

**CITY OF MOSCOW MILLS, MISSOURI**  
**AUDIT OF FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

CITY OF MOSCOW MILLS, MISSOURI  
CASH BASIS FINANCIAL STATEMENTS  
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## 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, 2020, 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 misstatement, whether due to fraud or error.

### 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 involves 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, 2020, 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.

### **Emphasis of Matter**

As discussed in Note 12 of the financial statements, in March 2020, the World Health Organization declared COVID-19 a pandemic. Given the uncertainty and duration of the disruption caused by the pandemic, any related financial impact cannot be reasonably estimated at this time. Our opinion, on financial statements prepared on the modified cash basis of accounting, is not modified with respect to this matter.

### **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 opinions are 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 Mills, Missouri's basic financial statements. The budgetary comparison information, combining street fund financial statements 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 36 through 43 and combining street fund financial statements on pages 44 through 48 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 and combining street fund financial statements are 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 8, 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.

*Croghan + Croghan P.C.*  
Certified Public Accountants

Kirkwood, Missouri  
December 9, 2021



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Management's Discussion and Analysis  
for the Fiscal Year Ended December 31, 2020

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, 2020. 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, 2020 include the following:

#### Revenue:

- The City's property tax rates for 2020 stayed the same as 2019. The rates for 2020 were .4999 for the water works fund and .2554 for the general revenue fund. These amounts are per \$100 of assessed valuation.
- Sales tax and franchise tax experienced increases in revenues for 2020.
- Water and Sewer utility user fees rates were increased by 3% as of April 1, 2020 (previous years were as of January 1st) due to an ordinance amendment by the Board of Aldermen. This change implements the 3% increase at the same time the new winter averages for sewer are being calculated. Rates are based on a rate study performed and passed in late 2018, which was effective January 1, 2019. Sewer rates are based on a winter average method. The sewer rates charged in January, February, and March of 2020 were based on the previous year's January, February, and March average water use. On April 1, 2020 each customer's sewer average was re-calculated based on the 2020 January, February, and March average water use. The resulting average sewer charge will be billed until April 1, 2021, when new averages will be established.
- The City issued bonds in May of 2019 (Series 2019) for the amount of \$860,000, and received a grant from the Missouri Department of Natural Resources for a matching amount of \$860,000. The use of the bond and grant funds continued into 2020 to eliminate the Northwest Wastewater Treatment Facility and install a new sewer line and lift stations to pump the sewage that had been received at that location to the City's Crooked Creek Wastewater Treatment Facility. This project was a requirement of the Administrative Order for Compliance upon Consent with the Environmental Protection Agency. The City received correspondence from the Environmental Protection Agency on March 19, 2020 terminating the Administrative Order for Compliance on Consent, and stating that the required compliance activities had been adequately met.
- Use of the City's Series 2019A bond funds continued in 2020. These bonds are being used for four different projects. Sludge removal at the Crooked Creek Wastewater Treatment Facility that started in 2019 was completed in 2020. The future cost of sludge removal will be through the sewer operating budget, as needed. Engineering began for a new well in the area of Jefferson Street and Tower Street. The Pine Tree and Byrd Street lift station rehabilitations continued in 2020. The project is expected to be complete in 2021. Engineering began in 2019 and continued into 2020 for extending water and sewer lines to the east side of Hwy 61 near Hwy C. That project is expected to be completed in 2022.
- An officer with the Moscow Mills Police Department participated in the St Charles County Cyber Crime Task Force, which resulted in the reimbursement of wages and certain benefits of \$51,987.52 in 2020.

- The City received \$125,079.90 from the Cares Act Grant funding that was administered by Lincoln County. Police officer wages were reimbursed for the period of March 1, 2020 to August 2, 2020 totaling \$119,138.53, supplies and equipment \$2,596.37, and legal fees \$3,345. When additional reimbursements were applied for in November 2020 Lincoln County informed the City that the Cares Act Grant funding had been depleted.
- The park department revenue in 2020 included donations, sponsorships, and the sale of merchandise related to City's bicentennial celebration events being held in 2021. A Bicentennial Committee was formed to plan and hold the events.
- The City collected \$33,280 under the agreement with All Star Pumping and Sewer Service which allow them to haul waste to the Crooked Creek Wastewater Treatment Facility. The City chose to terminate the agreement in November of 2020.
- 50% of the Fuel Tax, Motor Vehicle Sales Tax, and Motor Vehicle Fee Increase revenues were deposited into the Street Fund for 2018, 2019, and 2020. The other 50% was deposited into the General Revenue Fund. In 2021 the City began to reverse this trend, and the funds were deposited with 60% to the Street Fund and 40% to the General Revenue Fund.

#### Expenses:

- The City's engineer prepared the final semi-annual compliance report for EPA and Mo DNR and performed the final construction inspection for the project eliminating the Northwest Wastewater Treatment Facility. The initiation of operations of the new lift station and force main was on November 18, 2019. They worked on a lagoon closure plan including sludge removal for the Northwest Wastewater Treatment Facility, specifications for sludge removal at the Crooked Creek Wastewater Treatment Facility, design and construction inspection of the new water vault at Daddy Ray's cookie plant, design of the Pine Tree and Byrd Street lift station rehabilitation, design of a new water well, design for the water and sewer extension to the east side of Hwy 61 near Hwy C, specifications for painting the water tower, specifications for repairs at Crooked Creek Wastewater Treatment Facility, analyzation of repairs needed at the Tropicana Village culvert, updated the City's zoning map, and developed a Capacity, Management, Operations, and Maintenance (CMOM) program for the sewer system. They also reviewed, approved and monitored building permits, site plans, and other development within the City and attended Planning and Zoning Commission and Board of Aldermen meetings.
- Purchases for the maintenance department were: 2020 Ford F350 with Knapheide bed and salt spreader \$61,908.85, water meters and MXU's \$39,600.86, sewer pumps and control panels \$16,404.88, John Deere Z994R lawn mower \$12,600, tree puller and grapple \$5,637.00, hot water pressure washer \$4,300.00, Hach LDO kit \$2,198.00, meter reading equipment \$2,474.22, Pelican Bass Raider boat with trolling motor \$1,475.05, and Raven laboratory centrifuge \$1,233.47. Roads were patched, asphalted, and concrete sections replaced in various areas at a total cost of \$166,199, \$36,103.16 was spent on ice control, Elm Tree Road was striped \$4,800, and new street signs were purchased at a cost of \$1,497.73. The City contracted to have trees along various streets cut and trimmed \$12,195.
- Purchases for the police department were: Equipment and install for Car #1 \$2,312.46, a used drone \$900, 2 used laptops from Missouri Surplus Property \$150.00, and the fifth and sixth (final) lease payments were made for \$24,243.92 on the three year leases for the two 2018 Ford SUV's.
- The City Clerk's office purchased a used paper folder/inserter for mailing the utility bills for \$2,500, a laptop for \$1,249.99, and two new computer monitors for \$424.90.
- The Court Department purchased a desktop computer, two monitors, software, printer, and scanner for \$1,716.61, a laptop computer and software for \$1,156.10, and a fingerprinting machine for \$709.50.
- A laptop computer, docking station, and software were purchased for the Mayor for \$2,005.64. Six iPads and cases were purchased for the Board of Aldermen for \$2,163.06.
- The City continued making monthly payments on the property and building at 995 Main Street.
- The Bicentennial Committee purchases totaled \$11,924.70 for merchandise commemorating the City's 200<sup>th</sup> anniversary, to be sold at Bicentennial events.

#### 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, 2020 of \$ 6,535,620.17 reflect the City’s total assets of cash and investments (net).

#### Governmental Funds Financial Analysis

| Governmental Activities                         | 2020            | 2019            |
|---|-----------------|-----------------|
| Revenues Collected                              |                 |                 |
| Program Revenues Collected                      |                 |                 |
| Charges for Services and Sales                  | \$ 285,652.17   | \$ 270,052.33   |
| Operating Grants                                | 274,183.62      | 102,185.72      |
| General Revenues Collected                      |                 |                 |
| Property Taxes                                  | 107,251.09      | 87,931.50       |
| Franchise & Public Services Taxes               | 155,874.91      | 150,592.51      |
| Sales Tax                                       | 737,936.51      | 629,908.76      |
| Investment Income                               | 4,117.58        | 4,507.52        |
| Long-term Debt Proceeds                         | 120,000.00      |                 |
| Miscellaneous                                   | 30,977.56       | 225,239.83      |
| Total Revenues Collected                        | 1,715,993.44    | 1,470,418.17    |
| Expenses Paid                                   |                 |                 |
| General Government                              | 458,048.03      | 337,348.63      |
| Public Safety                                   | 623,939.19      | 565,806.30      |
| Public Works - Streets                          | 369,252.13      | 493,127.33      |
| Park & Recreation                               | 49,790.70       | 2,185.12        |
| Capital Outlay                                  | 160,246.85      | 106,678.94      |
| Debt Service                                    |                 |                 |
| Principal                                       | 28,739.36       | 27,065.07       |
| Interest and Fees                               | 5,380.32        | 6,778.85        |
| Total Expenses Paid                             | 1,695,396.58    | 1,538,990.24    |
| Excess of Revenues Collected Over Expenses Paid | 20,596.86       | (68,572.07)     |
| Net Position, January 1                         | 1,197,360.21    | 1,265,932.28    |
| Net Position, December 31                       | \$ 1,217,957.07 | \$ 1,197,360.21 |



**Business Type Activities Analysis**

| Business-Type Activities       | 2020            | 2019            |
|--------------------------------|-----------------|-----------------|
| Revenues Collected             |                 |                 |
| Program Revenues Collected     |                 |                 |
| Charges for Services and Sales | \$ 2,235,644.62 | \$ 1,992,528.29 |
| Operating Grants               | 1,368.69        | 609,329.54      |
| Capital Grants                 | 229,803.59      |                 |
| General Revenues Collected     |                 |                 |
| Property Taxes                 | 209,924.81      | 172,110.33      |
| Investment Income              | 10,333.35       | 11,904.30       |
| Long-term Debt Proceeds        | 60,000.00       |                 |
| Bond Proceeds                  | 229,803.58      | 2,368,029.54    |
| Miscellaneous                  | 46,668.54       | 38,910.68       |
| Total Revenues Collected       | 3,023,547.18    | 5,192,812.68    |
| Expenses Paid                  |                 |                 |
| Combined Water & Sewer         | 2,084,478.71    | 3,401,262.79    |
| Trash                          | 194,885.58      | 191,300.25      |
| Total Expenses Paid            | 2,279,364.29    | 3,592,563.04    |
| Net Income                     | 744,182.89      | 1,600,249.64    |
| Net Position, January 1        | 4,573,480.21    | 2,973,230.57    |
| Net Position, December 31      | \$ 5,317,663.10 | \$ 4,573,480.21 |

The Combined Water & Sewer Fund experienced a 13% increase in revenues as compared to FY 2019. The Combined Water & Sewer Fund shows net income of \$742,095.10 for 2020.

The Trash Fund experienced a 3% increase in revenues as compared to FY 2019. The Trash Fund shows net income of \$2,087.79 for 2020.

**General Fund Budgetary Highlights**

The City's annual budget covers the period January 1, 2020 to December 31, 2020.

The General Fund revenues exceeded budgetary projections by 3%. The expenditures came in at 8% 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 \$9,212,947.57.

|  |                 |
|--|-----------------|
| 2014 General Revenue Bonds             | \$ 3,380,014.00 |
| 2019 General Revenue Bonds             | 802,733.12      |
| 2019A General Revenue Bonds            | 1,667,600.00    |
| 2005 Lease Purchase for Mette Facility | 3,066,462.29    |
| Note Payable - Real Estate             | 296,138.16      |

## **Budgetary Analysis**

The City's 2021 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 FY2021 budget reflect our efforts to meet those objectives.

The City has budget funds for the departments as follows:

### **BUDGET GOALS FOR 2021**

#### **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. Purchase various equipment as listed in the budget details.
6. Purchase the necessary items to start a sewer lab testing facility.
7. Upgrade and repair current water and sewer treatment facilities as needed.
8. Continue with project for upgrading the Pine Tree Manor and Byrd Street lift stations, the new Well #5, and the water and sewer extension to the west side of Hwy 61 at Hwy C.

#### **Police Dept:**

9. Efficiently utilize the police training fund to keep all police personnel POST certified.
10. Purchase various equipment as listed in the budget details.

#### **Office Dept:**

11. City Clerk to attend the MCCFOA Spring Conference, Fall Regionals, MIRMA Annual Conference, and MML Annual Conference.
12. Purchase or upgrade computers, printers, monitors as needed.
13. Completion of and payment for the 2020 audit.

#### **Court Dept:**

14. Deb Freise to attend the Court Clerk's annual conferences. The Judge to attend the Missouri Municipal and Associates Circuit Judges Association annual conference.
15. Purchase or upgrade computers, printers, monitors as needed.

**Misc:**

16. Three Board of Aldermen members to attend the annual MML Conference that is being held in St. Louis this year, and two Board of Aldermen to attend the MML Elected Official Conference.
17. Employee wage/salary increases are scheduled for the employee's anniversary date for 2021. Exceptions are for employees being adjusted to fit within their pay scale, and new employees still on probation. Employees pay being increased to fit within their pay scale will receive half of that increase on 1/1/2021 and the other half on their anniversary date.
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. Continue with remaining renovations on the City Hall, Police, and Court building located at 995 Main Street.

