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Financial Statements with Independent Auditor's Report, 2001

Village of Bel-Nor

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CLAIRE C. McCASKILL
Missouri State Auditor

June 13, 2003

F. Walter Nelson, Treasurer
Village of Bel-Nor
St. Louis County
8201 Glen Echo
Bel-Nor, MO 63121

Fiscal Period: One Year Ended December 31, 2001 ✓

Dear Mr. Nelson:

In accordance with Section 105.145, RSMo, we acknowledge receipt of the financial report of your political subdivision for the above-described fiscal period.

Thank you for your cooperation in sending this information.

Sincerely,

CLAIRE C. McCASKILL
STATE AUDITOR

A handwritten signature in cursive script that reads "Judy Buerky".

Judy Buerky
Local Government Analyst

Part X COMBINED SUMMARY OF CASH TRANSACTIONS AND BALANCES

| Funds | Beginning balances (a) | Receipts (b) | Disbursements (c) | Ending balance (d) |
|---------------------------|---------------------------|-----------------|----------------------|-----------------------|
| 1. General fund | | | | |
| 2. Street fund | | | | |
| 3. Debt service fund | | | | |
| 4. | | | | |
| 5. Other funds | | | | |
| Total, all funds → | | | | |

Part XI OTHER INFORMATION

Assessed valuation date — ()

1. Statement of assessed valuation

- a. Real estate
- b. Personal property
- c. State assessed railroad and utility property
- d. Total valuation

see schedule attached

2. Tax rates — purposes of tax levy

Tax rate (per \$100)

- a. General fund
- b. Debt service fund
- c. Other funds
- d. Total tax levy

3. Summary of delinquent taxes

Amount — Omit cents

- a. Year just ended
- b. All other prior years
- c. Total delinquent taxes

Part XII CERTIFICATION

I, F. Walter Nelson, Treasurer of Bel-Nor
(Name - please print) (Title) (Political subdivision)

of St. Louis do attest, under oath, the above is a true and accurate account of all fiscal
(County)

transactions of Village of Bel-Nor for the year Jan 1, 2001 to December 31, 2001.
(Political subdivision) (Fiscal year)

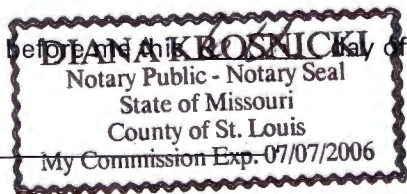
Signature F. Walter Nelson

Address 8201 Glen Echo
Bel-Nor, MO. 63121

Telephone number (314) 381-2834
(Area code) (Number)

Subscribed and sworn to before me on this June, 2003.

My commission expires



Diana Krosnicki
(Notary public)

VILLAGE OF BEL-NOR, MISSOURI

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2001



TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| Independent Auditor's Report | 1 – 2 |
| Statement of Assets, Liabilities and Fund Balances - Modified Cash Basis - All Governmental Fund Types and Account Group | 3 |
| Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balances - Modified Cash Basis - All Governmental Fund Types | 4 |
| Notes to Financial Statements | 5 – 11 |
| Supplemental Information: | |
| Independent Auditor's Report on Supplemental Information | 12 |
| General Fund: | |
| Schedule of Revenues Collected – Budget and Actual | 13 |
| Schedule of Expenditures Paid – Administration Department – Budget and Actual | 14 |
| Schedule of Expenditures Paid – Police Department – Budget and Actual | 15 |
| Schedule of Expenditures Paid – Municipal Court Department – Budget and Actual | 16 |
| Schedule of Expenditures Paid – Street and Building and Housing Departments – Budget and Actual | 17 |
| Special Revenue Funds: | |
| Schedule of Revenues Collected and Expenditures Paid Arising from Cash Transactions – Officer Training Fund – Budget and Actual | 18 |
| Schedule of Revenues Collected and Expenditures Paid Arising from Cash Transactions – D.A.R.E. Fund – Budget and Actual | 19 |
| Debt Service Fund: | |
| Schedule of Revenues Collected and Expenditures Paid Arising from Cash Transactions – Budget and Actual | 20 |
| Additional Financial Information | 21 |
| Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 22 – 23 |



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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Bel-Nor, Missouri

We have audited the accompanying financial statements of the Village of Bel-Nor, Missouri (the Village) as of and for the year ended December 31, 2001. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Village prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

The financial statements referred to above do not include the General Fixed Assets Account Group, which should be included to conform with U.S. generally accepted accounting principles. The amount that should be recorded in the General Fixed Assets Account Group is not known.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances of the Village as of December 31, 2001 and its revenues received and expenditures paid for the year then ended, on the basis of accounting described in Note 1.

