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Financial Report, 2003

City of Bellefontaine Neighbors

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CLAIRE C. McCASKILL
Missouri State Auditor

November 26, 2003

Charlotte Youngman, City Clerk
City of Bellefontaine Neighbors
St. Louis County
9641 Bellefontaine Road
St. Louis, MO 63137

Fiscal Period: One Year Ended June 30, 2003

Dear Ms. Youngman:

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.

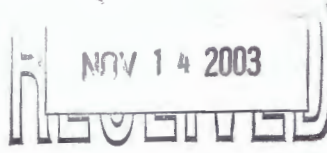
Sincerely,

CLAIRE C. McCASKILL
STATE AUDITOR

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

Judy Buerky
Local Government Analyst

9641 Bellefontaine Road
St. Louis County, MO 63137
314/867-0076
Fax: 314/867-1790



November 13, 2003

Claire C. McCaskill
State Auditor
224 State Capitol
Jefferson City, MO 65101

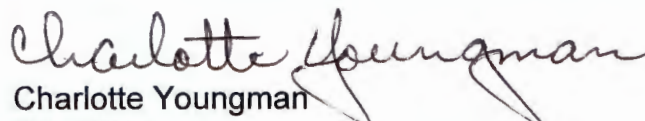
RE: Financial Statement

Dear Ms. McCaskill:

In accordance with Section 105.145, RSMo, enclosed is the financial report for the City of Bellefontaine Neighbors fiscal year ending June 30, 2003.

If there are any questions, please call my office.

Sincerely,


Charlotte Youngman
City Clerk

Enc.

**CITY OF BELLEFONTAINE
NEIGHBORS, MISSOURI**

**FINANCIAL REPORT
(Audited)**

Year Ended June 30, 2003

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
FINANCIAL REPORT

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Hochschild, Bloom & Company LLP
Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITORS' REPORT

September 15, 2003

Honorable Mayor and Board of Aldermen
CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

We have audited the accompanying general purpose financial statements of the **CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI** (the City) as of June 30, 2003 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of June 30, 2003, and the results of its operations for the year then ended, in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Hochschild, Bloom + Company LLP

CERTIFIED PUBLIC ACCOUNTANTS

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CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 2003

WITH COMPARATIVE TOTALS FOR JUNE 30, 2002

	Governmental Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Trust And Agency	General	General	2003	2002
				Fixed Assets	Long-Term Debt		
ASSETS AND OTHER DEBITS							
Cash	\$ 292,808	814,288		-	-	1,107,096	1,371,508
Restricted cash	22,451	-	31,617	-	-	54,068	
Investments	-	200,358	-	-	-	200,358	200,860
Receivables:							
Governmental agencies	290,934	88,026	-	-	-	378,960	358,241
Interest	-	1,125	-	-	-	1,125	1,180
Public utility taxes	53,149	-	-	-	-	53,149	53,682
Prepaid items	196,419	-	-	-	-	196,419	243,105
Due from other funds	16,003	27,067	-	-	-	43,070	-
Fixed assets	-	-	-	5,319,447	-	5,319,447	5,233,520
Amount to be provided for retirement of compensated absences	-	-	-	-	86,375	86,375	81,408
Total Assets And Other Debits	\$ 871,764	1,130,864	31,617	5,319,447	86,375	7,440,067	7,543,504
LIABILITIES, FUND EQUITY AND OTHER CREDITS							
Liabilities							
Accounts payable	\$ 56,543	-	-	-	-	56,543	31,376
Accrued payroll and compensated absences	65,748	-	-	-	86,375	152,123	148,663
Court bonds payable	-	-	15,881	-	-	15,881	12,346
Due to other funds	27,067	16,003	-	-	-	43,070	-
Drug fund deposits	-	-	6,749	-	-	6,749	6,749
LLEBG	-	-	8,987	-	-	8,987	-
Other liabilities	12,459	-	-	-	-	12,459	1,638
Deferred revenues	13,652	-	-	-	-	13,652	13,652
Total Liabilities	175,469	16,003	31,617	-	86,375	309,464	214,424
Fund Equity and Other Credits							
Investment in general fixed assets	-	-	-	5,319,447	-	5,319,447	5,233,520
Fund balances:							
Reserved for prepaid items	196,419	-	-	-	-	196,419	243,105
Reserved for police training	22,451	-	-	-	-	22,451	22,191
Unreserved	477,425	1,114,861	-	-	-	1,592,286	1,830,264
Total Fund Equity And Other Credits	696,295	1,114,861	-	5,319,447	-	7,130,603	7,329,080
Total Liabilities, Fund Equity And Other Credits	\$ 871,764	1,130,864	31,617	5,319,447	86,375	7,440,067	7,543,504