**Budgetary Restrictions for 2021**

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 2021 restricted 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, 2021, unless the attached budget requires partial use of that amount. On 1/2/2021 a transfer will be made from the Street fund to the Street Repair and Replacement fund for the amount left over from the previous year.
29. The General Revenue fund will continue to have a restricted cash reserve amount, set at \$646,000 for 2021, which is an amount equal to approximately six months of General Revenue operating 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 Patrick Flannigan, Mayor or Linda Haynes, City Clerk at Moscow Mills City Hall, P.O. Box 36, 995 Main Street, 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, 2020

| Functions/Programs                 | Program Revenues Received |                                |                                    | Net (Expense) Revenue and Changes in Net Assets |                        |                          |                        |
|------------------------------------|---------------------------|--------------------------------|------------------------------------|---|------------------------|--------------------------|------------------------|
|                                    | Expenses                  | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions                | Government Activities  | Business-type Activities | Total                  |
| <b>Governmental Activities:</b>    |                           |                                |                                    |   |                        |                          |                        |
| General Government                 | \$ 458,048.03             | \$ 109,458.71                  | \$ -                               | \$ -  | \$ (348,589.32)        | \$ -                     | \$ (348,589.32)        |
| Public Safety                      | 623,939.19                | 162,578.46                     | 175,667.66                         | -   | (285,693.07)           | -                        | (285,693.07)           |
| Park and Recreation Program        | 49,790.70                 | 13,615.00                      | 98,515.96                          | -   | (36,175.70)            | -                        | (36,175.70)            |
| Public Works - Streets             | 369,252.13                |                                |                                    |   | (270,736.17)           |                          | (270,736.17)           |
| Capital Outlay                     | 160,246.85                |                                |                                    |   | (160,246.85)           |                          | (160,246.85)           |
| Debt Service:                      |                           |                                |                                    |   |                        |                          |                        |
| Principal                          | 28,739.36                 |                                |                                    |   | (28,739.36)            |                          | (28,739.36)            |
| Interest and Fees                  | 5,380.32                  |                                |                                    |   | (5,380.32)             |                          | (5,380.32)             |
| Total governmental activities:     | <u>1,695,396.58</u>       | <u>285,652.17</u>              | <u>274,183.62</u>                  | <u>-</u>  | <u>(1,135,560.79)</u>  | <u>-</u>                 | <u>(1,135,560.79)</u>  |
| <b>Business-type Activities:</b>   |                           |                                |                                    |   |                        |                          |                        |
| Combined Water & Sewer             | 2,084,478.71              | 2,038,748.24                   | 1,368.69                           | 229,803.59                                      | -                      | 185,441.81               | 185,441.81             |
| Trash                              | 194,885.58                | 196,896.38                     |                                    |   |                        | 2,010.80                 | 2,010.80               |
| Total business-type activities:    | <u>2,279,364.29</u>       | <u>2,235,644.62</u>            | <u>1,368.69</u>                    | <u>229,803.59</u>                               | <u>-</u>               | <u>187,452.61</u>        | <u>187,452.61</u>      |
| Total City                         | \$ <u>3,974,760.87</u>    | \$ <u>2,521,296.79</u>         | \$ <u>275,552.31</u>               | \$ <u>229,803.59</u>                            | <u>(1,135,560.79)</u>  | <u>187,452.61</u>        | <u>(948,108.18)</u>    |
| <b>General Revenues:</b>           |                           |                                |                                    |   |                        |                          |                        |
| Taxes                              |                           |                                |                                    |   |                        |                          |                        |
| Property Taxes                     |                           |                                |                                    |   | 107,251.09             | 209,924.81               | 317,175.90             |
| Franchise and Public Service Taxes |                           |                                |                                    |   | 155,874.91             |                          | 155,874.91             |
| Sales Tax                          |                           |                                |                                    |   | 737,936.51             |                          | 737,936.51             |
| Investment Income                  |                           |                                |                                    |   | 4,117.58               | 10,333.35                | 14,450.93              |
| Long-term Debt Proceeds            |                           |                                |                                    |   | 120,000.00             | 60,000.00                | 180,000.00             |
| Bond Proceeds                      |                           |                                |                                    |   |                        | 229,803.58               | 229,803.58             |
| Miscellaneous                      |                           |                                |                                    |   | 30,977.56              | 46,668.54                | 77,646.10              |
| Total General Revenues             |                           |                                |                                    |   | <u>1,156,157.65</u>    | <u>556,730.28</u>        | <u>1,712,887.93</u>    |
| Change in Net Position             |                           |                                |                                    |   | 20,596.86              | 744,182.89               | 764,779.75             |
| Net Position - beginning           |                           |                                |                                    |   | 1,197,360.21           | 4,573,480.21             | 5,770,840.42           |
| Net Position - ending              |                           |                                |                                    |   | \$ <u>1,217,957.07</u> | \$ <u>5,317,663.10</u>   | \$ <u>6,535,620.17</u> |

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

CITY OF MOSCOW MILLS, MISSOURI  
 BALANCE SHEET - CASH BASIS -  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2020

|                                      | Major Funds     |                    |                                |
|--------------------------------------|-----------------|--------------------|--------------------------------|
|                                      | General         | Combined<br>Street | Total<br>Governmental<br>Funds |
| <u>ASSETS</u>                        |                 |                    |                                |
| Cash and Investments                 | \$ 1,042,174.19 | \$ 175,782.88      | \$ 1,217,957.07                |
| Restricted Assets:                   |                 |                    |                                |
| Cash and Investments                 |                 |                    |                                |
| Total Assets                         | \$ 1,042,174.19 | \$ 175,782.88      | \$ 1,217,957.07                |
| Fund Equity:                         |                 |                    |                                |
| Fund Balance:                        |                 |                    |                                |
| Restricted                           |                 |                    |                                |
| Streets                              | -               | 175,782.88         | 175,782.88                     |
| Unassigned                           | 1,042,174.19    |                    | 1,042,174.19                   |
| Total Fund Equity                    | 1,042,174.19    | 175,782.88         | 1,217,957.07                   |
| Total Liabilities and<br>Fund Equity | \$ 1,042,174.19 | \$ 175,782.88      |                                |

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 \$ 1,217,957.07

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, 2020

|   | Major Funds            |                      | Total<br>Governmental<br>Funds |
|---|------------------------|----------------------|--------------------------------|
|   | General                | Combined<br>Street   |                                |
| <b>REVENUES:</b>  |                        |                      |                                |
| Taxes   | \$ 763,825.69          | \$ 237,236.82        | \$ 1,001,062.51                |
| Intergovernmental                                       | 224,910.11             | 49,273.51            | 274,183.62                     |
| Licenses, Permits and Fees                              | 109,458.71             |                      | 109,458.71                     |
| Interest  | 3,179.16               | 938.42               | 4,117.58                       |
| Fines and Forfeitures                                   | 162,578.46             |                      | 162,578.46                     |
| Park and Recreation Program                             | 13,615.00              |                      | 13,615.00                      |
| Miscellaneous   | 25,962.01              | 5,015.55             | 30,977.56                      |
| <b>Total Revenues</b>                                   | <u>1,303,529.14</u>    | <u>292,464.30</u>    | <u>1,595,993.44</u>            |
| <b>EXPENDITURES:</b>                                    |                        |                      |                                |
| Current:  |                        |                      |                                |
| General Government                                      | 458,048.03             | -                    | 458,048.03                     |
| Public Safety   | 623,939.19             |                      | 623,939.19                     |
| Parks and Recreation                                    | 49,790.70              |                      | 49,790.70                      |
| Public Works - Streets                                  |                        | 369,252.13           | 369,252.13                     |
| Capital Outlay  | 134,299.40             | 25,947.45            | 160,246.85                     |
| Debt Service:   |                        |                      |                                |
| Principal   | 28,739.36              |                      | 28,739.36                      |
| Interest and fees                                       | 5,380.32               |                      | 5,380.32                       |
| <b>Total Expenditures</b>                               | <u>1,300,197.00</u>    | <u>395,199.58</u>    | <u>1,695,396.58</u>            |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> | <u>3,332.14</u>        | <u>(102,735.28)</u>  | <u>(99,403.14)</u>             |
| <b>OTHER FINANCING SOURCES (USES):</b>                  |                        |                      |                                |
| Operating Transfers                                     | -                      | -                    | -                              |
| Long-term Debt Proceeds                                 | 120,000.00             |                      | 120,000.00                     |
| <b>Total Other Financing Sources (Uses):</b>            | <u>120,000.00</u>      | <u>-</u>             | <u>120,000.00</u>              |
| <b>NET CHANGE IN FUND BALANCE</b>                       | 123,332.14             | (102,735.28)         | 20,596.86                      |
| <b>FUND BALANCE, JANUARY 1, 2020</b>                    | <u>918,842.05</u>      | <u>278,518.16</u>    | <u>1,197,360.21</u>            |
| <b>FUND BALANCE, DECEMBER 31, 2020</b>                  | <u>\$ 1,042,174.19</u> | <u>\$ 175,782.88</u> | <u>\$ 1,217,957.07</u>         |

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

CITY OF MOSCOW MILLS, MISSOURI  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES - CASH BASIS  
YEAR ENDED DECEMBER 31, 2020

|  |                     |
|--|---------------------|
| Net change in fund balances - total governmental funds | \$ 20,596.86        |
| There are no adjustments                               | <u>-</u>            |
| Change in Net Position of Governmental Activities      | <u>\$ 20,596.86</u> |

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



CITY OF MOSOCW MILLS, MISSOURI  
STATEMENT OF NET POSITION - CASH BASIS  
PROPRIETARY FUNDS  
DECEMBER 31, 2020

|                         | Major Enterprise Funds    |              | Total<br>Enterprise<br>Funds |
|-------------------------|---------------------------|--------------|------------------------------|
|                         | Combined<br>Water & Sewer | Trash        |                              |
| <b>ASSETS</b>           |                           |              |                              |
| Cash and Investments    | \$ -                      | \$ 50,649.39 | \$ 50,649.39                 |
| Restricted Assets:      |                           |              |                              |
| Cash and Investments    | 5,267,013.71              |              | 5,267,013.71                 |
| Total Assets            | \$ 5,267,013.71           | \$ 50,649.39 | \$ 5,317,663.10              |
| <br><b>NET POSITION</b> |                           |              |                              |
| Restricted for:         |                           |              |                              |
| Capital Projects        | \$ 773,603.04             | \$ -         | \$ 773,603.04                |
| Debt Service            | 4,493,410.67              |              | 4,493,410.67                 |
| Unrestricted            |                           | 50,649.39    | 50,649.39                    |
| Total Net Position      | \$ 5,267,013.71           | \$ 50,649.39 | \$ 5,317,663.10              |

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, 2020

|   | Major Enterprise Funds    |                     | Total<br>Enterprise<br>Funds |
|---|---------------------------|---------------------|------------------------------|
|   | Combined<br>Water & Sewer | Trash               |                              |
| OPERATING REVENUES:                     |                           |                     |                              |
| Charges for Services                    | \$ 2,038,748.24           | \$ 196,896.38       | \$ 2,235,644.62              |
| Total Operating Revenues                | <u>2,038,748.24</u>       | <u>196,896.38</u>   | <u>2,235,644.62</u>          |
| OPERATING EXPENSES:                     |                           |                     |                              |
| Cost of Sales and Services:             |                           |                     |                              |
| Salaries and Wages                      | 221,448.68                | 2,642.88            | 224,091.56                   |
| Retirement Expenses                     | 18,241.39                 | 272.22              | 18,513.61                    |
| Payroll Taxes                           | 15,478.52                 | 186.53              | 15,665.05                    |
| Unemployment Expense                    | 24.01                     |                     | 24.01                        |
| Miscellaneous Insurance                 | 58,405.91                 | 623.39              | 59,029.30                    |
| Contracted Services                     | 13,201.07                 |                     | 13,201.07                    |
| Solid Waste Expense                     |                           | 182,283.94          | 182,283.94                   |
| Engineering                             | 340,061.51                |                     | 340,061.51                   |
| Legal Fees                              | 12,260.12                 | 915.00              | 13,175.12                    |
| Uniforms                                | 6,653.56                  |                     | 6,653.56                     |
| Utilities                               | 129,450.92                |                     | 129,450.92                   |
| Collector/Assessor Fees                 | 11,082.32                 |                     | 11,082.32                    |
| Primacy/Connection Fees                 | 5,983.48                  |                     | 5,983.48                     |
| Dues & Schooling                        | 1,853.52                  |                     | 1,853.52                     |
| Postage                                 | 4,253.14                  | 1,045.00            | 5,298.14                     |
| Fuel & Mileage                          | 8,769.35                  |                     | 8,769.35                     |
| Debit/Credit Card Fees                  | 25,097.76                 | 6,274.47            | 31,372.23                    |
| Equipment Purchase                      | 131,817.60                |                     | 131,817.60                   |
| Equipment Repair                        | 94,583.40                 |                     | 94,583.40                    |
| Building Maintenance                    | 9,624.23                  |                     | 9,624.23                     |
| System                                  | 201,383.35                |                     | 201,383.35                   |
| Billing Cards                           | 2,016.61                  | 504.15              | 2,520.76                     |
| Supplies                                | 56,849.55                 |                     | 56,849.55                    |
| Lab Testing                             | 8,833.00                  |                     | 8,833.00                     |
| Accountant Expense                      | 7,625.00                  |                     | 7,625.00                     |
| Other                                   | 32,858.65                 | 138.00              | 32,996.65                    |
| Capital Outlay                          | 60,000.00                 |                     | 60,000.00                    |
| Total Operating Expenses                | <u>1,477,856.65</u>       | <u>194,885.58</u>   | <u>1,672,742.23</u>          |
| OPERATING INCOME (LOSS)                 | <u>560,891.59</u>         | <u>2,010.80</u>     | <u>562,902.39</u>            |
| NON-OPERATING REVENUES (EXPENSES):      |                           |                     |                              |
| Property Taxes                          | 209,924.81                | -                   | 209,924.81                   |
| Interest                                | 10,256.36                 | 76.99               | 10,333.35                    |
| Grant Revenue                           | 231,172.28                |                     | 231,172.28                   |
| Other                                   | 46,668.54                 |                     | 46,668.54                    |
| Bond Proceeds                           | 229,803.58                |                     | 229,803.58                   |
| Long-term Debt Proceeds                 | 60,000.00                 |                     | 60,000.00                    |
| Debt Service:                           |                           |                     |                              |
| Principal                               | (393,452.02)              |                     | (393,452.02)                 |
| Interest & Fees                         | (213,170.04)              |                     | (213,170.04)                 |
| Total Non-Operating Revenues (Expenses) | <u>181,203.51</u>         | <u>76.99</u>        | <u>181,280.50</u>            |
| INCOME (LOSS) BEFORE TRANSFERS          | 742,095.10                | 2,087.79            | 744,182.89                   |
| OPERATING TRANSFERS                     | -                         | -                   | -                            |
| CHANGE IN NET POSITION                  | 742,095.10                | 2,087.79            | 744,182.89                   |
| TOTAL NET POSITION, JANUARY 1, 2020     | <u>4,524,918.61</u>       | <u>48,561.60</u>    | <u>4,573,480.21</u>          |
| TOTAL NET POSITION, DECEMBER 31, 2020   | <u>\$ 5,267,013.71</u>    | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u>       |