Page Two

In accordance with Government Auditing Standards, we have also issued our report dated June 11, 2002, on our consideration of Village of Bel-Nor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Larson, Allen, Weishair & Co., LLP
LARSON, ALLEN, WEISHAIR & CO., LLP

St. Louis, Missouri
June 11, 2002

VILLAGE OF BEL-NOR, MISSOURI
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES –
MODIFIED CASH BASIS – ALL GOVERNMENTAL FUND TYPES AND ACCOUNT GROUP
DECEMBER 31, 2001

| | Governmental Fund Types | | | Account Group | Totals (Memorandum Only) |
|--|-------------------------|--------------------|------------------|------------------------------|--------------------------------|
| | General Fund | Special Revenue | Debt Service | General Long-Term Debt | |
| ASSETS AND OTHER DEBITS | | | | | |
| Cash | \$ 88,316 | \$ - | \$ 27,604 | \$ - | \$ 115,920 |
| Certificates of Deposit | 71,282 | - | - | - | 71,282 |
| Due from Other Funds | 7,134 | - | - | - | 7,134 |
| Investments | 228,116 | - | - | - | 228,116 |
| Franchise Fees Receivable | 4,746 | - | - | - | 4,746 |
| Amount Available in Debt Service Fund | - | - | - | 17,452 | 17,452 |
| Amount to be Provided for Long-Term Debt | - | - | - | 435,986 | 435,986 |
| Total Assets and Other Debits | <u>\$ 399,594</u> | <u>\$ -</u> | <u>\$ 27,604</u> | <u>\$ 453,438</u> | <u>\$ 880,636</u> |
| LIABILITIES AND FUND BALANCES (DEFICIT) | | | | | |
| LIABILITIES | | | | | |
| Interest Payable on Bonds | \$ - | \$ - | \$ 10,152 | \$ - | \$ 10,152 |
| Performance Bonds and Deposits | 6,221 | - | - | - | 6,221 |
| Due to Other Funds | - | 7,134 | - | - | 7,134 |
| Other Liabilities | 3,711 | 57 | - | - | 3,768 |
| Capital Lease Obligations Payable | - | - | - | 23,438 | 23,438 |
| General Obligation Bonds Payable | - | - | - | 430,000 | 430,000 |
| Total Liabilities | <u>\$ 9,932</u> | <u>\$ 7,191</u> | <u>\$ 10,152</u> | <u>\$ 453,438</u> | <u>\$ 480,713</u> |
| FUND BALANCES (DEFICIT) | | | | | |
| Fund Balances (Deficit) | \$ 389,662 | \$ (7,191) | \$ 17,452 | \$ - | \$ 399,923 |
| Total Fund Balances (Deficit) | <u>\$ 389,662</u> | <u>\$ (7,191)</u> | <u>\$ 17,452</u> | <u>\$ -</u> | <u>\$ 399,923</u> |
| Total Liabilities and Fund Balances (Deficit) | <u>\$ 399,594</u> | <u>\$ -</u> | <u>\$ 27,604</u> | <u>\$ 453,438</u> | <u>\$ 880,636</u> |

See accompanying Notes to Financial Statements.

VILLAGE OF BEL-NOR, MISSOURI
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES – MODIFIED
CASH BASIS – ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