See notes to financial statements

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2003
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2002

	General	Special Revenue	Totals (Memorandum Only)	
			2003	2002
REVENUES				
Taxes	\$ 1,992,952	730,351	2,723,303	2,935,154
Gross receipts taxes	577,378	-	577,378	560,932
Licenses	49,665	-	49,665	65,952
Permits	63,889	-	63,889	88,321
Recreation center	174,084	-	174,084	179,688
Court receipts	342,481	-	342,481	388,746
Other	17,867	-	17,867	18,352
Investment income	3,843	19,051	22,894	49,973
Total Revenues	<u>3,222,159</u>	<u>749,402</u>	<u>3,971,561</u>	<u>4,287,118</u>
EXPENDITURES				
Building	117,673	-	117,673	94,580
Administration	955,338	-	955,338	999,410
Police	1,527,085	34,365	1,561,450	1,541,015
Street	359,623	238,365	597,988	606,264
Recreation center	380,915	215,558	596,473	606,127
Sewer lateral	-	95,456	95,456	129,742
Capital outlay	-	331,587	331,587	489,376
Total Expenditures	<u>3,340,634</u>	<u>915,331</u>	<u>4,255,965</u>	<u>4,466,514</u>
REVENUES OVER (UNDER) EXPENDITURES	(118,475)	(165,929)	(284,404)	(179,396)
FUND BALANCES, JULY 1	<u>814,770</u>	<u>1,280,790</u>	<u>2,095,560</u>	<u>2,274,956</u>
FUND BALANCES, JUNE 30	<u>\$ 696,295</u>	<u>1,114,861</u>	<u>1,811,156</u>	<u>2,095,560</u>

See notes to financial statements

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2003

	General Fund			Special Revenue Funds		
	Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
REVENUES						
Taxes	\$ 2,048,000	1,992,952	(55,048)	720,000	730,351	10,351
Gross receipts taxes	587,000	577,378	(9,622)	-	-	-
Licenses	65,200	49,665	(15,535)	-	-	-
Permits	80,000	63,889	(16,111)	-	-	-
Recreation center	175,000	174,084	(916)	-	-	-
Court receipts	410,000	342,481	(67,519)	-	-	-
Other	21,600	17,867	(3,733)	-	-	-
Investment income	8,400	3,843	(4,557)	15,900	19,051	3,151
Total Revenues	<u>3,395,200</u>	<u>3,222,159</u>	<u>(173,041)</u>	<u>735,900</u>	<u>749,402</u>	<u>13,502</u>
EXPENDITURES						
Building	107,272	117,673	10,401	-	-	-
Administration	952,211	955,338	3,127	-	-	-
Police	1,611,819	1,527,085	(84,734)	41,066	34,365	(6,701)
Street	372,379	359,623	(12,756)	224,601	238,365	13,764
Recreation center	329,447	380,915	51,468	226,065	215,558	(10,507)
Sewer lateral	-	-	-	120,900	95,456	(25,444)
Capital outlay	-	-	-	378,142	331,587	(46,555)
Total Expenditures	<u>3,373,128</u>	<u>3,340,634</u>	<u>(32,494)</u>	<u>990,774</u>	<u>915,331</u>	<u>(75,443)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 22,072</u>	<u>(118,475)</u>	<u>(140,547)</u>	<u>(254,874)</u>	<u>(165,929)</u>	<u>88,945</u>
FUND BALANCES, JULY 1		<u>814,770</u>			<u>1,280,790</u>	
FUND BALANCES, JUNE 30		<u>\$ 696,295</u>			<u>1,114,861</u>	

See notes to financial statements

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the **CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI** (the City) in the preparation of the accompanying combined general purpose financial statements are summarized below:

1. Reporting Entity

The general purpose financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

2. Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the general purpose financial statements as follows:

GOVERNMENTAL FUNDS

General Fund -- The General Fund is the general operating fund of the City. 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 (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The City's Special Revenue Fund consists of the Sewer Lateral Fund which is used to account for the resources and expenditures of the Lateral Sewer tax and the Capital Improvement Fund.

FIDUCIARY FUNDS

Trust and Agency Funds -- Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Accounting (Continued)

ACCOUNT GROUPS

General Fixed Assets -- The general fixed assets used in the City's operations are to be accounted for in the General Fixed Assets Account Group rather than in the governmental funds.

General Long-Term Debt -- This is a self-balancing account group established to account for all unmatured long-term indebtedness of the City.

3. Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Receipts not considered available are recorded as deferred revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term obligations which are recognized when due.

Property taxes, sales taxes, other local taxes and lease proceeds are considered susceptible to accrual. Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days following the end of the current period. Licenses, permits and inspections, fines and forfeitures and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned.

4. Budgets and Budgetary Accounting

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

- a. Prior to July 1, the City Administrator submits to the City Council a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearing meetings are held to obtain taxpayer comments.
- c. Prior to July 1, the budget is adopted by the City Council.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Budgets and Budgetary Accounting (Continued)

- d. Budgets are adopted on a basis generally consistent with U.S. generally accepted accounting principles except that budgetary basis expenditures include encumbrances. Expenditures on a budget basis may not legally exceed budgeted appropriations at the department level.
- e. Current year budget includes supplemental appropriations. A motion from the City Council is required to transfer budgeted amounts between funds, or to transfer substantial budgeted amounts between departments within any fund or for any revisions that would alter the total expenditures of any fund.
- f. Annual appropriated budgets are adopted for the General and Special Revenue Funds.

5. Cash and Investments

State statutes authorize the government to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair value. Restricted cash includes amounts restricted for court bonds, drug fund deposits, LLEBG and police training.

6. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

7. Fixed Assets

General fixed assets acquired for general governmental purposes are recorded as expenditures in the governmental funds. Assets are valued at original or estimated original cost. Contributed fixed assets are stated at estimated fair market value at the date of contribution.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets, sidewalks and drainage systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets. Assets acquired under lease/purchase agreements are recorded at the inception of the agreement.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund types. Encumbrances outstanding at year-end are reported as reservations of fund balances, if any.

9. Compensated Absences

Under terms of the City's personnel policy, employees are granted vacations based on length of service. Vacations accrue on January 1 of each year. Upon termination, the employee is paid for unused vacation. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination. Vested or accumulated vacation leave accrued at year-end is expected to be used by the employee during the following fiscal year, the accrual is reported as an expenditure and a fund liability of the governmental fund that will pay it. The remaining liability is reflected as an obligation of the General Long-Term Account Group.

10. Property Taxes

The City levies a tax on the assessed value of all real and personal property located within the City as of January 1 each year. Taxes are levied in September and are considered delinquent if not paid by December 31. St. Louis County collects the tax and remits collected amounts to the City.

11. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation.

12. Comparative Data

Comparative data for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Allowance for Doubtful Accounts

Management believes amounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is needed.

14. Reclassifications

Certain reclassifications have been made to the June 30, 2002 amounts in order to conform to the presentation of the June 30, 2003 general purpose financial statements.

NOTE B - CASH AND INVESTMENTS

1. Deposits

The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation. As of June 30, 2003, the City's bank deposits were fully secured.

2. Investments

The City's investments are categorized below to give an indication of the level of risk assumed by the entity at year-end as: (1) insured or registered with securities held by the City or its agent in the City's name; (2) uninsured and unregistered for which the securities are held by the financial institution's trust department or agent in the City's name; or (3) uninsured and unregistered for which the securities are held by the financial institution's trust department, the broker-dealer, but not in the City's name.

	June 30, 2003			Carrying Value
	Categories			
	<u>1</u>	<u>2</u>	<u>3</u>	
Repurchase agreement	\$ -	78,245	-	78,245
U.S. Treasury note	<u>200,358</u>	-	-	<u>200,358</u>
Total Investments	<u>\$200,358</u>	<u>78,245</u>	<u>-</u>	<u>278,603</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	For The Year Ended June 30, 2003			Balance June 30 2003
	Balance June 30 2002	Additions	Reductions	
	Land	\$ 467,275	-	
Buildings	3,043,049	-	-	3,043,049
Park property and equipment	120,832	-	-	120,832
Furniture, equipment and vehicles	1,602,364	85,927	-	1,688,291
	\$5,233,520	85,927	-	5,319,447

NOTE D - PENSION PLAN

1. Plan Description

The City contributes to the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability and death benefits to plan members and beneficiaries. LAGERS was created and is governed by state statute, Section RSMo 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

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

2. Funding Policy

The City's full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rate is 6.9% (general) and 4.9% (police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the political subdivision are established by state statute.