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

CITY OF MOSCOW MILLS, MISSOURI  
STATEMENT OF CASH FLOWS - CASH BASIS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2020

|  | Major Enterprise Funds    |                     | Total<br>Enterprise<br>Funds |
|--|---------------------------|---------------------|------------------------------|
|  | Combined<br>Water & Sewer | Trash               |                              |
| <b>Cash Flows from Operating Activities:</b>   |                           |                     |                              |
| Received from Customers  | \$ 2,038,748.24           | \$ 196,896.38       | \$ 2,235,644.62              |
| Payments to Suppliers for Goods and Services   | (1,222,688.06)            | (191,783.95)        | (1,414,472.01)               |
| Payments to Employees for Services   | (255,168.59)              | (3,101.63)          | (258,270.22)                 |
| Net Cash Provided (Used)<br>by Operating Activities  | <u>560,891.59</u>         | <u>2,010.80</u>     | <u>562,902.39</u>            |
| <b>Cash Flows from Noncapital Financing Activities:</b>  |                           |                     |                              |
| Property Taxes   | 209,924.81                | -                   | 209,924.81                   |
| Other income   | 46,668.54                 |                     | 46,668.54                    |
| Operating Transfers  |                           |                     |                              |
| Net Cash Provided (Used) for<br>Noncapital Financing Activities                                      | <u>256,593.35</u>         | <u>-</u>            | <u>256,593.35</u>            |
| <b>Cash Flows from Capital and Related Financing Activities:</b>                                     |                           |                     |                              |
| Bond Proceeds  | 229,803.58                | -                   | 229,803.58                   |
| Long-term Debt Proceeds  | 60,000.00                 |                     | 60,000.00                    |
| Grants   | 231,172.28                |                     | 231,172.28                   |
| Principal Paid on Bonds/Ceritificates  | (393,452.02)              |                     | (393,452.02)                 |
| Interest and Fees Paid on Bonds/Ceritificates  | (213,170.04)              |                     | (213,170.04)                 |
| Net Cash Used for Capital and Related<br>Financial Activities  | <u>(85,646.20)</u>        | <u>-</u>            | <u>(85,646.20)</u>           |
| <b>Cash Flows from Investing Activities:</b>   |                           |                     |                              |
| Interest Earned  | 10,256.36                 | 76.99               | 10,333.35                    |
| Net Cash Provided by Investing Activities  | <u>10,256.36</u>          | <u>76.99</u>        | <u>10,333.35</u>             |
| Cash, Beginning of Year  | <u>4,524,918.61</u>       | <u>48,561.60</u>    | <u>4,573,480.21</u>          |
| Cash, End of Year  | <u>\$ 5,267,013.71</u>    | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u>       |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b> |                           |                     |                              |
| Operating Income(Loss)   | \$ 560,891.59             | \$ 2,010.80         | \$ 562,902.39                |
| Adjustments to reconcile net income (loss)<br>to net cash provided (used) by<br>operating activities |                           |                     |                              |
| Changes in assets and liabilities:   |                           |                     |                              |
| None   | <u>-</u>                  | <u>-</u>            | <u>-</u>                     |
| Net Cash Provided (Used) by<br>Operating Activities  | <u>\$ 560,891.59</u>      | <u>\$ 2,010.80</u>  | <u>\$ 562,902.39</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  
FIDUCIARY FUNDS  
DECEMBER 31, 2020

| <u>ASSETS</u>               | <u>Agency<br/>Funds</u> |
|-----------------------------|-------------------------|
| Restricted Assets:          |                         |
| Cash and Investments        | \$ <u>9,015.00</u>      |
| <br>                        |                         |
| <u>LIABILITIES</u>          |                         |
| Due to Others - Court Bonds | \$ <u>9,015.00</u>      |

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

CITY OF MOSCOW MILLS, MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

**1. Summary of Significant Accounting Policies**

The City of Moscow Mills, Missouri, was established in 1821. The City operates under a Mayor-Board of Alderman form of government. The City's major operations include police, public works, and general administrative services. In addition, the City operates water, sewer, and sanitation systems.

The financial statements of the City of Moscow Mills, Missouri have been prepared on the cash basis of accounting. The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments through its pronouncements (Statements and Interpretations). These cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the cash basis of accounting. The more significant accounting policies established in GAAP and used by the City are discussed below.

**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*. The City has determined that no outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the City's financial statements. In addition, the City is not aware of any entity which would exercise such oversight which would result in the City being considered a component unit of the entity.

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.

**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 within the limitations of the cash basis of accounting. 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 function of the City’s governmental activities. 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 to meeting the operational or capital requirements of a particular program. Revenues that are not classified 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   |
| Park and Recreation   | Rental and other income  |
| Publics Works-Streets | Vehicle fees and sales tax and gasoline excise tax shared by the State; operating grants |

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, the City chooses the fund, or a fund 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 General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

## Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of the specific revenue sources that are either restricted or committed to expenditures for specified purposes other than debt service or capital projects.

GASB 54 clarifies the definitions of the governmental fund types. The following are reported as part of the Combined Street Fund for financial reporting purposes but are maintained individually for accounting purposes and budgetary comparisons of legally adopted budgets.

*Street Fund*-to account for certain sales tax and other revenues received by the City and those expenditures for the street department.

*Street Repair and Replacement*-to account for certain expenditures for the construction and maintenance of streets as well as certain equipment related to maintaining streets.

## Proprietary Funds

### Enterprise Funds

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

*Combined Water and Sewer Fund*-to account for the revenues and expenses of the operation of the water and Sewer systems.

The following are reported as part of the Combined Water and Sewer Fund for financial reporting purposes but are maintained individually for accounting purposes and budgetary comparisons of legally adopted budgets.

*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.

*Water 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 2014*-to account for a portion of the proceeds of revenue bonds and the payment of interest and principal on these revenue bonds.

*Water and Sewer Project Fund 2019A*-to account for 2019A Bond Proceeds and paying the cost of the project.

*Water and Sewer Debt Service Fund 2019A*-to account for the payments of interest and principal on these revenue bonds.

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government.

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  
Combined Street

Proprietary Funds:

Combined Water and Sewer  
Trash

Non-Major Funds

None

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 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 within the limitations of the cash basis of accounting. 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 within the limitations of the cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (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 financial statements are presented in accordance with the cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB.

The cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the City utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

#### D. Budgets and Budgetary Accounting

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

1. After the City Clerk receives budgets from each department head, the City Clerk, Budget Officer, and Mayor meet to formulate the proposed operating budget. Then 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 9, 2019.

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, 2020, the City complied, in all material respects, with applicable budget laws.

E. Cash and Cash Equivalents and Investments

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 restricted assets at December 31, 2020, are as follows:

|  |           |                     |
|--|-----------|---------------------|
| Water                                  | \$        | 1,278,628.90        |
| Sewer                                  |           | 1,482,294.60        |
| Water Repair & Replacement             |           | 840,105.62          |
| Sewer Repair & Replacement             |           | 535,765.32          |
| Water & Sewer Bond Debt Reserve (2014) |           | 355,128.90          |
| Water & Sewer Project (2019A)          |           | 773,603.04          |
| Water & Sewer Debt Service (2019A)     |           | 1,487.33            |
|  | <u>\$</u> | <u>5,267,013.71</u> |

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 (ordinance) of the City's highest level of decision-making authority.

Assigned-Amounts constrained by the City's intent (resolution) 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.

Fund balances of the City's governmental funds at December 31, 2020, are classified as follows regarding level of constraint:

|                   | <u>General Fund</u>    | <u>Special<br/>Revenue Funds</u> |
|-------------------|------------------------|----------------------------------|
| Fund Balance:     |                        |                                  |
| Restricted for:   |                        |                                  |
| Streets           | \$ -                   | \$ 175,782.88                    |
| Unassigned        | <u>1,042,174.19</u>    |                                  |
| Total Fund Equity | <u>\$ 1,042,174.19</u> | <u>\$ 175,782.88</u>             |

#### I. Net Position/Fund Balance Classifications

##### **Government-Wide Statements**

Net position is classified and displayed in three components:

1. *Net investment in capital assets.* Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. *Restricted.* Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

3. *Unrestricted.* Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

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.

#### 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 6 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 \$109,175.40 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 \$1,064,946.87. The City's fines and court costs for minor traffic violations are 10.25% "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 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to establish criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs.

The City also adopted GASB Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

The City also adopted GASB Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements.

The City also adopted GASB Statement 90, *Majority Equity Interests -- An Amendment of GASB Statements No. 14 and 61*. The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

## 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, 2020, and reported at cost are as follows:

| Type                                   | Maturities | Carrying Value         |
|--|------------|------------------------|
| Deposits:                              |            |                        |
| NOW Account                            |            | \$ 6,434,280.09        |
| Checking account                       |            | 10,638.63              |
| Non-negotiable certificates of deposit | Various    | 90,701.45              |
| <b>Total Deposits</b>                  |            | <b>\$ 6,535,620.17</b> |

Reconciliation to financial statements:

Current:

|                                 |                        |
|---------------------------------|------------------------|
| Cash and investments            | \$ 1,268,606.46        |
| Cash and investments-restricted | 5,267,013.71           |
|                                 | <b>\$ 6,535,620.17</b> |

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, 2020, 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 2020 for purposes of local taxation was:

|                        |                      |
|------------------------|----------------------|
| Residential            | \$ 18,789,661        |
| Agricultural           | 80,883               |
| Commercial             | 8,838,302            |
| Personal Property      | 11,270,240           |
| Railroad and Utilities | 654,383              |
|                        | <b>\$ 39,633,469</b> |

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2020 for purposes of local taxation was:

|                 |                  |
|-----------------|------------------|
| General Revenue | \$ 0.2554        |
| Waterworks      | 0.4999           |
|                 | <b>\$ 0.7553</b> |

#### 4. Short-Term Debt

On December 30, 2020, the City modified a short-term promissory note with a local bank used to finance the purchases of real estate with a long-term promissory note.

Short-term debt activity for the year ended December 31, 2020, was as follows:

|              | <u>Balance<br/>Jan 1, 2020</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance<br/>Dec 31, 2020</u> |
|--------------|--------------------------------|------------------|-------------------|---------------------------------|
| Note Payable | \$ 124,580.22                  | \$ 180,000.00    | \$ 304,580.22     | \$ -                            |

#### 5. 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, 2020, the long-term debt outstanding, arising from cash transactions, to be repaid from governmental funds consisted of the following:

Note payable, from direct borrowing:

Note payable with a financial institution, due in monthly installments of \$1,600.00; interest at 5.00%, matures on January 1, 2026, and is collateralized by a deed of trust.

\$ 197,425.44

Total note payable, from direct borrowing

\$ 197,425.44

##### Business-Type Activities

As of December 31, 2020, the long-term debt, arising from cash transactions, payable from proprietary fund resources consisted of the following:

Note payable, from direct borrowing:

Note payable with a financial institution, due in monthly installments of \$800.00; interest at 5.00%, matures on January 1, 2026, and is collateralized by a deed of trust.

\$ 98,712.72

Total note payable, from direct borrowing

\$ 98,712.72

Revenue bonds, from direct placement:

\$4,977,100.00 revenue bonds due in varying annual installments through July 1, 2030; interest at 3.810%; upon the occurrence of an event of default, the Registered Owners of not less than 25% in principal amount of the bonds then outstanding may, by written notice to the City filed in the office of the City Clerk or delivered in person to said City Clerk, declare the principal of all bonds then outstanding to be immediately due and payable, whereupon that portion of the principal of the bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, notwithstanding anything in the Ordinance or in the bonds to the contrary.