| | General | Special Revenue | Debt Service | Totals (Memorandum Only) |
|--|--------------------------|--------------------------|-------------------------|--------------------------------|
| REVENUES | | | | |
| Taxes | \$ 567,182 | \$ - | \$ - | \$ 567,182 |
| Licenses and Permits | 26,652 | - | - | 26,652 |
| Investment Income | 21,249 | - | - | 21,249 |
| Other | 199,747 | 2,318 | - | 202,065 |
| Total Revenues | <u>\$ 814,830</u> | <u>\$ 2,318</u> | <u>\$ -</u> | <u>\$ 817,148</u> |
| EXPENDITURES | | | | |
| Administrative Department | \$ 113,668 | \$ - | \$ - | \$ 113,668 |
| Police Department | 453,403 | 136 | - | 453,539 |
| Municipal Court Department | 34,046 | - | - | 34,046 |
| Street Department | 131,415 | - | - | 131,415 |
| Building and Housing Department | 9,241 | - | - | 9,241 |
| Debt Service: | | | | |
| Principal | - | - | 35,000 | 35,000 |
| Interest | - | - | 24,925 | 24,925 |
| Other Debt Service Expenditures | - | - | 673 | 673 |
| Total Expenditures | <u>\$ 741,773</u> | <u>\$ 136</u> | <u>\$ 60,598</u> | <u>\$ 802,507</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ 73,057 | \$ 2,182 | \$ (60,598) | \$ 14,641 |
| Operating Transfers In | - | - | 48,280 | 48,280 |
| Operating Transfers (Out) | (48,280) | - | - | (48,280) |
| Fund Balances (Deficit) - Beginning | <u>364,885</u> | <u>(9,373)</u> | <u>29,770</u> | <u>385,282</u> |
| FUND BALANCES (DEFICIT) - ENDING | <u>\$ 389,662</u> | <u>\$ (7,191)</u> | <u>\$ 17,452</u> | <u>\$ 399,923</u> |

See accompanying Notes to Financial Statements.

VILLAGE OF BEL-NOR, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Bel-Nor, Missouri, (the Village) is a political subdivision duly organized under the laws of the State of Missouri. The Village operates under the direction of a Board of Trustees and provides or contracts for the following services: public safety - police protection, highways and streets maintenance, sanitation collection and general administrative services.

Reporting Entity

The Village defines its reporting entity in accordance with Governmental Accounting Standards Board Statement No. 14. The guidelines set forth therein establish the criterion for including a government unit as a component unit of a governmental reporting entity.

The financial statements present financial information of the primary government for which the Village's Board of Trustees has financial accountability.

Basis of Presentation - Fund Accounting

The accounts of the Village of Bel-Nor (the Village) are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The reporting entity of the Village includes all *units of* government for which the Village exercises oversight as determined by financial interdependency, governing authority and managerial influence. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures/expenses. The various funds are summarized by type in the combined financial statements. The following fund types and account groups are used by the Village:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Village are financed. The acquisition, use, and balances of the Village's expendable financial resources and the related liabilities are accounted for through governmental funds.

General Fund: The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

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

VILLAGE OF BEL-NOR, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types (Continued)

Debt Service Fund: The Debt Service Fund is the fund from which payments on outstanding debt and related interest liabilities are financed.

Account Groups

Account Groups are used to establish accounting control and accountability for the Village's general fixed assets and general long-term debt.

General Long-Term Debt: The General Long-term Debt account group is used to account for all long-term obligations of the Village.

Basis of Accounting

The Village uses the modified cash basis of accounting for revenues and expenditures of all its funds. Revenues are recognized when received rather than when earned and expenditures are recognized when paid rather than when an obligation is incurred. However, the Village records its long-term debt and accrued interest in its financial statements, which are accepted modifications of the cash basis of accounting.

Budgetary Data

The Village adopts an annual budget. The budget includes proposed expenditures and the means of financing them and is approved at the conclusion of numerous proceedings with input from citizens and Village personnel.

Memorandum Totals

Memorandum totals in the combined financial statements are presented for summary purposes only and are not intended to represent consolidated financial information.

Concentration of Credit Risk

Financial instruments that potentially subject the Village to concentrations of credit risk consist principally of cash and cash equivalents. The Village places its temporary cash investments with high credit quality financial institutions. These balances, as reflected in the bank records, are insured by the Federal Deposit Insurance Corporation up to \$100,000. At times, such investments may be in excess of FDIC insurance limits.

Use of Estimates

The preparation of financial statements require management and the Board of Trustees to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could vary from the estimates that management uses.

VILLAGE OF BEL-NOR, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 2 CASH AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined statement of assets, liabilities and fund balances arising from cash transactions as "Cash and Investments" under each fund's caption.

