<u>21,325.39</u>
Park Revenue				
Park Rental	4,600.00	5,000.00	6,035.00	1,035.00
Other Revenue	130.00	500.00	5,576.96	5,076.96
	<u>4,730.00</u>	<u>5,500.00</u>	<u>11,611.96</u>	<u>6,111.96</u>
Miscellaneous				
Other Revenue- police	1,500.00	4,000.00	6,686.76	2,686.76
Other Revenue- non departmental			1,700.00	1,700.00
	<u>1,500.00</u>	<u>4,000.00</u>	<u>8,386.76</u>	<u>4,386.76</u>
Total Revenues	<u>686,390.00</u>	<u>705,057.00</u>	<u>766,054.01</u>	<u>60,997.01</u>

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
GENERAL FUND
YEAR ENDED DECEMBER 31, 2015

EXPENDITURES:	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government:				
Non-Departmental				
Unemployment	\$ 3,000.00	\$ 1,500.00	\$ -	\$ 1,500.00
Contracted Services	3,000.00	3,000.00	2,482.50	517.50
Health Insurance	44,000.00	43,000.00	42,949.13	50.87
Miscellaneous Insurance	3,000.00	2,310.00	2,306.86	3.14
Utilities	6,500.00	5,500.00	4,125.03	1,374.97
Engineer Expense	12,000.00	12,000.00	10,316.54	1,683.46
Legal Fees	17,000.00	14,000.00	10,410.00	3,590.00
Accountant Fees	2,500.00	2,375.00	2,375.00	
Animal Control	400.00	200.00	92.55	107.45
Election Expense	2,500.00	1,200.00	1,186.32	13.68
Publication Expense	4,000.00	2,300.00	1,610.95	689.05
Drug & Alcohol Testing	2,000.00	1,500.00	1,041.00	459.00
Collector/Assessor Fees	5,000.00	5,000.00	4,106.66	893.34
Postage	1,100.00	1,100.00	907.43	192.57
Public & Community Relations	300.00	300.00		300.00
Recording Fees	150.00	100.00	30.00	70.00
Reserve Expense	5,000.00	16,464.50		16,464.50
Other Expense	1,000.00	500.00	206.25	293.75
	<u>112,450.00</u>	<u>112,349.50</u>	<u>84,146.22</u>	<u>28,203.28</u>
Maintenance				
Salaries and Wages	15,500.00	15,500.00	12,324.09	3,175.91
Payroll Taxes	1,185.75	1,185.75	878.77	306.98
Telephone	400.00	400.00	342.52	57.48
Equipment Purchases	200.00	200.00	86.34	113.66
Equipment Repairs	1,500.00	1,500.00		1,500.00
Supplies	1,300.00	900.00	551.77	348.23
Miscellaneous Insurance	1,200.00	1,000.00	990.65	9.35
Fuel & Mileage	2,500.00	2,000.00	1,257.41	742.59
Other Expense	200.00	200.00	20.00	180.00
	<u>23,985.75</u>	<u>22,885.75</u>	<u>16,451.55</u>	<u>6,434.20</u>
Office Department				
Salaries and Wages	37,000.00	37,000.00	36,024.80	975.20
Payroll Taxes	2,830.50	2,830.50	2,648.06	182.44
Telephone	700.00	700.00	621.82	78.18
Equipment Purchases	500.00	900.00	611.72	288.28
Equipment Repair	500.00	250.00	(14.95)	264.95
Fuel & Mileage	1,000.00	1,000.00	785.06	214.94
Software Purchase	400.00	400.00		400.00
Supplies	200.00	150.00	69.96	80.04
Contracted Services	2,305.00	2,305.00	1,999.35	305.65
Miscellaneous Insurance	3,100.00	3,135.00	3,130.75	4.25
Office Supplies	800.00	800.00	570.45	229.55
Uniforms	600.00	600.00		600.00
Dues & Schooling	3,930.00	3,000.00	2,749.73	250.27
Building Maintenance	500.00	500.00	128.27	371.73
Other	50.00	50.00		50.00
	<u>54,415.50</u>	<u>53,620.50</u>	<u>49,325.02</u>	<u>4,295.48</u>

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
GENERAL FUND
YEAR ENDED DECEMBER 31, 2015