\$ 3,380,014.00

\$1,758,700.00 revenue bonds due in varying annual installments through July 1, 2039; interest at 3.71%; upon the occurrence of an event of default, the Registered Owners of not less than 25% in principal amount of the bonds then outstanding may, by written notice to the City filed in the office of the City Clerk or delivered in person to said City Clerk, declare the principal of all bonds then outstanding to be due and payable immediately, and upon any such declaration give as aforesaid, all of said bonds shall become and be immediately due and payable, anything in this ordinance or in the bonds contained to the contrary notwithstanding.

1,667,600.00

\$860,000.00 (not to exceed) revenue bonds due in varying annual installments through July 1, 2039; interest at 1.24%; whenever an event of default has occurred and is continuing, DNR will have the right to take whatever action or law in equity as provided in Section 901 and 902 of the Ordinance, subject to the provisions of Section 202 of the Ordinance, and as otherwise provided by law, including, to the extent permitted by law, pursuant to Section 644.125 of the Revised Statutes of Missouri, as amended.

802,733.12

Total revenue bonds, from direct placement

\$ 5,850,347.12



Capital Lease Obligations:

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:

\$ 3,066,462.29

Total Capital Lease Obligations

\$ 3,066,462.29

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2020:

| Type of Debt                         | Balance,<br>Jan 1, 2020 | Additions            | Reductions           | Balance,<br>Dec 31, 2020 | Amount Due<br>Within<br>One Year |
|--------------------------------------|-------------------------|----------------------|----------------------|--------------------------|----------------------------------|
| <b>Governmental Activities:</b>      |                         |                      |                      |                          |                                  |
| Note payable, from direct borrowing  | \$ -                    | \$ 197,425.44        | \$ -                 | \$ 197,425.44            | \$ 8,692.51                      |
| Capital lease obligations            | 23,111.32               |                      | 23,111.32            | -                        |                                  |
|                                      | <u>\$ 23,111.32</u>     | <u>\$ 197,425.44</u> | <u>\$ 23,111.32</u>  | <u>\$ 197,425.44</u>     | <u>\$ 8,692.51</u>               |
| <b>Business Type Activities:</b>     |                         |                      |                      |                          |                                  |
| Note payable, from direct borrowing  | \$ -                    | \$ 98,712.72         | \$ -                 | \$ 98,712.72             | \$ 4,346.26                      |
| Revenue bonds, from direct placement | 6,003,681.54            | 229,803.58           | 383,138.00           | 5,850,347.12             | 335,381.00                       |
| Capital lease obligations*           | 2,932,574.61            | 153,887.68           | 20,000.00            | 3,066,462.29             | 513,351.00                       |
|                                      | <u>\$ 8,936,256.15</u>  | <u>\$ 482,403.98</u> | <u>\$ 403,138.00</u> | <u>\$ 9,015,522.13</u>   | <u>\$ 853,078.26</u>             |

\* Partial principal or interest payments made through December 31, 2020; unpaid interest accrued through 2020 is added to principal.

## Annual Debt Service Requirements

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2020, are as follows:

| Year ended<br>Dec 31, | Governmental Activities<br>Note payable |                     | Business Type Activities<br>Note payable |                     |
|-----------------------|---|---------------------|--|---------------------|
|                       | Principal                               | Interest            | Principal                                | Interest            |
| 2021                  | \$ 8,692.51                             | \$ 8,907.49         | \$ 4,346.26                              | \$ 4,453.74         |
| 2022                  | 9,990.81                                | 9,209.19            | 4,995.40                                 | 4,604.60            |
| 2023                  | 10,501.95                               | 8,698.05            | 5,250.98                                 | 4,349.02            |
| 2024                  | 11,015.57                               | 8,184.43            | 5,507.78                                 | 4,092.22            |
| 2025                  | 11,602.83                               | 7,597.17            | 5,801.42                                 | 3,798.58            |
| 2026 - 2030           | 145,621.77                              | 618.39              | 72,810.88                                | 309.20              |
| 2031 - 2035           |   |                     |  |                     |
| 2036 - 2039           |   |                     |  |                     |
|                       | <u>\$ 197,425.44</u>                    | <u>\$ 43,214.72</u> | <u>\$ 98,712.72</u>                      | <u>\$ 21,607.36</u> |

| Year ended<br>Dec 31, | Business Type Activities<br>Revenue bonds, from direct placement |                        | Business Type Activities<br>Capital leases ** |                      |
|-----------------------|--|------------------------|---|----------------------|
|                       | Principal  | Interest               | Principal                                     | Interest             |
| 2021                  | \$ 335,381.00  | \$ 100,300.20          | \$ 513,351.00                                 | \$ 153,140.30        |
| 2022                  | 399,602.00   | 187,612.65             | 543,947.62                                    | 141,099.70           |
| 2023                  | 409,923.00   | 173,394.71             | 577,326.18                                    | 107,721.14           |
| 2024                  | 428,333.00   | 158,807.21             | 612,752.97                                    | 72,294.35            |
| 2025                  | 442,349.00   | 143,533.72             | 650,353.66                                    | 34,693.65            |
| 2026 - 2030           | 2,465,026.00   | 468,499.76             | 168,730.86                                    | 2,530.96             |
| 2031 - 2035           | 723,800.00   | 156,556.51             |   |                      |
| 2036 - 2039           | 645,933.12   | 44,148.59              |   |                      |
|                       | <u>\$ 5,850,347.12</u>   | <u>\$ 1,432,853.35</u> | <u>\$ 3,066,462.29</u>                        | <u>\$ 511,480.10</u> |

| Year ended<br>Dec 31, | Total Debt Service     |                        |
|-----------------------|------------------------|------------------------|
|                       | Principal              | Interest               |
| 2021                  | \$ 861,770.77          | \$ 266,801.73          |
| 2022                  | 958,535.83             | 342,526.14             |
| 2023                  | 1,003,002.11           | 294,162.92             |
| 2024                  | 1,057,609.32           | 243,378.21             |
| 2025                  | 1,110,106.91           | 189,623.12             |
| 2026 - 2030           | 2,852,189.51           | 471,958.31             |
| 2031 - 2035           | 723,800.00             | 156,556.51             |
| 2036 - 2039           | 645,933.12             | 44,148.59              |
|                       | <u>\$ 9,212,947.57</u> | <u>\$ 2,009,155.53</u> |

\*\* Includes unpaid interest accrued and added to principal through December 31, 2020.

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

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), the Water and Sewer Bond Debt Reserve Fund (\$4,977,100.00 issue), Sewer Fund (\$860,000.00 issue), and the Debt Service Fund 2019A (\$1,758,700.00 issue).

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

## **6. Interfund Transfers**

Transfers between funds for the year ended for the year ended December 31, 2020, were as follows:

| Major Funds:                           | Transfers In      | Transfers Out     |
|--|-------------------|-------------------|
| Special Revenue Funds:                 |                   |                   |
| Street                                 | \$ -              | \$ 64,699.28      |
| Street Repair & Replacement            | 64,699.28         |                   |
|  | <u>64,699.28</u>  | <u>64,699.28</u>  |
| Enterprise Funds:                      |                   |                   |
| Water                                  | -                 | 396,235.56        |
| Sewer                                  | 45,102.98         | 405,434.52        |
| Water & Sewer Bond Debt Reserve (2014) | 408,999.84        |                   |
| Water Repair & Replacement             | 149,915.64        |                   |
| Sewer Repair & Replacement             | 117,294.60        | 45,102.98         |
| Water & Sewer Debt Service (2019)      | 125,460.00        |                   |
|  | <u>846,773.06</u> | <u>846,773.06</u> |
| Total                                  | \$ 911,472.34     | \$ 911,472.34     |

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.

## **7. Commitments and Contingencies**

### Commitments

The City contracts for the collection, removal and disposal of solid waste in the City. The agreement terminated December 31, 2020, with payments required monthly, based upon a rate schedule. The City agreed for services through December 31, 2021. Payments are approximately \$15,000.00 monthly.

### Contingencies

The City is defendant in various legal proceedings in which claims are being asserted against the City. The aggregate liability, after insurance coverage, is not determinable at this time. Accordingly, and as a result of the City's use of the modified cash basis of accounting, the financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. The City has signed a consent agreement and consent order of an environmental concern with the U.S. Environmental Protection Agency which was terminated on March 19, 2020.

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.

### 8. 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, 2020, is presented below.

|   | Combined<br>Water & Sewer | Trash               | Total                  |
|---|---------------------------|---------------------|------------------------|
| <b>Combined Statement of Net Position</b> |                           |                     |                        |
| Assets:                                   |                           |                     |                        |
| Cash and Investments                      | \$ -                      | \$ 50,649.39        | \$ 50,649.39           |
| Restricted Assets:                        |                           |                     |                        |
| Cash and Investments                      | 5,267,013.71              |                     | 5,267,013.71           |
|   | <u>\$ 5,267,013.71</u>    | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u> |
| Net Position                              |                           |                     |                        |
| Restricted for:                           |                           |                     |                        |
| Capital Projects                          | \$ 773,603.04             | \$ -                | \$ 773,603.04          |
| Debt Service                              | 4,493,410.67              |                     | 4,493,410.67           |
| Unrestricted                              |                           | 50,649.39           | 50,649.39              |
|   | <u>\$ 5,267,013.71</u>    | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u> |

### **Combined Statement of Revenues, Expenses, and Changes in Net Position**

|                                 |                        |                     |                        |
|---------------------------------|------------------------|---------------------|------------------------|
| Charges for Services            | \$ 2,038,748.24        | \$ 196,896.38       | \$ 2,235,644.62        |
| Operating Expenses              | <u>1,477,856.65</u>    | <u>194,885.58</u>   | <u>1,672,742.23</u>    |
| Operating Income (Loss)         | 560,891.59             | 2,010.80            | 562,902.39             |
| Nonoperating Revenue (Expenses) |                        |                     |                        |
| Property Taxes                  | 209,924.81             | -                   | 209,924.81             |
| Interest                        | 10,256.36              | 76.99               | 10,333.35              |
| Grant Revenue                   | 231,172.28             |                     | 231,172.28             |
| Other                           | 46,668.54              |                     | 46,668.54              |
| Bond Proceeds                   | 229,803.58             |                     | 229,803.58             |
| Long-term Debt Proceeds         | 60,000.00              |                     | 60,000.00              |
| Debt Service:                   |                        |                     |                        |
| Principal                       | (393,452.02)           |                     | (393,452.02)           |
| Interest & Fees                 | <u>(213,170.04)</u>    |                     | <u>(213,170.04)</u>    |
| Change in Net Position          | 742,095.10             | 2,087.79            | 744,182.89             |
| Beginning Net Position          | 4,524,918.61           | 48,561.60           | 4,573,480.21           |
| Ending Net Position             | <u>\$ 5,267,013.71</u> | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u> |

### **Combined Statement of Cash Flows**

|  |                        |                     |                        |
|--|------------------------|---------------------|------------------------|
| Net Cash Provided (Used) by:           |                        |                     |                        |
| Operating Activities                   | \$ 560,891.59          | \$ 2,010.80         | \$ 562,902.39          |
| Noncapital Financing Activities        | 256,593.35             | -                   | 256,593.35             |
| Capital & Related Financing Activities | (85,646.20)            | -                   | (85,646.20)            |
| Investing Activities                   | <u>10,256.36</u>       | <u>76.99</u>        | <u>10,333.35</u>       |
| Net Increase (Decrease)                | 742,095.10             | 2,087.79            | 744,182.89             |
| Beginning Cash and Cash Equivalents    | 4,524,918.61           | 48,561.60           | 4,573,480.21           |
| Ending Cash and Cash Equivalents       | <u>\$ 5,267,013.71</u> | <u>\$ 50,649.39</u> | <u>\$ 5,317,663.10</u> |

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.

## **9. Pledged Revenues**

### Utility Revenues Pledged

The City has pledged future water and sewer customer revenues to repay the 2014, 2019, and 2019A 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 2039. 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 \$7,283,200.47. Principal and interest paid for the current year and total customer net revenues were \$577,862.65 and \$2,098,748.24, respectively.

## **10. 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.

## **11. Retirement Plan**

### **General Information about the Pension Plan**

*Plan description.* The City of Moscow Mills defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City of Moscow Mills participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS 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 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

*Benefits provided.* LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

|                       |                |
|-----------------------|----------------|
| Benefit Multiplier:   | 1.25% for life |
| Final Average Salary: | 5 years        |
| Member Contributions: | 4%             |

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 10.3% (General) and 10.0% (Police) of annual covered payroll. For the year ended December 31, 2020 the City contributed \$65,410.49.

**12. Risks and Uncertainties**

In March 2020, the World Health Organization declared the novel coronavirus outbreak a pandemic ("COVID-19"). As a result, economic uncertainties have arisen which are likely to negatively impact net income. While the disruption caused by the pandemic is currently expected to be temporary, there is uncertainty regarding its duration. Therefore, while we expect the pandemic to impact our results of financial position, change in financial position, and liquidity, we cannot reasonably estimate the impact at this time.

**13. Subsequent Events**

Subsequent Events were evaluated through December 9, 2021, which is the date the financial statements were available to be issued.

The City issued \$3,176,713.53 Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 2021, on June 22, 2021, to refund Series 2014 bonds.

The City received \$352,721.18 State of Missouri American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund aid on August 23, 2021; estimated total allocation \$707,442.36.