Deposits

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. The Village's deposits are categorized to give an indication of the level of risk assumed by the Village at December 31, 2001. The categories are described as follows:

- Category 1 – Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 – Uncollateralized.

Deposits, categorized by level of risk, are:

| | Bank Balance | Category | | | Carrying Amount |
|-------------------------|-------------------|-------------------|-------------|-------------|--------------------|
| | | 1 | 2 | 3 | |
| <u>POOLED DEPOSITS:</u> | | | | | |
| Pooled Cash | \$ 199,019 | \$ 199,019 | \$ - | \$ - | \$ 187,202 |
| Total Deposits | <u>\$ 199,019</u> | <u>\$ 199,019</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 187,202</u> |

Investments

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

The Village records all interest revenue related to investment activities in the fund which owns the security.

**VILLAGE OF BEL-NOR, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The Village's investments are categorized to give an indication of the level of risk assumed by the Village at December 31, 2001. The categories are described as follows:

Category 1 – Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 – Uncollateralized.

Investments, categorized by level of risk, are:

| <u>Type of Investments</u> | <u>Category</u> | | | <u>Carrying Amount</u> | <u>Fair Value</u> |
|----------------------------|-------------------|-------------|-------------|------------------------|-------------------|
| | <u>1</u> | <u>2</u> | <u>3</u> | | |
| <u>Pooled Investments</u> | | | | | |
| FNMA | \$ 228,116 | \$ - | \$ - | \$ 228,116 | \$ 228,116 |
| Total Investments | <u>\$ 228,116</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 228,116</u> | <u>\$ 228,116</u> |

NOTE 3 RESTRICTED REVENUES

State Motor Vehicle Fuel Tax and County Road and Bridge Tax allocations to the Village are restricted for use of, repair, policing, signs, lighting, construction, etc., for roads, bridges and highways in accordance with Section 30(a) of the Missouri Constitution. Revenues from a \$2-per-violation court cost are restricted for police training expenditures.

NOTE 4 LONG-TERM DEBT

General Obligation Bonds

On June 1, 1995, \$600,000 of general obligation bonds were issued by the Village. The bonds were approved by the voters and carry interest rates ranging from 5.2% to 7.0%. The proceeds from the sale of the bonds have been designated for project construction and bond issue costs.

The bonds mature serially through March 2010 and are subject to optional redemption and payment prior to their stated maturities beginning in March 2003. Interest is payable semi-annually on March 1 and September 1 each year beginning March 1, 1996. Principal and interest payments are payable from ad valorem taxes to be levied upon all the taxable, tangible property within the Village and without limitation as to rate or amount.

VILLAGE OF BEL-NOR, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 4 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

Future principal payments for these bonds are as follows:

| Year Ended December 31, | Principal | Interest | Total Amount |
|-------------------------|-------------------|-------------------|-------------------|
| 2002 | \$ 40,000 | \$ 23,788 | \$ 63,788 |
| 2003 | 40,000 | 21,508 | 61,508 |
| 2004 | 40,000 | 19,428 | 59,428 |
| 2005 | 45,000 | 17,328 | 62,328 |
| 2006 | 45,000 | 14,920 | 59,920 |
| Thereafter | 220,000 | 30,471 | 250,471 |
| Total | <u>\$ 430,000</u> | <u>\$ 127,443</u> | <u>\$ 557,443</u> |

Capital Leases

During the year ended June 30, 1999, the Village entered into a three-year lease purchase agreement for three police-vehicles. This lease obligation is repaid from the General Fund in monthly installments of \$1,487, including interest at 5.78% per annum on the unpaid balance. During the year ended June 30, 2001, the Village entered into a three-year lease purchase agreement for a single police-vehicle. This lease obligation is repaid from the General Fund in monthly installments of \$583, including interest at 7.79% per annum on the unpaid balance.