EXPENDITURES (CONT.):	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government (Cont.):				
Council Department				
Salaries and Wages	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ -
Payroll Taxes	918.00	918.00	918.00	
Contracted Services	50.00	50.00	56.67	(6.67)
Office Supplies	200.00	100.00	76.91	23.09
Miscellaneous Insurance	958.18	1,050.00	1,046.57	3.43
Fuel & Mileage	1,000.00	1,000.00	971.19	28.81
Dues & Schooling	4,100.00	3,000.00	3,012.38	(12.38)
Other Expense	100.00	100.00	4.00	96.00
	<u>19,326.18</u>	<u>18,218.00</u>	<u>18,085.72</u>	<u>132.28</u>
Total General Government	<u>210,177.43</u>	<u>207,073.75</u>	<u>168,008.51</u>	<u>39,065.24</u>
Public Safety:				
Police				
Salaries and Wages	220,000.00	220,000.00	218,977.51	1,022.49
Payroll Taxes	16,830.00	16,830.00	15,758.15	1,071.85
Utilities	1,200.00	1,200.00	998.29	201.71
Telephone	2,000.00	2,000.00	1,930.71	69.29
Equipment Purchase	2,100.00	20,000.00	16,788.42	3,211.58
Equipment Repair	15,000.00	10,000.00	7,260.42	2,739.58
Supplies	3,500.00	3,500.00	1,373.05	2,126.95
Office Supplies	800.00	600.00	378.04	221.96
Contracted Services	11,775.00	11,775.00	9,275.34	2,499.66
Miscellaneous Insurance	19,000.00	19,100.00	19,042.56	57.44
Uniforms	4,000.00	4,000.00	2,089.44	1,910.56
Inmate Fees Expense	800.00	400.00		400.00
Fuel & Mileage	16,000.00	13,000.00	9,121.47	3,878.53
Dues & Schooling	6,005.00	5,117.00	2,996.25	2,120.75
Postage	75.00	30.00		30.00
Public & Community Relations	750.00	400.00	231.72	168.28
Sheriff Dispatching Expense	46,885.00	46,885.00	47,027.61	(142.61)
Building Rental	6,000.00	6,000.00	6,000.00	
Building Maintenance		300.00	210.00	90.00
Other	500.00	500.00	117.37	382.63
	<u>373,220.00</u>	<u>381,637.00</u>	<u>359,576.35</u>	<u>22,060.65</u>
Court Department				
Salaries and Wages	46,500.00	46,500.00	46,036.11	463.89
Payroll Taxes	3,557.25	3,557.25	3,380.11	177.14
Utilities	1,200.00	1,300.00	1,142.70	157.30
Telephone	1,600.00	1,650.00	1,646.48	3.52
Legal Expense	14,400.00	14,400.00	14,400.00	
Equipment Purchases	500.00	700.00	683.76	16.24
Equipment Repairs	500.00	250.00		250.00
Software Purchase	250.00	250.00		250.00
Supplies	200.00	200.00	70.45	129.55
Office Supplies	600.00	600.00	493.82	106.18

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
GENERAL FUND
YEAR ENDED DECEMBER 31, 2015

EXPENDITURES (CONT.):	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public Safety (Cont.):				
Court Department (Cont.)				
Contracted Services	\$ 4,187.00	\$ 4,187.00	\$ 3,776.50	\$ 410.50
Miscellaneous Insurance	3,650.00	4,100.00	4,062.14	37.86
Fuel & Mileage	350.00	350.00	181.70	168.30
Credit/Debit Card Fees	2,000.00	1,800.00	1,695.38	104.62
Inmate Fees	4,500.00	3,000.00	1,980.00	1,020.00
Domestic Violence	2,800.00	2,000.00	2,202.00	(202.00)
Dues & Schooling	1,800.00	1,800.00	1,129.85	670.15
Crime Victims Comp	10,500.00	7,290.00	7,809.85	(519.85)
Peace Officers Standards & Training	1,400.00	1,000.00	1,101.00	(101.00)
Postage	550.00	550.00	458.00	92.00
Building Rental	6,000.00	6,000.00	6,000.00	
Building Maintenance	480.00	1,360.00	930.00	430.00
Sheriff's Retirement System	4,100.00	2,982.00	3,275.50	(293.50)
Other	50.00	50.00	25.00	25.00
	<u>111,674.25</u>	<u>105,876.25</u>	<u>102,480.35</u>	<u>3,395.90</u>
Total Public Safety	<u>484,894.25</u>	<u>487,513.25</u>	<u>462,056.70</u>	<u>25,456.55</u>
Parks and Recreation:				
Park Department				
Utilities	4,400.00	4,400.00	3,934.40	465.60
Telephone	570.00	570.00	569.77	0.23
Equipment Repair	500.00	500.00		500.00
Supplies	1,100.00	500.00	5.37	494.63
Cleaning	3,040.00	2,500.00	2,160.00	340.00
Building Maintenance	1,700.00	1,700.00	726.55	973.45
Other Expense	300.00	300.00		300.00
	<u>11,610.00</u>	<u>10,470.00</u>	<u>7,396.09</u>	<u>3,073.91</u>
Total Parks and Recreation	<u>11,610.00</u>	<u>10,470.00</u>	<u>7,396.09</u>	<u>3,073.91</u>
Total Expenditures	<u>706,681.68</u>	<u>705,057.00</u>	<u>637,461.30</u>	<u>67,595.70</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(20,291.68)	-	128,592.71	128,592.71
FUND BALANCE, JANUARY 1, 2015	<u>433,239.39</u>	<u>433,239.39</u>	<u>433,239.39</u>	-
FUND BALANCE, DECEMBER 31, 2015	<u>\$ 412,947.71</u>	<u>\$ 433,239.39</u>	<u>\$ 561,832.10</u>	<u>\$ 128,592.71</u>