## **SUPPLEMENTARY INFORMATION**

CITY OF MOSCOW MILLS, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 CASH BASIS - BUDGET AND ACTUAL -  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2020

|                                    | Budget Amounts    |                     | Actual              | Variance<br>Favorable<br>(Unfavorable) |
|------------------------------------|-------------------|---------------------|---------------------|--|
|                                    | Original          | Final               |                     |  |
| <b>REVENUES:</b>                   |                   |                     |                     |  |
| <b>Taxes</b>                       |                   |                     |                     |  |
| Personal Property Tax              | \$ 28,500.00      | \$ 32,000.00        | \$ 35,864.03        | \$ 3,864.03                            |
| Real Estate Taxes                  | 64,000.00         | 67,000.00           | 71,387.06           | 4,387.06                               |
| Sales Tax                          | 405,000.00        | 470,000.00          | 500,699.69          | 30,699.69                              |
| Franchise Tax                      | 142,000.00        | 145,000.00          | 153,792.05          | 8,792.05                               |
| Financial Institution Tax          | 500.00            | 0.26                | 0.26                |  |
| Surtax Revenue                     | 2,200.00          | 2,080.00            | 2,082.60            | 2.60                                   |
|                                    | <u>642,200.00</u> | <u>716,080.26</u>   | <u>763,825.69</u>   | <u>47,745.43</u>                       |
| <b>Intergovernmental</b>           |                   |                     |                     |  |
| Grant Revenue - Wages              | -                 | 244,793.81          | 175,667.66          | (69,126.15)                            |
| Motor Vehicle Sales Tax            | 10,800.00         | 9,500.00            | 11,803.21           | 2,303.21                               |
| Gasoline Tax                       | 33,000.00         | 30,500.00           | 31,839.48           | 1,339.48                               |
| Motor Vehicle Fees                 | 5,350.00          | 5,000.00            | 5,599.76            | 599.76                                 |
|                                    | <u>49,150.00</u>  | <u>289,793.81</u>   | <u>224,910.11</u>   | <u>(64,883.70)</u>                     |
| <b>Licenses, Permits, and Fees</b> |                   |                     |                     |  |
| Merchants and Liquor Licenses      | 9,000.00          | 8,200.00            | 8,488.30            | 288.30                                 |
| Development Fee                    | 3,000.00          | 4,350.00            | 7,412.50            | 3,062.50                               |
| Bad Check and Fees Revenue         |                   | 30.00               | 30.00               |  |
| Dog Licenses & Fines               | 150.00            | 150.00              | 145.00              | (5.00)                                 |
| Building Permit                    | 30,000.00         | 85,000.00           | 93,362.91           | 8,362.91                               |
| Filing Fee                         | 20.00             | 20.00               | 20.00               |  |
|                                    | <u>42,170.00</u>  | <u>97,750.00</u>    | <u>109,458.71</u>   | <u>11,708.71</u>                       |
| <b>Interest</b>                    |                   |                     |                     |  |
|                                    | <u>2,750.00</u>   | <u>3,450.00</u>     | <u>3,179.16</u>     | <u>(270.84)</u>                        |
| <b>Fines and Forfeitures</b>       |                   |                     |                     |  |
| Court Fines                        | 145,000.00        | 125,000.00          | 135,790.50          | 10,790.50                              |
| Domestic Violence Shelter          | 1,800.00          | 1,600.00            | 1,668.00            | 68.00                                  |
| Inmate Fee                         | 2,000.00          | 1,600.00            | 1,664.00            | 64.00                                  |
| Law Enforcement Training           | 2,800.00          | 2,600.00            | 2,521.10            | (78.90)                                |
| Clerk Fee Revenue                  | 10,000.00         | 9,500.00            | 9,984.00            | 484.00                                 |
| Crime Victims Compensation         | 6,500.00          | 6,500.00            | 6,240.00            | (260.00)                               |
| Peace Officers Standards           | 1,000.00          | 1,000.00            | 834.00              | (166.00)                               |
| Court Automation                   |                   |                     | 1,078.00            | 1,078.00                               |
| DWI Recoupments                    | 150.00            | 50.00               | 32.86               | (17.14)                                |
| Transport Fees                     | 250.00            | 250.00              |                     | (250.00)                               |
| Police Report Revenue              | 225.00            | 225.00              | 270.00              | 45.00                                  |
| Sheriff's Retirement System        | 2,500.00          | 2,200.00            | 2,496.00            | 296.00                                 |
|                                    | <u>172,225.00</u> | <u>150,525.00</u>   | <u>162,578.46</u>   | <u>12,053.46</u>                       |
| <b>Park Revenue</b>                |                   |                     |                     |  |
| Other Revenue                      | -                 | 6,950.00            | 13,615.00           | 6,665.00                               |
|                                    | <u>-</u>          | <u>6,950.00</u>     | <u>13,615.00</u>    | <u>6,665.00</u>                        |
| <b>Miscellaneous</b>               |                   |                     |                     |  |
| Other Revenue                      | 50,500.00         | 500.00              | 25,962.01           | 25,462.01                              |
|                                    | <u>50,500.00</u>  | <u>500.00</u>       | <u>25,962.01</u>    | <u>25,462.01</u>                       |
| <b>Total Revenues</b>              | <u>958,995.00</u> | <u>1,265,049.07</u> | <u>1,303,529.14</u> | <u>38,480.07</u>                       |



CITY OF MOSCOW MILLS, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2020

| EXPENDITURES:                      | Budget Amounts    |                   | Actual            | Variance                   |
|------------------------------------|-------------------|-------------------|-------------------|----------------------------|
|                                    | Original          | Final             |                   | Favorable<br>(Unfavorable) |
| General Government:                |                   |                   |                   |                            |
| Non-Departmental                   |                   |                   |                   |                            |
| Unemployment                       | \$ 3,000.00       | \$ 1,500.00       | \$ 9.23           | \$ 1,490.77                |
| Retirement Expenses                | 47,720.50         | 49,105.77         | 43,773.55         | 5,332.22                   |
| Contracted Services                | 3,605.00          | 5,595.00          | 4,772.50          | 822.50                     |
| Health Insurance                   | 75,000.00         | 84,641.62         | 81,571.59         | 3,070.03                   |
| Development Fee                    | 2,550.00          | 3,697.50          | 5,917.41          | (2,219.91)                 |
| Utilities                          | 16,000.00         | 16,000.00         | 13,239.88         | 2,760.12                   |
| Engineer Expense                   | 12,000.00         | 12,000.00         | 10,686.50         | 1,313.50                   |
| Legal Fees                         | 30,000.00         | 30,000.00         | 29,688.50         | 311.50                     |
| Accountant Fees                    | 3,500.00          | 3,812.50          | 3,812.50          |                            |
| Supplies                           | 1,000.00          | 1,000.00          | 1,510.67          | (510.67)                   |
| Animal Control                     | 400.00            | 400.00            | 61.50             | 338.50                     |
| Election Expense                   | 2,500.00          | 2,500.00          | 1,902.37          | 597.63                     |
| Publication Expense                | 6,000.00          | 6,000.00          | 5,177.55          | 822.45                     |
| Drug & Alcohol Testing             | 2,000.00          | 3,000.00          | 2,570.55          | 429.45                     |
| Collector/Assessor Fees            | 6,000.00          | 6,000.00          | 5,662.01          | 337.99                     |
| Postage                            | 500.00            | 800.00            | 590.46            | 209.54                     |
| Public & Community Relations       | 500.00            | 625.00            | 608.32            | 16.68                      |
| Permit Expense                     | 25,500.00         | 72,250.00         | 78,092.53         | (5,842.53)                 |
| Building Maintenance Expense       | 11,931.67         | 13,365.00         | 5,959.69          | 7,405.31                   |
| Recording Fees                     | 150.00            | 150.00            |                   | 150.00                     |
| Reserve Expense                    | 5,000.00          | 141,452.38        |                   | 141,452.38                 |
| Other Expense                      | 83,950.00         | 61,250.00         | 65,215.18         | (3,965.18)                 |
| Capital Outlay/Equipment Purchases |                   |                   | 120,000.00        | (120,000.00)               |
|                                    | <u>338,807.17</u> | <u>515,144.77</u> | <u>480,822.49</u> | <u>34,322.28</u>           |
| Maintenance                        |                   |                   |                   |                            |
| Salaries and Wages                 | 23,400.00         | 21,500.00         | 18,305.36         | 3,194.64                   |
| Payroll Taxes                      | 1,790.10          | 1,644.75          | 1,317.51          | 327.24                     |
| Telephone                          | 750.00            | 750.00            | 740.04            | 9.96                       |
| Equipment Repairs                  | 1,000.00          | 1,000.00          | (19.44)           | 1,019.44                   |
| Supplies                           | 500.00            | 500.00            | 405.56            | 94.44                      |
| Miscellaneous Insurance            | 2,415.00          | 2,050.00          | 2,038.01          | 11.99                      |
| Fuel & Mileage                     | 2,000.00          | 2,000.00          | 1,018.69          | 981.31                     |
| Other Expense                      | 200.00            | 200.00            |                   | 200.00                     |
| Capital Outlay/Equipment Purchases | 3,500.00          | 3,500.00          |                   | 3,500.00                   |
|                                    | <u>35,555.10</u>  | <u>33,144.75</u>  | <u>23,805.73</u>  | <u>9,339.02</u>            |
| Office Department                  |                   |                   |                   |                            |
| Salaries and Wages                 | 44,000.00         | 43,300.00         | 42,459.86         | 840.14                     |
| Payroll Taxes                      | 3,366.00          | 3,312.45          | 3,061.61          | 250.84                     |
| Telephone                          | 840.00            | 840.00            | 807.22            | 32.78                      |
| Equipment Repair                   | 500.00            | 500.00            | 25.00             | 475.00                     |
| Fuel & Mileage                     | 1,000.00          | 800.00            | 590.90            | 209.10                     |
| Software Purchase                  | 400.00            | 400.00            |                   | 400.00                     |
| Supplies                           | 100.00            | 100.00            |                   | 100.00                     |
| Contracted Services                | 2,830.00          | 2,830.00          | 2,069.45          | 760.55                     |
| Miscellaneous Insurance            | 3,860.00          | 3,805.00          | 3,802.81          | 2.19                       |
| Office Supplies                    | 800.00            | 800.00            | 455.51            | 344.49                     |
| Uniforms                           | 600.00            | 600.00            | 213.41            | 386.59                     |
| Dues & Schooling                   | 4,760.00          | 4,760.00          | 2,656.04          | 2,103.96                   |
| Other                              | 500.00            | 500.00            | 26.25             | 473.75                     |
| Capital Outlay/Equipment Purchases | 3,500.00          | 3,500.00          | 1,037.31          | 2,462.69                   |
|                                    | <u>67,056.00</u>  | <u>66,047.45</u>  | <u>57,205.37</u>  | <u>8,842.08</u>            |

CITY OF MOSCOW MILLS, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2020

| EXPENDITURES (CONT.):              | Budget Amounts    |                   | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|------------------------------------|-------------------|-------------------|-------------------|--|
|                                    | Original          | Final             |                   |  |
| General Government (Cont.):        |                   |                   |                   |  |
| Council Department                 |                   |                   |                   |  |
| Salaries and Wages                 | \$ 12,000.00      | \$ 12,000.00      | \$ 12,100.00      | \$ (100.00)                            |
| Payroll Taxes                      | 918.00            | 918.00            | 925.65            | (7.65)                                 |
| Telephone Expense                  | 500.00            | 500.00            | 479.50            | 20.50                                  |
| Contracted Services                | 1,000.00          | 1,000.00          | 326.15            | 673.85                                 |
| Office Supplies                    | 500.00            | 500.00            | 193.27            | 306.73                                 |
| Miscellaneous Insurance            | 1,150.00          | 1,145.00          | 1,144.62          | 0.38                                   |
| Fuel & Mileage                     | 1,000.00          | 500.00            | 226.56            | 273.44                                 |
| Dues & Schooling                   | 4,850.00          | 1,900.00          | 1,856.00          | 44.00                                  |
| Other Expense                      | 200.00            | 200.00            |                   | 200.00                                 |
| Capital Outlay/Equipment Purchases | 2,000.00          | 4,000.00          | 5,004.31          | (1,004.31)                             |
|                                    | <u>24,118.00</u>  | <u>22,663.00</u>  | <u>22,256.06</u>  | <u>406.94</u>                          |
| <br>Total General Government       | <br>465,536.27    | <br>636,999.97    | <br>584,089.65    | <br>52,910.32                          |
| Public Safety:                     |                   |                   |                   |  |
| Police                             |                   |                   |                   |  |
| Salaries and Wages                 | 381,000.00        | 395,000.00        | 381,582.85        | 13,417.15                              |
| Payroll Taxes                      | 29,146.50         | 30,217.50         | 27,108.83         | 3,108.67                               |
| Telephone                          | 4,020.00          | 4,020.00          | 4,091.55          | (71.55)                                |
| Legal Expense                      | 14,400.00         | 14,400.00         | 14,400.00         |  |
| Equipment Repair                   | 8,000.00          | 14,300.00         | 12,497.20         | 1,802.80                               |
| Software Purchase                  | 500.00            | 500.00            | 479.86            | 20.14                                  |
| Supplies                           | 5,350.00          | 5,350.00          | 1,650.82          | 3,699.18                               |
| Office Supplies                    | 800.00            | 800.00            | 442.68            | 357.32                                 |
| Contracted Services                | 19,010.00         | 22,636.00         | 22,493.44         | 142.56                                 |
| Miscellaneous Insurance            | 33,600.00         | 28,450.00         | 28,442.31         | 7.69                                   |
| Uniforms                           | 5,000.00          | 14,081.00         | 13,050.48         | 1,030.52                               |
| Inmate Fees Expense                | 300.00            | 300.00            |                   | 300.00                                 |
| Fuel & Mileage                     | 14,000.00         | 14,000.00         | 9,860.46          | 4,139.54                               |
| Dues & Schooling                   | 12,000.00         | 24,506.00         | 13,040.57         | 11,465.43                              |
| Postage                            | 200.00            | 200.00            |                   | 200.00                                 |
| Public & Community Relations       | 750.00            | 750.00            | 145.28            | 604.72                                 |
| Other                              | 800.00            | 800.00            | 842.25            | (42.25)                                |
| Capital Outlay/Equipment Purchases | 39,050.00         | 34,750.00         | 4,440.01          | 30,309.99                              |
|                                    | <u>567,926.50</u> | <u>605,060.50</u> | <u>534,568.59</u> | <u>70,491.91</u>                       |
| Court Department                   |                   |                   |                   |  |
| Salaries and Wages                 | 49,000.00         | 49,000.00         | 48,474.15         | 525.85                                 |
| Payroll Taxes                      | 3,748.50          | 3,748.50          | 3,403.69          | 344.81                                 |
| Telephone                          | 1,300.00          | 1,300.00          | 1,549.53          | (249.53)                               |
| Equipment Repairs                  | 500.00            | 500.00            | 150.00            | 350.00                                 |
| Software Purchase                  | 300.00            | 300.00            |                   | 300.00                                 |
| Supplies                           | 200.00            | 200.00            |                   | 200.00                                 |
| Office Supplies                    | 900.00            | 900.00            | 1,003.56          | (103.56)                               |