Future minimum lease payments under these agreements as of December 31, 2001 are as follows:

| Year Ended December 31, | Principal | Interest | Total Amount |
|-------------------------|------------------|-----------------|------------------|
| 2002 | \$ 8,425 | \$ 1,014 | \$ 9,439 |
| 2003 | 6,331 | 669 | 7,000 |
| 2004 | 6,757 | 242 | 6,999 |
| Total | <u>\$ 21,513</u> | <u>\$ 1,925</u> | <u>\$ 23,438</u> |

NOTE 5 BUILDING LEASE AGREEMENT

The Village of Bel-Nor leases a portion of its building to a third party restaurant, The Breakaway Café, under a five-year lease agreement. The terms of the lease require the lessee to pay the Village \$1,200 per month for the duration of the lease which expires April 30, 2006. As of May 1, 1997, the lessee also pays the Village 1% of all restaurant revenues over \$300,000. The lessee has the right to renew the lease for an additional five years under the same conditions.

VILLAGE OF BEL-NOR, MISSOURI
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 6 OPERATING LEASES

The Village leases office equipment under operating lease agreements which will expire through 2003. The total lease expenses for these leases totaled approximately \$2,275 for 2001.

Future commitments under non-cancelable operating leases are as follows:

| <u>For the Year Ended December 31,</u> | <u>Amount</u> |
|--|-----------------|
| 2002 | \$ 2,275 |
| 2003 | 1,706 |
| Total Lease Commitments | <u>\$ 3,981</u> |

NOTE 7 BENEFIT PLANS

Money Purchase Pension Plan

The Village provides pension benefits for all of its full-time employees through a money purchase defined contribution pension plan. The plan was adopted effective January 1, 1987. Benefits under the plan depend solely on amounts contributed to the plan plus investment earnings and forfeitures of other participants' benefits that may be allocated to such participant's account.

Employees are eligible to participate after one year of service. Annuity contracts, common stock and money market funds are purchased with the contributions through an insurance company.

The Village's contribution for each employee and interest allocated to the employee's account are fully vested after five years continuous service. The Village contributes an amount equal to 5% of the employee's base salary each month. The employees may contribute up to 10% of their base salary each month on a nondeductible basis. The Village has made the required 5% contributions, amounting to \$14,372 for the year ended December 31, 2001. Employee contributions were \$-0- for the year ended December 31, 2001. Total payroll covered by the pension plan for fiscal year 2001 was \$317,961.

**VILLAGE OF BEL-NOR, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

NOTE 8 PROPERTY TAX

The Village's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the Village. Assessed values are established by the County Assessment Board at 32% of estimated market value for commercial property, 19% of estimated market value for residential property and 12% of estimated market value for agricultural property.

The assessed valuation of the tangible taxable property for the calendar year 2001 and for purposes of local taxation was \$16,003,452.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2001 for purposes of local taxation was:

| | |
|-------------------|-----------------|
| General Fund | \$ 0.291 |
| Debt Service Fund | 0.500 |
| Total | <u>\$ 0.791</u> |

Property taxes attach as an enforceable lien on property as of January 1. Taxes levied in September or October are due and payable prior to December 31. All unpaid taxes become delinquent after December 31. Property tax revenues include current and delinquent taxes collected during the year. No provision for delinquent taxes has been provided as the Village uses the modified cash basis of accounting.

NOTE 9 COMMITMENTS

The Village entered into a contract with St. Louis County in 2001 for dispatching services. Contract fees are \$11,976 for the first year with one-year options to renew this agreement. The Village paid \$9,012 under the terms of the contract for the year ended December 31, 2001. The Village renewed this contract for the fiscal year 2002 for similar services with St. Louis County for an annual fee of \$13,763.

NOTE 10 RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village purchases commercial insurance for all risks of loss.

NOTE 11 SEWER LATERAL LIABILITY

The Village is liable to claims against their Sewer Lateral Program. There are approximately 700 customers and a maximum possible claim of \$3,000 per customer. As of December 31, 2001, there is not sufficient data available to project reasonable exposure.



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**INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTAL INFORMATION**

Board of Trustees
Village of Bel-Nor, Missouri

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The following schedules on pages 13 through 20 are presented for purposes of additional analysis and are not a required part of the financial statements of the Village of Bel-Nor, Missouri.