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
STREET FUND
YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Taxes				
Sales Tax	\$ 115,000.00	\$ 140,000.00	\$ 148,319.72	\$ 8,319.72
Intergovernmental				
Gas Tax	30,000.00	60,000.00	66,811.20	6,811.20
Motor Vehicle Tax	7,000.00	18,000.00	20,693.75	2,693.75
Motor Vehicle Fee	4,750.00	10,000.00	10,914.07	914.07
Other Revenue		250.00	250.00	
Total Intergovernmental	41,750.00	88,250.00	98,669.02	10,419.02
Interest	150.00	60.00	72.81	12.81
Total Revenues	156,900.00	228,310.00	247,061.55	18,751.55
EXPENDITURES:				
Public Works - Streets				
Salaries and Wages	45,000.00	45,000.00	42,808.61	2,191.39
Payroll Taxes	3,442.50	3,442.50	3,089.94	352.56
Health Insurance	8,000.00	6,000.00	5,442.81	557.19
Unemployment	1,000.00	500.00		
Utilities	32,000.00	31,850.00	31,142.39	707.61
Telephone	650.00	650.00	563.21	86.79
Engineer Expense	2,000.00	1,000.00	150.00	850.00
Legal Expense	1,000.00			
Accountant Expense	2,500.00	2,375.00	2,375.00	
Uniforms	1,100.00	1,100.00	1,084.08	15.92
Supplies	8,000.00	6,000.00	6,865.51	(865.51)
Equipment Repair	19,000.00	19,000.00	22,432.39	(3,432.39)
Equipment Purchase	17,000.00	17,900.00	17,081.01	818.99
Fuel & Mileage	9,500.00	5,000.00	3,699.42	1,300.58
Miscellaneous Insurance	3,000.00	3,300.00	3,251.52	
Dues & Schooling	2,000.00	2,000.00	260.91	1,739.09
Ice Control	23,000.00	23,000.00	8,308.64	14,691.36
Building Maintenance	600.00	600.00		600.00
Signs	3,000.00	3,000.00	2,142.09	857.91
Reserve Expense	2,000.00	55,391.71		55,391.71
Other	1,050.00	1,200.00	931.25	268.75
Total Expenditures	184,842.50	228,309.21	151,628.78	76,131.95
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(27,942.50)	0.79	95,432.77	94,883.50
OTHER FINANCING SOURCES (USES):				
Operating Transfers	(77,057.50)	(81,784.00)	(81,783.21)	0.79
FUND BALANCE, JANUARY 1, 2015	129,725.71	129,725.71	129,725.71	-
FUND BALANCE, DECEMBER 31, 2015	\$ 24,725.71	\$ 47,942.50	\$ 143,375.27	\$ 94,884.29

CITY OF MOSCOW MILLS, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CASH BASIS - WITH COMPARISON TO BUDGET
STREET REPAIR AND REPLACEMENT FUND
YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Interest	\$ 499.00	\$ 564.00	\$ 555.56	\$ (8.44)
Total Revenues	<u>499.00</u>	<u>564.00</u>	<u>555.56</u>	<u>(8.44)</u>
EXPENDITURES:				
Public Works - Streets				
Equipment Purchase	-	99,000.00	93,306.80	5,693.20
Rock Expense	3,500.00	3,500.00	2,404.78	1,095.22
Road Oil Expense	1,500.00	1,500.00	1,467.50	32.50
Asphalt & Concrete Expense	119,846.00	119,846.00	47,782.00	72,064.00
Hauling Expense	6,500.00	6,500.00	1,955.00	4,545.00
Reserve Expense	4,000.00	4,000.00		4,000.00
Total Expenditures	<u>135,346.00</u>	<u>234,346.00</u>	<u>146,916.08</u>	<u>87,429.92</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(134,847.00)	(233,782.00)	(146,360.52)	87,421.48
OTHER FINANCING SOURCES (USES):				
Operating Transfers	<u>77,057.50</u>	<u>81,784.00</u>	<u>81,783.21</u>	<u>(0.79)</u>
FUND BALANCE, JANUARY 1, 2015	<u>430,145.73</u>	<u>430,145.73</u>	<u>430,145.73</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2015	<u>\$ 372,356.23</u>	<u>\$ 278,147.73</u>	<u>\$ 365,568.42</u>	<u>\$ 87,420.69</u>