CITY OF MOSCOW MILLS, MISSOURI  
SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
CASH BASIS - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2020

| EXPENDITURES (CONT.):                           | Budget Amounts       |                      | Actual                 | Variance<br>Favorable<br>(Unfavorable) |
|---|----------------------|----------------------|------------------------|--|
|   | Original             | Final                |                        |  |
| Public Safety (Cont.):                          |                      |                      |                        |  |
| Court Department (Cont.)                        |                      |                      |                        |  |
| Contracted Services                             | \$ 11,500.00         | \$ 11,500.00         | \$ 11,225.15           | \$ 274.85                              |
| Miscellaneous Insurance                         | 4,740.00             | 5,055.00             | 5,051.74               | 3.26                                   |
| Fuel & Mileage                                  | 600.00               | 600.00               |                        | 600.00                                 |
| Inmate Fees                                     | 2,000.00             | 1,600.00             | 1,840.00               | (240.00)                               |
| Court Automation                                |                      |                      | 1,078.00               | (1,078.00)                             |
| Domestic Violence                               | 1,800.00             | 1,600.00             | 1,698.00               | (98.00)                                |
| Dues & Schooling                                | 2,000.00             | 2,000.00             | 385.00                 | 1,615.00                               |
| Crime Victims Comp                              | 6,500.00             | 6,500.00             | 6,450.02               | 49.98                                  |
| Peace Officers Standards & Training             | 1,000.00             | 1,000.00             | 907.00                 | 93.00                                  |
| Postage   | 500.00               | 500.00               | 550.00                 | (50.00)                                |
| Sheriff's Retirement System                     | 2,500.00             | 2,200.00             | 2,715.00               | (515.00)                               |
| Other   | 7,250.00             | 7,250.00             | 7,329.77               | (79.77)                                |
| Capital Outlay/Equipment Purchases              | 850.00               | 3,100.00             | 3,817.77               | (717.77)                               |
|   | <u>97,188.50</u>     | <u>98,853.50</u>     | <u>97,628.38</u>       | <u>1,225.12</u>                        |
| Total Public Safety                             | <u>665,115.00</u>    | <u>703,914.00</u>    | <u>632,196.97</u>      | <u>71,717.03</u>                       |
| Parks and Recreation:                           |                      |                      |                        |  |
| Park Department                                 |                      |                      |                        |  |
| Utilities                                       | 480.00               | 480.00               | -                      | 480.00                                 |
| Supplies  | 5,000.00             | 5,800.00             | 366.00                 | 5,434.00                               |
| Other Expense                                   |                      | 47,500.00            | 49,424.70              | (1,924.70)                             |
|   | <u>5,480.00</u>      | <u>53,780.00</u>     | <u>49,790.70</u>       | <u>3,989.30</u>                        |
| Total Parks and Recreation                      | <u>5,480.00</u>      | <u>53,780.00</u>     | <u>49,790.70</u>       | <u>3,989.30</u>                        |
| Debt Service:                                   |                      |                      |                        |  |
| Principal                                       | 5,628.04             | 5,628.04             | 28,739.36              | (23,111.32)                            |
| Interest and Fees                               | 9,062.06             | 9,062.06             | 5,380.32               | 3,681.74                               |
|   | <u>14,690.10</u>     | <u>14,690.10</u>     | <u>34,119.68</u>       | <u>(19,429.58)</u>                     |
| Total Debt Service                              | <u>14,690.10</u>     | <u>14,690.10</u>     | <u>34,119.68</u>       | <u>(19,429.58)</u>                     |
| Total Expenditures                              | <u>1,150,821.37</u>  | <u>1,409,384.07</u>  | <u>1,300,197.00</u>    | <u>109,187.07</u>                      |
| EXCESS OF REVENUES OVER<br>(UNDER) EXPENDITURES | <u>(191,826.37)</u>  | <u>(144,335.00)</u>  | <u>3,332.14</u>        | <u>147,667.14</u>                      |
| OTHER FINANCING SOURCES (USES):                 |                      |                      |                        |  |
| Long-term Debt Proceeds                         | <u>-</u>             | <u>-</u>             | <u>120,000.00</u>      | <u>120,000.00</u>                      |
| NET CHANGE IN FUND BALANCE                      | <u>(191,826.37)</u>  | <u>(144,335.00)</u>  | <u>123,332.14</u>      | <u>267,667.14</u>                      |
| FUND BALANCE, JANUARY 1, 2020                   | <u>918,842.05</u>    | <u>918,842.05</u>    | <u>918,842.05</u>      | <u>-</u>                               |
| FUND BALANCE, DECEMBER 31, 2020                 | <u>\$ 727,015.68</u> | <u>\$ 774,507.05</u> | <u>\$ 1,042,174.19</u> | <u>\$ 267,667.14</u>                   |

CITY OF MOSCOW MILLS, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 CASH BASIS - BUDGET AND ACTUAL -  
 COMBINED STREET  
 YEAR ENDED DECEMBER 31, 2020

|   | Budget Amounts      |                     | Actual               | Variance<br>Favorable<br>(Unfavorable) |
|---|---------------------|---------------------|----------------------|--|
|   | Original            | Final               |                      |  |
| <b>REVENUES:</b>                                |                     |                     |                      |  |
| Taxes   |                     |                     |                      |  |
| Sales Tax                                       | \$ 185,000.00       | \$ 220,000.00       | \$ 237,236.82        | \$ 17,236.82                           |
| Intergovernmental                               |                     |                     |                      |  |
| Gasoline Tax                                    | 33,000.00           | 30,500.00           | 31,839.47            | 1,339.47                               |
| Motor Vehicle Sales Tax                         | 10,800.00           | 9,500.00            | 11,803.21            | 2,303.21                               |
| Motor Vehicle Fees                              | 5,350.00            | 5,000.00            | 5,599.76             | 599.76                                 |
| Grant Revenue                                   | -                   | -                   | 31.07                | 31.07                                  |
|   | <u>49,150.00</u>    | <u>45,000.00</u>    | <u>49,273.51</u>     | <u>4,273.51</u>                        |
| Miscellaneous                                   |                     |                     |                      |  |
| Other Revenue                                   | -                   | -                   | 5,015.55             | 5,015.55                               |
| Interest  |                     |                     |                      |  |
|   | <u>1,495.00</u>     | <u>1,695.00</u>     | <u>938.42</u>        | <u>(756.58)</u>                        |
| Total Revenues                                  | <u>235,645.00</u>   | <u>266,695.00</u>   | <u>292,464.30</u>    | <u>25,769.30</u>                       |
| <b>EXPENDITURES:</b>                            |                     |                     |                      |  |
| Public Works - Streets                          |                     |                     |                      |  |
| Salaries and Wages                              | 54,600.00           | 49,000.00           | 41,525.86            | 7,474.14                               |
| Retirement Expense                              | 5,623.80            | 5,047.00            | 3,123.33             | 1,923.67                               |
| Payroll Taxes                                   | 4,176.90            | 3,748.50            | 2,910.55             | 837.95                                 |
| Health Insurance                                | 10,500.00           | 10,455.00           | 7,054.22             | 3,400.78                               |
| Unemployment                                    | 2,000.00            | 680.00              | -                    | 680.00                                 |
| Utilities                                       | 37,000.00           | 38,000.00           | 37,954.46            | 45.54                                  |
| Telephone                                       | 875.00              | 875.00              | 920.05               | (45.05)                                |
| Engineer Expense                                | 2,000.00            | 1,000.00            | 447.50               | 552.50                                 |
| Legal Expense                                   | 1,000.00            | 500.00              | 700.00               | (200.00)                               |
| Accountant Expense                              | 3,500.00            | 3,812.50            | 3,812.50             | -                                      |
| Uniforms  | 3,600.00            | 4,600.00            | 5,325.75             | (725.75)                               |
| Supplies  | 10,000.00           | 25,000.00           | 23,907.20            | 1,092.80                               |
| Contracted Services                             | 5,240.00            | 240.00              | 1,440.00             | (1,200.00)                             |
| Equipment Repair                                | 21,000.00           | 24,750.00           | 24,179.75            | 570.25                                 |
| Fuel & Mileage                                  | 5,000.00            | 3,000.00            | 2,342.08             | 657.92                                 |
| Miscellaneous Insurance                         | 5,880.00            | 3,700.00            | 3,698.46             | 1.54                                   |
| Dues & Schooling                                | 400.00              | 400.00              | 90.00                | 310.00                                 |
| Rock Expense                                    | 3,500.00            | 3,500.00            | 2,055.48             | 1,444.52                               |
| Road Oil Expense                                | 5,000.00            | 5,000.00            | 3,520.00             | 1,480.00                               |
| Asphalt & Concrete Expense                      | 199,125.00          | 235,925.00          | 142,786.46           | 93,138.54                              |
| Hauling Expense                                 | 20,000.00           | 20,000.00           | 6,737.06             | 13,262.94                              |
| Ice Control                                     | 27,000.00           | 36,107.35           | 36,103.16            | 4.19                                   |
| Building Maintenance                            | 1,750.00            | 1,750.00            | 83.86                | 1,666.14                               |
| Signs   | 3,000.00            | 2,000.00            | 1,497.73             | 502.27                                 |
| Reserve Expense                                 | 31,091.30           | 3,667.81            | -                    | 3,667.81                               |
| Other   | 1,150.00            | 18,145.00           | 17,036.67            | 1,108.33                               |
| Capital Outlay/Equipment Purchases              | 23,100.00           | 27,300.00           | 25,947.45            | 1,352.55                               |
| Total Expenditures                              | <u>487,112.00</u>   | <u>528,203.16</u>   | <u>395,199.58</u>    | <u>133,003.58</u>                      |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES | <u>(251,467.00)</u> | <u>(261,508.16)</u> | <u>(102,735.28)</u>  | <u>158,772.88</u>                      |
| OTHER FINANCING SOURCES (USES):                 |                     |                     |                      |  |
| Operating Transfers                             | -                   | -                   | -                    | -                                      |
| NET CHANGE IN FUND BALANCE                      | (251,467.00)        | (261,508.16)        | (102,735.28)         | 158,772.88                             |
| FUND BALANCE, JANUARY 1, 2020                   | <u>278,518.16</u>   | <u>278,518.16</u>   | <u>278,518.16</u>    | <u>-</u>                               |
| FUND BALANCE, DECEMBER 31, 2020                 | <u>\$ 27,051.16</u> | <u>\$ 17,010.00</u> | <u>\$ 175,782.88</u> | <u>\$ 158,772.88</u>                   |