As discussed in Note 1, the Village of Bel-Nor, Missouri prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the modified cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

The following supplemental information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

LARSON, ALLEN, WEISHAIR & CO., LLP

St. Louis, Missouri
June 11, 2002

**VILLAGE OF BEL-NOR, MISSOURI
GENERAL FUND
SCHEDULE OF REVENUES COLLECTED – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001**

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|------------------------------|-------------------|-------------------|--------------------------------|
| TAXES | | | |
| Cigarette | \$ 8,200 | \$ 7,577 | \$ (623) |
| Gasoline | 55,000 | 51,919 | (3,081) |
| Sales and Use | 309,630 | 350,447 | 40,817 |
| Property/Real Estate | 115,500 | 114,218 | (1,282) |
| Road and Railroad | 18,700 | 18,829 | 129 |
| Local Option Tax | 25,000 | 6,737 | (18,263) |
| U.S. Franchise Tax | 13,100 | 17,455 | 17,455 |
| Total Taxes | <u>\$ 545,130</u> | <u>\$ 567,182</u> | <u>\$ 22,052</u> |
| LICENSES AND PERMITS | | | |
| Vehicles | \$ 14,660 | \$ 15,377 | \$ 717 |
| Merchants and Vendors | 6,980 | 5,918 | (1,062) |
| Permits and Inspections | 5,525 | 5,357 | (168) |
| Total Licenses and Permits | <u>\$ 27,165</u> | <u>\$ 26,652</u> | <u>\$ (513)</u> |
| INVESTMENT INCOME | | | |
| Interest Income | \$ 12,940 | \$ 21,249 | \$ 8,309 |
| Total Income | <u>\$ 12,940</u> | <u>\$ 21,249</u> | <u>\$ 8,309</u> |
| OTHER REVENUES | | | |
| Police Fines and Court Costs | \$ 47,547 | \$ 53,037 | \$ 5,490 |
| Police Services | 90,600 | 104,668 | 14,068 |
| Lateral Sewer Fee | 19,600 | 4,572 | (15,028) |
| Forfeited Bond Revenue | - | 2,650 | 2,650 |
| Rental Income | 23,000 | 19,913 | (3,087) |
| Cable TV Franchise | 9,400 | 7,130 | (2,270) |
| Forfeiture | - | 175 | (175) |
| Miscellaneous | 6,250 | 7,602 | (1,352) |
| Total Other Revenues | <u>\$ 196,397</u> | <u>\$ 199,747</u> | <u>\$ 3,350</u> |
| Total Revenues | <u>\$ 781,632</u> | <u>\$ 814,830</u> | <u>\$ 33,198</u> |

VILLAGE OF BEL-NOR, MISSOURI
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID
ADMINISTRATION DEPARTMENT – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-------------------------------------|------------------|-------------------|--------------------------------|
| ADMINISTRATION DEPARTMENT | | | |
| Salaries | \$ 40,129 | \$ 39,312 | \$ (817) |
| Payroll Taxes | 3,338 | 3,567 | 229 |
| Dental Insurance | 77 | 67 | (10) |
| Health Insurance | 3,115 | 3,992 | 877 |
| Pension | 1,900 | 1,739 | (161) |
| Trustees | 6,300 | 6,700 | 400 |
| Auditing | 3,300 | 4,800 | 1,500 |
| Accounting Services | 5,500 | 5,397 | (103) |
| Attorney Fees | 1,500 | 15,621 | 14,121 |
| Election | 500 | 520 | 20 |
| Insurance | 1,300 | 105 | (1,195) |
| Village Hall Cleaning & Maintenance | 4,270 | 7,234 | 2,964 |
| Equipment Rental | 3,100 | 4,853 | 1,753 |
| Equipment Maintenance | - | 70 | 70 |
| Utilities | 9,700 | 8,356 | (1,344) |
| Printing and Publications | 700 | 164 | (536) |
| Office Supplies and Postage | 2,100 | 4,577 | 2,477 |
| Bulletin Delivery | 800 | 425 | (375) |
| Easter Egg Hunt | 600 | 495 | (105) |
| Codification | 1,600 | 65 | (1,535) |
| Street Dance | 1,700 | 3,074 | 1,374 |
| Membership Dues | 1,904 | 1,940 | 36 |
| Miscellaneous | 600 | 595 | (5) |
| Total | <u>\$ 94,033</u> | <u>\$ 113,668</u> | <u>\$ 19,635</u> |