CITY OF MOSCOW MILLS, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 CASH BASIS - BUDGET AND ACTUAL -  
 STREET FUND  
 YEAR ENDED DECEMBER 31, 2020

|   | Budget Amounts      |                     | Actual              | Variance                   |
|---|---------------------|---------------------|---------------------|----------------------------|
|   | Original            | Final               |                     | Favorable<br>(Unfavorable) |
| <b>REVENUES:</b>                                    |                     |                     |                     |                            |
| Taxes   |                     |                     |                     |                            |
| Sales Tax   | \$ 185,000.00       | \$ 220,000.00       | \$ 237,236.82       | \$ 17,236.82               |
| Intergovernmental                                   |                     |                     |                     |                            |
| Gasoline Tax  | 33,000.00           | 30,500.00           | 31,839.47           | 1,339.47                   |
| Motor Vehicle Sales Tax                             | 10,800.00           | 9,500.00            | 11,803.21           | 2,303.21                   |
| Motor Vehicle Fees                                  | 5,350.00            | 5,000.00            | 5,599.76            | 599.76                     |
| Grant Revenue                                       |                     |                     | 31.07               | 31.07                      |
|   | <u>49,150.00</u>    | <u>45,000.00</u>    | <u>49,273.51</u>    | <u>4,273.51</u>            |
| Miscellaneous                                       |                     |                     |                     |                            |
| Other Revenue                                       | -                   | 4,190.00            | 5,015.55            | 825.55                     |
| Interest  |                     |                     |                     |                            |
|   | 75.00               | 275.00              | 291.94              | 16.94                      |
| Total Revenues                                      | <u>234,225.00</u>   | <u>269,465.00</u>   | <u>291,817.82</u>   | <u>22,352.82</u>           |
| <b>EXPENDITURES:</b>                                |                     |                     |                     |                            |
| Public Works - Streets                              |                     |                     |                     |                            |
| Salaries and Wages                                  | 54,600.00           | 49,000.00           | 41,525.86           | 7,474.14                   |
| Retirement Expense                                  | 5,623.80            | 5,047.00            | 3,123.33            | 1,923.67                   |
| Payroll Taxes                                       | 4,176.90            | 3,748.50            | 2,910.55            | 837.95                     |
| Health Insurance                                    | 10,500.00           | 10,455.00           | 7,054.22            | 3,400.78                   |
| Unemployment  | 2,000.00            | 680.00              |                     | 680.00                     |
| Utilities   | 37,000.00           | 38,000.00           | 37,954.46           | 45.54                      |
| Telephone   | 875.00              | 875.00              | 920.05              | (45.05)                    |
| Engineer Expense                                    | 2,000.00            | 1,000.00            | 447.50              | 552.50                     |
| Legal Expense                                       | 1,000.00            | 500.00              | 700.00              | (200.00)                   |
| Accountant Expense                                  | 3,500.00            | 3,812.50            | 3,812.50            |                            |
| Uniforms  | 3,600.00            | 4,600.00            | 5,325.75            | (725.75)                   |
| Supplies  | 10,000.00           | 25,000.00           | 23,907.20           | 1,092.80                   |
| Contracted Services                                 | 5,240.00            | 240.00              | 1,440.00            | (1,200.00)                 |
| Equipment Repair                                    | 21,000.00           | 24,750.00           | 24,179.75           | 570.25                     |
| Fuel & Mileage                                      | 5,000.00            | 3,000.00            | 2,342.08            | 657.92                     |
| Miscellaneous Insurance                             | 5,880.00            | 3,700.00            | 3,698.46            | 1.54                       |
| Dues & Schooling                                    | 400.00              | 400.00              | 90.00               | 310.00                     |
| Ice Control   | 27,000.00           | 36,107.35           | 36,103.16           | 4.19                       |
| Building Maintenance                                | 1,750.00            | 1,750.00            | 83.86               | 1,666.14                   |
| Signs   | 3,000.00            | 2,000.00            | 1,497.73            | 502.27                     |
| Reserve Expense                                     | 4,630.05            | 3,154.65            |                     | 3,154.65                   |
| Other   | 1,150.00            | 18,145.00           | 17,036.67           | 1,108.33                   |
| Capital Outlay/Equipment Purchases                  | 23,100.00           | 23,100.00           | 21,747.45           | 1,352.55                   |
| Total Expenditures                                  | <u>233,025.75</u>   | <u>259,065.00</u>   | <u>235,900.58</u>   | <u>23,164.42</u>           |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b> |                     |                     |                     |                            |
|   | <u>1,199.25</u>     | <u>10,400.00</u>    | <u>55,917.24</u>    | <u>45,517.24</u>           |
| <b>OTHER FINANCING SOURCES (USES):</b>              |                     |                     |                     |                            |
| Operating Transfers                                 | (60,929.25)         | (83,299.28)         | (64,699.28)         | 18,600.00                  |
| <b>NET CHANGE IN FUND BALANCE</b>                   |                     |                     |                     |                            |
|   | (59,730.00)         | (72,899.28)         | (8,782.04)          | 64,117.24                  |
| <b>FUND BALANCE, JANUARY 1, 2020</b>                |                     |                     |                     |                            |
|   | 94,099.28           | 94,099.28           | 94,099.28           | -                          |
| <b>FUND BALANCE, DECEMBER 31, 2020</b>              |                     |                     |                     |                            |
|   | <u>\$ 34,369.28</u> | <u>\$ 21,200.00</u> | <u>\$ 85,317.24</u> | <u>\$ 64,117.24</u>        |

CITY OF MOSCOW MILLS, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 CASH BASIS - BUDGET AND ACTUAL -  
 STREET REPAIR AND REPLACEMENT FUND  
 YEAR ENDED DECEMBER 31, 2020

|   | Budget Amounts       |                     | Actual              | Variance<br>Favorable<br>(Unfavorable) |
|---|----------------------|---------------------|---------------------|--|
|   | Original             | Final               |                     |  |
| REVENUES:                                       |                      |                     |                     |  |
| Interest  | \$ 1,420.00          | \$ 1,420.00         | \$ 646.48           | \$ (773.52)                            |
| Total Revenues                                  | <u>1,420.00</u>      | <u>1,420.00</u>     | <u>646.48</u>       | <u>(773.52)</u>                        |
| EXPENDITURES:                                   |                      |                     |                     |  |
| Public Works - Streets                          |                      |                     |                     |  |
| Rock Expense                                    | 3,500.00             | 3,500.00            | 2,055.48            | 1,444.52                               |
| Road Oil Expense                                | 5,000.00             | 5,000.00            | 3,520.00            | 1,480.00                               |
| Asphalt & Concrete Expense                      | 199,125.00           | 235,925.00          | 142,786.46          | 93,138.54                              |
| Hauling Expense                                 | 20,000.00            | 20,000.00           | 6,737.06            | 13,262.94                              |
| Reserve Expense                                 | 26,461.25            | 513.16              |                     | 513.16                                 |
| Capital Outlay                                  |                      | 4,200.00            | 4,200.00            |  |
| Total Expenditures                              | <u>254,086.25</u>    | <u>269,138.16</u>   | <u>159,299.00</u>   | <u>109,839.16</u>                      |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES | <u>(252,666.25)</u>  | <u>(267,718.16)</u> | <u>(158,652.52)</u> | <u>109,065.64</u>                      |
| OTHER FINANCING SOURCES (USES):                 |                      |                     |                     |  |
| Operating Transfers                             | <u>60,929.25</u>     | <u>83,299.28</u>    | <u>64,699.28</u>    | <u>(18,600.00)</u>                     |
| NET CHANGE IN FUND BALANCE                      | (191,737.00)         | (184,418.88)        | (93,953.24)         | 90,465.64                              |
| FUND BALANCE, JANUARY 1, 2020                   | <u>184,418.88</u>    | <u>184,418.88</u>   | <u>184,418.88</u>   | <u>-</u>                               |
| FUND BALANCE, DECEMBER 31, 2020                 | <u>\$ (7,318.12)</u> | <u>\$ -</u>         | <u>\$ 90,465.64</u> | <u>\$ 90,465.64</u>                    |

CITY OF MOSCOW MILLS, MISSOURI  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
DECEMBER 31, 2020

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

1. After the City Clerk receives budgets from each department head, the City Clerk, Budget Officer, and Mayor meet to formulate the proposed operating budget. Then 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 9, 2019.
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, 2020, the City complied, in all material respects, with applicable budget laws.

CITY OF MOSCOW MILLS, MISSOURI  
 SUPPLEMENTARY INFORMATION  
 COMBINING BALANCE SHEET - CASH BASIS - COMBINED STREET  
 DECEMBER 31, 2020

|                                      | <u>Street Fund</u>  | <u>Street Repair &amp;<br/>Replacement Fund</u> | <u>Total<br/>Street</u> |
|--------------------------------------|---------------------|---|-------------------------|
| <u>ASSETS</u>                        |                     |   |                         |
| Cash and Investments                 | \$ 85,317.24        | \$ 90,465.64                                    | \$ 175,782.88           |
| Total Assets                         | <u>\$ 85,317.24</u> | <u>\$ 90,465.64</u>                             | <u>\$ 175,782.88</u>    |
| Fund Equity:                         |                     |   |                         |
| Fund Balance:                        |                     |   |                         |
| Restricted                           |                     |   |                         |
| Streets                              | <u>85,317.24</u>    | <u>90,465.64</u>                                | <u>175,782.88</u>       |
| Total Fund Equity                    | <u>85,317.24</u>    | <u>90,465.64</u>                                | <u>175,782.88</u>       |
| Total Liabilities and<br>Fund Equity | <u>\$ 85,317.24</u> | <u>\$ 90,465.64</u>                             | <u>\$ 175,782.88</u>    |



CITY OF MOSCOW MILLS, MISSOURI  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - CASH BASIS - COMBINED STREET  
 YEAR ENDED DECEMBER 31, 2020

|   | Street Fund   | Street Repair<br>& Replacement Fund | Total<br>Street |
|---|---------------|-------------------------------------|-----------------|
| REVENUES:                                       |               |                                     |                 |
| Taxes   | \$ 237,236.82 | \$ -                                | \$ 237,236.82   |
| Intergovernmental                               | 49,273.51     |                                     | 49,273.51       |
| Interest  | 291.94        | 646.48                              | 938.42          |
| Miscellaneous                                   | 5,015.55      | -                                   | 5,015.55        |
|   | 291,817.82    | 646.48                              | 292,464.30      |
| Total Revenues                                  |               |                                     |                 |
| EXPENDITURES:                                   |               |                                     |                 |
| Current:  |               |                                     |                 |
| Public Works - Streets                          | 214,153.13    | 155,099.00                          | 369,252.13      |
| Capital Outlay                                  | 21,747.45     | 4,200.00                            | 25,947.45       |
|   | 235,900.58    | 159,299.00                          | 395,199.58      |
| Total Expenditures                              |               |                                     |                 |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES | 55,917.24     | (158,652.52)                        | (102,735.28)    |
| OTHER FINANCING SOURCES (USES):                 |               |                                     |                 |
| Operating Transfers                             | (64,699.28)   | 64,699.28                           | -               |
|   | (64,699.28)   | 64,699.28                           | -               |
| Total Other Financing Sources (Uses):           |               |                                     |                 |
| NET CHANGE IN FUND BALANCE                      | (8,782.04)    | (93,953.24)                         | (102,735.28)    |
| FUND BALANCE, JANUARY 1, 2020                   | 94,099.28     | 184,418.88                          | 278,518.16      |
| FUND BALANCE, DECEMBER 31, 2020                 | \$ 85,317.24  | \$ 90,465.64                        | \$ 175,782.88   |

CITY OF MOSCOW MILLS, MISSOURI  
 COMBINING STATEMENT OF NET POSITION - CASH BASIS  
 COMBINED WATER AND SEWER FUND  
 DECEMBER 31, 2020

| ASSETS               | Water                  | Sewer                  | Water & Sewer<br>Bond Debt Reserve<br>2014 | Water Repair<br>& Replacement | Sewer Repair<br>& Replacement | Project<br>Fund 2019A | Debt Service<br>Fund 2019A | Total Combined<br>Water & Sewer<br>Fund |
|----------------------|------------------------|------------------------|--|-------------------------------|-------------------------------|-----------------------|----------------------------|---|
|                      |                        |                        |  |                               |                               |                       |                            |   |
| Cash and Investments | \$ -                   | \$ -                   | \$ -                                       | \$ -                          | \$ -                          | \$ -                  | \$ -                       | \$ -                                    |
| Restricted Assets:   |                        |                        |  |                               |                               |                       |                            |   |
| Cash and Investments | 1,278,628.90           | 1,482,294.60           | 355,128.90                                 | 840,105.62                    | 535,765.32                    | 773,603.04            | 1,487.33                   | 5,267,013.71                            |
|                      | <u>\$ 1,278,628.90</u> | <u>\$ 1,482,294.60</u> | <u>\$ 355,128.90</u>                       | <u>\$ 840,105.62</u>          | <u>\$ 535,765.32</u>          | <u>\$ 773,603.04</u>  | <u>\$ 1,487.33</u>         | <u>\$ 5,267,013.71</u>                  |
| <br>                 |                        |                        |  |                               |                               |                       |                            |   |
| NET POSITION         |                        |                        |  |                               |                               |                       |                            |   |
| Restricted for:      |                        |                        |  |                               |                               |                       |                            |   |
| Capital Projects     | \$ -                   | \$ -                   | \$ -                                       | \$ -                          | \$ -                          | \$ 773,603.04         | \$ -                       | \$ 773,603.04                           |
| Debt Service         | 1,278,628.90           | 1,482,294.60           | 355,128.90                                 | 840,105.62                    | 535,765.32                    | 1,487.33              | 1,487.33                   | 4,493,410.67                            |
|                      | <u>\$ 1,278,628.90</u> | <u>\$ 1,482,294.60</u> | <u>\$ 355,128.90</u>                       | <u>\$ 840,105.62</u>          | <u>\$ 535,765.32</u>          | <u>\$ 773,603.04</u>  | <u>\$ 1,487.33</u>         | <u>\$ 5,267,013.71</u>                  |
| Total Net Position   |                        |                        |  |                               |                               |                       |                            |   |
|                      | <u>\$ 1,278,628.90</u> | <u>\$ 1,482,294.60</u> | <u>\$ 355,128.90</u>                       | <u>\$ 840,105.62</u>          | <u>\$ 535,765.32</u>          | <u>\$ 773,603.04</u>  | <u>\$ 1,487.33</u>         | <u>\$ 5,267,013.71</u>                  |

CITY OF MOSCOW MILLS, MISSOURI  
 COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND  
 NET POSITION - CASH BASIS  
 COMBINED WATER AND SEWER FUND  
 YEAR ENDED DECEMBER 31, 2020

|  | Water           | Sewer           | Water & Sewer<br>Bond Debt Reserve<br>2014 | Water Repair<br>and Replacement | Sewer Repair<br>and Replacement | Project<br>Fund 2019A | Debt Service<br>Fund 2019A | Total Combined<br>Water & Sewer<br>Fund |
|--|-----------------|-----------------|--|---------------------------------|---------------------------------|-----------------------|----------------------------|---|
| <b>OPERATING REVENUES:</b>                   |                 |                 |  |                                 |                                 |                       |                            |   |
| Charges for Services                         | \$ 809,985.54   | \$ 1,228,762.70 | \$ -                                       | \$ -                            | \$ -                            | \$ -                  | \$ -                       | \$ 2,038,748.24                         |
| Total Operating Revenues                     | \$ 809,985.54   | \$ 1,228,762.70 | \$ -                                       | \$ -                            | \$ -                            | \$ -                  | \$ -                       | \$ 2,038,748.24                         |
| <b>OPERATING EXPENSES:</b>                   |                 |                 |  |                                 |                                 |                       |                            |   |
| Cost of Sales and Services:                  |                 |                 |  |                                 |                                 |                       |                            |   |
| Salaries and Wages                           | 107,918.71      | 113,529.97      | -  | -                               | -                               | -                     | -                          | 221,448.68                              |
| Retirement Expenses                          | 9,026.58        | 9,214.81        | -  | -                               | -                               | -                     | -                          | 18,241.39                               |
| Payroll Taxes                                | 7,530.96        | 7,947.56        | -  | -                               | -                               | -                     | -                          | 15,478.52                               |
| Unemployment Expense                         | 12.00           | 12.01           | -  | -                               | -                               | -                     | -                          | 24.01                                   |
| Miscellaneous Insurance                      | 28,559.38       | 29,846.53       | -  | -                               | -                               | -                     | -                          | 58,405.91                               |
| Contracted Services                          | 5,462.08        | 7,738.99        | -  | -                               | -                               | -                     | -                          | 13,201.07                               |
| Solid Waste Expense                          | 12,191.00       | 144,820.49      | -  | -                               | 183,050.02                      | -                     | -                          | 340,061.51                              |
| Engineering                                  | 982.50          | 11,277.62       | -  | -                               | -                               | -                     | -                          | 12,260.12                               |
| Legal Fees                                   | 3,564.31        | 3,089.25        | -  | -                               | -                               | -                     | -                          | 6,653.56                                |
| Uniforms                                     | 51,918.81       | 77,532.11       | -  | -                               | -                               | -                     | -                          | 129,450.92                              |
| Utilities                                    | 11,082.32       | 1,784.72        | -  | -                               | -                               | -                     | -                          | 11,082.32                               |
| Collector/Assessor Fees                      | 4,198.76        | 405.94          | -  | -                               | -                               | -                     | -                          | 5,983.48                                |
| Primarcy/Connection Fees                     | 1,447.58        | 2,140.98        | -  | -                               | -                               | -                     | -                          | 1,853.52                                |
| Dues & Schooling                             | 2,112.16        | 2,140.98        | -  | -                               | -                               | -                     | -                          | 4,253.14                                |
| Postage                                      | 3,670.34        | 4,613.54        | -  | -                               | 485.47                          | -                     | -                          | 8,769.35                                |
| Fuel & Mileage                               | 12,548.88       | 12,548.88       | -  | -                               | -                               | -                     | -                          | 25,097.76                               |
| Debit/Credit Card Fees                       | 84,553.26       | 25,698.55       | -  | 5,500.38                        | 16,065.41                       | -                     | -                          | 131,817.60                              |
| Equipment Purchase                           | 8,310.06        | 46,909.68       | -  | 7,025.36                        | 32,338.30                       | -                     | -                          | 94,583.40                               |
| Equipment Repair                             | 4,812.00        | 4,812.23        | -  | -                               | -                               | -                     | -                          | 9,624.23                                |
| Building Maintenance                         | 44,877.57       | 156,505.78      | -  | -                               | -                               | -                     | -                          | 201,383.35                              |
| System                                       | 1,008.30        | 1,008.31        | -  | -                               | 10,615.28                       | -                     | -                          | 2,016.61                                |
| Billing Cards                                | 18,860.24       | 27,374.03       | -  | -                               | -                               | -                     | -                          | 56,849.55                               |
| Supplies                                     | 108.00          | 8,725.00        | -  | -                               | -                               | -                     | -                          | 8,833.00                                |
| Lab Testing                                  | 3,812.50        | 3,812.50        | -  | -                               | -                               | -                     | -                          | 7,625.00                                |
| Accountant Expense                           | 9,756.57        | 12,774.58       | -  | -                               | 10,327.50                       | -                     | -                          | 32,858.65                               |
| Other  | 30,000.00       | 30,000.00       | -  | -                               | -                               | -                     | -                          | 60,000.00                               |
| Capital Outlay                               | 468,324.87      | 744,124.06      | -  | 12,525.74                       | 48,403.71                       | -                     | -                          | 1,477,856.65                            |
| Total Operating Expenses                     | 341,660.67      | 484,638.64      | -  | (12,525.74)                     | (48,403.71)                     | (204,478.27)          | -                          | 560,891.59                              |
| <b>OPERATING INCOME (LOSS)</b>               |                 |                 |  |                                 |                                 |                       |                            |   |
| NON-OPERATING REVENUES (EXPENSES):           |                 |                 |  |                                 |                                 |                       |                            |   |
| Property Taxes                               | 209,924.81      | -               | -  | -                               | -                               | -                     | -                          | 209,924.81                              |
| Interest                                     | 4,199.61        | 1,820.07        | 591.42                                     | 1,543.49                        | 762.21                          | -                     | 1,339.56                   | 10,256.36                               |
| Grant Revenue                                | 60.84           | 229,861.45      | -  | 624.99                          | 625.00                          | -                     | -                          | 231,172.28                              |
| Other  | 5,324.59        | 41,343.95       | -  | -                               | -                               | -                     | -                          | 46,668.54                               |
| Bond Proceeds                                | 30,000.00       | 229,803.58      | -  | -                               | -                               | -                     | -                          | 229,803.58                              |
| Long-term Debt Proceeds                      | 30,000.00       | 30,000.00       | -  | -                               | -                               | -                     | -                          | 60,000.00                               |
| Debt Service:                                |                 |                 |  |                                 |                                 |                       |                            |   |
| Principal                                    | (33,907.01)     | (37,807.01)     | (259,938.00)                               | (10,357.26)                     | (47,016.50)                     | (204,478.27)          | (61,800.00)                | (393,452.02)                            |
| Interest & Fees                              | (1,491.41)      | (13,537.16)     | (134,048.36)                               | 2,168.48                        | 1,387.21                        | -                     | (64,093.11)                | (213,170.04)                            |
| Total Non-Operating Revenues (Expenses)      | 214,111.43      | 481,484.88      | (393,394.94)                               | 2,168.48                        | 1,387.21                        | -                     | (124,553.55)               | 181,203.51                              |
| <b>INCOME (LOSS) BEFORE TRANSFERS</b>        | 555,772.10      | 966,123.52      | (393,394.94)                               | (10,357.26)                     | (47,016.50)                     | (204,478.27)          | (124,553.55)               | 742,095.10                              |
| <b>OPERATING TRANSFERS</b>                   | (396,235.56)    | (360,331.54)    | 408,999.84                                 | 149,915.64                      | 72,191.62                       | -                     | 125,460.00                 | -                                       |
| <b>CHANGE IN NET POSITION</b>                | 159,536.54      | 605,791.98      | 15,604.90                                  | 139,558.38                      | 25,175.12                       | (204,478.27)          | 906.45                     | 742,095.10                              |
| <b>TOTAL NET POSITION, JANUARY 1, 2020</b>   | 1,119,092.36    | 876,502.62      | 339,524.00                                 | 700,547.24                      | 510,590.20                      | 978,081.31            | 580.88                     | 4,524,918.61                            |
| <b>TOTAL NET POSITION, DECEMBER 31, 2020</b> | \$ 1,278,628.90 | \$ 1,482,294.60 | \$ 355,128.90                              | \$ 840,105.62                   | \$ 535,765.32                   | \$ 773,603.04         | \$ 1,487.33                | \$ 5,267,013.71                         |

CITY OF MOSCOW MILLS, MISSOURI  
 COMBINING STATEMENT OF CASH FLOW - CASH BASIS  
 COMBINED WATER AND SEWER FUND  
 YEAR ENDED DECEMBER 31, 2020

|  | Water           | Sewer           | Water & Sewer<br>Bond Debt Reserve<br>2014 | Water Repair<br>and Replacement | Sewer Repair<br>and Replacement | Project<br>Fund 2019A | Debt Service<br>Fund 2019A | Total Combined<br>Water & Sewer<br>Fund |
|--|-----------------|-----------------|--|---------------------------------|---------------------------------|-----------------------|----------------------------|---|
| <b>Cash Flows from Operating Activities:</b>   |                 |                 |  |                                 |                                 |                       |                            |   |
| Received from Customers  | \$ 809,985.54   | \$ 1,228,762.70 | \$ -                                       | \$ -                            | \$ -                            | \$ -                  | \$ -                       | \$ 2,038,748.24                         |
| Payments to Suppliers for Goods and Services   | (343,848.62)    | (613,431.72)    |  | (12,525.74)                     | (48,403.71)                     | (204,478.27)          |                            | (1,222,688.06)                          |
| Payments to Employees for Services   | (124,476.25)    | (130,692.34)    |  |                                 |                                 |                       |                            | (255,168.59)                            |
| Net Cash Provided (Used) for<br>by Operating Activities  | 341,660.67      | 484,638.64      | -  | (12,525.74)                     | (48,403.71)                     | (204,478.27)          | -                          | 560,891.59                              |
| <b>Cash Flows from Noncapital Financing Activities:</b>  |                 |                 |  |                                 |                                 |                       |                            |   |
| Property Taxes   | 209,924.81      | -               | -  | -                               | -                               | -                     | -                          | 209,924.81                              |
| Other income   | 5,324.59        | 41,343.95       |  |                                 |                                 |                       |                            | 46,668.54                               |
| Operating Transfers  | (396,235.56)    | (360,331.54)    | 408,999.84                                 | 149,915.64                      | 72,191.62                       |                       | 125,460.00                 |   |
| Net Cash Provided (Used) for<br>Noncapital Financing Activities                                      | (180,986.16)    | (318,987.59)    | 408,999.84                                 | 149,915.64                      | 72,191.62                       |                       | 125,460.00                 | 256,593.35                              |
| <b>Cash Flows from Capital and Related Financing Activities:</b>                                     |                 |                 |  |                                 |                                 |                       |                            |   |
| Bond Proceeds  | -               | 229,803.58      | -  | -                               | -                               | -                     | -                          | 229,803.58                              |
| Long-term Debt Proceeds  | 30,000.00       | 30,000.00       |  |                                 |                                 |                       |                            | 60,000.00                               |
| Grants   | 60.84           | 229,861.45      |  | 624.99                          | 625.00                          |                       |                            | 231,172.28                              |
| Principal Paid on Bonds/Certificates   | (33,907.01)     | (37,807.01)     | (259,938.00)                               |                                 |                                 |                       | (61,800.00)                | (393,452.02)                            |
| Interest and Fees Paid on Bonds/Certificates   | (1,491.41)      | (13,537.16)     | (134,048.36)                               |                                 |                                 |                       | (64,093.11)                | (213,170.04)                            |
| Net Cash Used for Capital and Related<br>Financial Activities  | (5,337.58)      | 438,320.86      | (393,986.36)                               | 624.99                          | 625.00                          |                       | (125,893.11)               | (85,646.20)                             |
| <b>Cash Flows from Investing Activities:</b>   |                 |                 |  |                                 |                                 |                       |                            |   |
| Interest Earned  | 4,199.61        | 1,820.07        | 591.42                                     | 1,543.49                        | 762.21                          |                       | 1,339.56                   | 10,256.36                               |
| Other  |                 |                 |  |                                 |                                 |                       |                            |   |
| Net Cash Provided by Investing Activities  | 4,199.61        | 1,820.07        | 591.42                                     | 1,543.49                        | 762.21                          |                       | 1,339.56                   | 10,256.36                               |
| Cash, Beginning of Year  | 1,119,092.36    | 876,502.62      | 339,524.00                                 | 700,547.24                      | 510,590.20                      | 978,081.31            | 580.88                     | 4,524,918.61                            |
| Cash, End of Year  | \$ 1,278,628.90 | \$ 1,482,294.60 | \$ 355,128.90                              | \$ 840,105.62                   | \$ 535,765.32                   | \$ 773,603.04         | \$ 1,487.33                | \$ 5,267,013.71                         |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b> |                 |                 |  |                                 |                                 |                       |                            |   |
| Operating Income(Loss)   | \$ 341,660.67   | \$ 484,638.64   | \$ -                                       | \$ (12,525.74)                  | \$ (48,403.71)                  | \$ (204,478.27)       | \$ -                       | \$ 560,891.59                           |
| Adjustments to reconcile net income (loss)<br>to net cash provided (used) by<br>operating activities |                 |                 |  |                                 |                                 |                       |                            |   |
| Changes in assets and liabilities:   |                 |                 |  |                                 |                                 |                       |                            |   |
| None   |                 |                 |  |                                 |                                 |                       |                            |   |
| Net Cash Provided (Used) by<br>Operating Activities  | \$ 341,660.67   | \$ 484,638.64   | \$ -                                       | \$ (12,525.74)                  | \$ (48,403.71)                  | \$ (204,478.27)       | \$ -                       | \$ 560,891.59                           |