VILLAGE OF BEL-NOR, MISSOURI
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID
POLICE DEPARTMENT – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|-------------------|-------------------|--------------------------------|
| POLICE DEPARTMENT | | | |
| Salaries | \$ 308,722 | \$ 287,954 | \$ (20,768) |
| Payroll Taxes | 23,464 | 22,435 | (1,029) |
| Hospitalization | 21,943 | 34,648 | 12,705 |
| Disability Insurance | 26,000 | 36,569 | 10,569 |
| Dental Insurance | 2,000 | 1,097 | (903) |
| Pension Plan | 15,186 | 11,955 | (3,231) |
| Capital Expenditures | 25,838 | 21,364 | (4,474) |
| Vehicle Operation and Maintenance | 16,000 | 15,148 | (852) |
| Radio Communication | 7,700 | 10,473 | 2,773 |
| Equipment Maintenance | 3,000 | 2,656 | (344) |
| Office Supplies | 1,500 | 1,815 | 315 |
| Police Membership | 250 | 50 | (200) |
| Police Uniform Expense | 6,000 | 4,994 | (1,006) |
| Police Physicals | 1,000 | - | (1,000) |
| Police Training | 1,000 | 2,045 | 1,045 |
| Rejis | 2,000 | 126 | (1,874) |
| Travel and Conferences | 500 | - | (500) |
| Miscellaneous | 500 | 74 | (426) |
| Total | <u>\$ 462,603</u> | <u>\$ 453,403</u> | <u>\$ (9,200)</u> |

VILLAGE OF BEL-NOR, MISSOURI
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID
MUNICIPAL COURT DEPARTMENT – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under)</u> <u>Budget</u> |
|---------------------------|------------------|------------------|--------------------------------------|
| MUNICIPAL COURT | | | |
| Salaries | \$ 16,957 | \$ 16,060 | \$ (897) |
| Payroll Taxes | 1,297 | 1,280 | (17) |
| Pension | 847 | 678 | (169) |
| Attorneys' Fees | 7,200 | 8,565 | 1,365 |
| Judges' Expenses | 6,000 | 6,000 | - |
| Kinloch Expense | - | 630 | 630 |
| Office Supplies | 1,000 | 717 | (283) |
| Computer Implementation | 330 | 20 | (310) |
| Court Membership and Dues | 245 | 72 | (173) |
| Meetings and Seminars | 605 | 24 | (581) |
| Total | <u>\$ 34,481</u> | <u>\$ 34,046</u> | <u>\$ (435)</u> |

VILLAGE OF BEL-NOR, MISSOURI
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID – STREET AND BUILDING
AND HOUSING DEPARTMENTS – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|--|-------------------|-------------------|--------------------------------|
| STREET DEPARTMENT | | | |
| Salaries | \$ 2,827 | \$ 7,237 | \$ 4,410 |
| Payroll Taxes | 209 | 600 | 391 |
| Capital Expenditures | 58,000 | 67,017 | 9,017 |
| Grass Cutting | 11,026 | 11,153 | 127 |
| Parkway Expense | 2,000 | 4,032 | 2,032 |
| Tree Planting and Removal | 10,000 | 12,055 | 2,055 |
| Street & Vehicle Maintenance | 200 | 382 | 182 |
| Ice and Snow Removal | 7,000 | 384 | (6,616) |
| Mosquito Fogging | 300 | 224 | (76) |
| Street Supplies | 330 | 1,031 | 701 |
| Street Signs | 500 | (98) | (598) |
| Street Lighting | 26,000 | 25,980 | (20) |
| Salt | 1,500 | 1,418 | (82) |
| Total Street Department | <u>\$ 119,892</u> | <u>\$ 131,415</u> | <u>\$ 11,523</u> |
| BUILDING AND HOUSING DEPARTMENT | | | |
| Exterior Survey | \$ - | \$ 6,335 | \$ 6,335 |
| Inspection Fees | 8,338 | 2,906 | (5,432) |
| Total Building and Housing Department | <u>\$ 8,338</u> | <u>\$ 9,241</u> | <u>\$ 903</u> |
| TOTAL | <u>\$ 719,347</u> | <u>\$ 741,773</u> | <u>\$ 22,426</u> |

VILLAGE OF BEL-NOR, MISSOURI
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES COLLECTED AND EXPENDITURES PAID
ARISING FROM CASH TRANSACTIONS – OFFICER TRAINING FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | Budget | Actual | Over (Under) Budget |
|---|--------|----------|------------------------|
| REVENUES | \$ - | \$ 2,318 | \$ 2,318 |
| EXPENDITURES | - | - | - |
| EXCESS OF REVENUES OVER EXPENDITURES | \$ - | \$ 2,318 | \$ 2,318 |

VILLAGE OF BEL-NOR, MISSOURI
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES COLLECTED AND EXPENDITURES PAID
ARISING FROM CASH TRANSACTIONS – D.A.R.E. FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | Budget | Actual | Over (Under) Budget |
|---|------------|----------|------------------------|
| REVENUES | \$ - | \$ - | \$ - |
| EXPENDITURES | 2,000 | 136 | (1,864) |
| (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ (2,000) | \$ (136) | \$ 1,864 |

VILLAGE OF BEL-NOR, MISSOURI
DEBT SERVICE FUND
SCHEDULE OF REVENUES COLLECTED AND EXPENDITURES PAID
ARISING FROM CASH TRANSACTIONS
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|--|--------------------|--------------------|--------------------------------|
| REVENUES | \$ - | \$ - | \$ - |
| EXPENDITURES | | | |
| Principal | \$ 35,000 | \$ 35,000 | \$ - |
| Interest | 24,835 | 24,925 | 90 |
| Other Debt Service Fees | 450 | 673 | 223 |
| Total Debt Service Expenditures | <u>\$ 60,285</u> | <u>\$ 60,598</u> | <u>\$ 313</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>\$ (60,285)</u> | <u>\$ (60,598)</u> | <u>\$ (313)</u> |

VILLAGE OF BEL-NOR, MISSOURI
 ADDITIONAL FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2001

| | |
|---|--------------------------------|
| ASSESSED VALUATIONS, JANUARY 1, 2001 | <u><u>\$ 16,003,452</u></u> |
| TAX RATES | <u><u>79.1 cents/\$100</u></u> |
| DELIQUENT TAXES RECEIVABLE | |
| Real Estate: | |
| 1999 | \$ 452 |
| 2000 | 1,891 |
| 2001 | 7,785 |
| Total Real Estate | <u><u>\$ 10,128</u></u> |
| Personal Property: | |
| 1996 | \$ 436 |
| 1997 | 630 |
| 1998 | 505 |
| 1999 | 349 |
| 2000 | 795 |
| 2001 | 5,612 |
| Total Personal Property | <u><u>\$ 8,327</u></u> |



Business Consultants • Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Village of Bel-Nor

We have audited the financial statements of Village of Bel-Nor, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 11, 2002. As described in our report on the financial statements, the Village of Bel-Nor prepares its financial statements on the basis of cash receipts and disbursements and does not include the General Fixed Asset Account Group. This basis is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Village of Bel-Nor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Bel-Nor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control financial reporting that, in our judgment, could adversely affect Village of Bel-Nor's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions are:

SEGREGATION OF DUTIES

1. In any system of internal accounting control, one primary goal is adequate segregation of duties. The Village accountant is basically responsible for all areas of the accounting cycles, therefore, an adequate segregation of duties and responsibilities is not present in the Village.

The size and budget constraints of the Village limit the application of an adequate segregation of duties. These areas should be reviewed periodically and consideration given to improving the segregation of duties.

RECONCILIATION OF INTERNAL DATA

1. Another primary goal for any system of internal accounting control is the compilation and reconciliation of internal data. The Village accountant is recording the majority of the city's financial transactions, but relies on an outside party to compile and reconcile that data. The result is a certain degree of inconsistency among account classification, as well as a lack of total accountability on the Village for financial reporting.

The size and budget constraints of the Village again limit the training and management oversight that would be necessary for the Village to independently compile and reconcile their own financial records. These areas should be reviewed periodically and consideration given to improving the reconciliation of internal data.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We do believe the reportable conditions described above are material weaknesses.

This report is intended solely for the information and the use of the administration, management and the Board of Trustees and is not intended to be and should not be used by anyone other than these specific parties.

Larson, Allen, Weishair & Co., LLP

LARSON, ALLEN, WEISHAIR & CO., LLP

St. Louis, Missouri
June 11, 2002