3. Annual Pension Cost

For the plan year ended June 30, 2003 (the date of the most recent valuation), the City's annual pension cost of \$108,943 was equal to the required and actual contributions. The required contribution was determined as part of the February 28/29, 2000 and/or 2002

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - PENSION PLAN (Continued)

3. Annual Pension Cost (Continued)

annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; (b) projected salary increases of 4% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 4.2% per year, depending on age, attributable to seniority/merit; (d) pre-retirement mortality based on the 1983 Group Annuity Mortality table; and (e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back one year for men and seven years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2003 was 15 years.

4. Trend Information

Historical information about the City's participation in LAGERS is presented herewith as required supplementary information. This information is intended to help users assess the retirement plan's funding status on a going-concern basis, assess progress being made in accumulating assets to pay benefits when due and allow for comparisons with other public employee retirement systems.

Three-year trend information follows:

For The Plan Years Ended <u>June 30</u>	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
2003	\$108,943	100%	-
2002	121,303	100	-
2001	92,541	100	-

Schedule of funding progress follows:

For The Actuarial Valuation Years Ended <u>February 28</u>	Actuarial Value Of Assets	Entry Age Actuarial Accrued Liability	Excess Assets Over Accrued Liability
2003	\$5,988,553	\$5,291,797	\$ 696,756
2002	6,309,706	5,182,301	1,127,405
2001	5,889,332	4,066,564	1,822,818

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - PENSION PLAN (Continued)

4. Trend Information (Continued)

For The Actuarial Valuation Years Ended February 28	Funded Ratio	Annual Covered Payroll	Excess Assets As A Percentage Of Covered Payroll
2003	113%	\$1,854,859	38%
2002	122	1,837,105	61
2001	145	1,793,170	102

The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2002 annual actuarial valuation. For a complete description of the actuarial assumptions used in the annual valuations, contact the LAGERS office in Jefferson City.

NOTE E - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims for these risks have not exceeded coverage in any of the past three years.

NOTE F - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>June 30 2003</u>
Lateral Sewer Fund	General Fund	\$27,067
General Fund	Capital Improvement Fund	<u>16,003</u>
		<u>\$43,070</u>

NOTE G - GENERAL LONG-TERM DEBT

The General Long-Term Debt Account Group increased \$4,967 from \$81,408 to \$86,375 for the year ended June 30, 2003, due to an increase in compensated absences liability.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - PRIOR PERIOD ADJUSTMENT

The previously stated fund balance of the General Fund has been adjusted as follows:

	<u>General Fund</u>	<u>Special Revenue Fund-Capital Improvement</u>
Fund balance, June 30, 2002, as previously reported	\$703,352	1,208,744
Restatement for accrual of receivable	<u>111,418</u>	<u>30,761</u>
Fund Balance, June 30, 2002, As Restated	<u>\$814,770</u>	<u>1,239,505</u>

NOTE I - PENDING ACCOUNTING PRONOUNCEMENTS

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This Statement provides significant new accounting and financial reporting requirements for governments. The City is required to adopt GASB Statement No. 34 for the fiscal year ended June 30, 2004. The City has not completed the varied analyses required to estimate the financial statement impact of these new Statements.

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION

SUPPLEMENTAL INFORMATION SECTION

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
GENERAL FUND - SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under)</u> <u>Budget</u>
REVENUES			
Taxes:			
Sales	\$ 1,380,000	1,328,597	(51,403)
Real estate	84,000	88,536	4,536
Motor vehicle	142,000	135,594	(6,406)
Railroad	4,000	3,880	(120)
Gasoline	310,000	309,848	(152)
Cigarette	45,000	42,959	(2,041)
Road and bridge	83,000	83,538	538
Total Taxes	<u>2,048,000</u>	<u>1,992,952</u>	<u>(55,048)</u>
Gross receipts taxes:			
Utilities	515,000	506,519	(8,481)
Cable	72,000	70,859	(1,141)
Total Gross Receipts Taxes	<u>587,000</u>	<u>577,378</u>	<u>(9,622)</u>
Licenses:			
Merchants and manufacturers	58,000	43,355	(14,645)
Liquor	2,200	2,243	43
Occupational	3,000	2,447	(553)
Dog tags	-	552	552
Miscellaneous	2,000	1,068	(932)
Total Licenses	<u>65,200</u>	<u>49,665</u>	<u>(15,535)</u>
Permits:			
Building permits	68,000	52,055	(15,945)
Occupancy permits	12,000	11,834	(166)
Total Permits	<u>80,000</u>	<u>63,889</u>	<u>(16,111)</u>
Recreation center:			
Recreational programs	113,600	120,443	6,843
Meeting room rental	10,000	9,347	(653)
Snack bar	12,000	13,054	1,054
Special events	15,000	18,658	3,658
Miscellaneous	24,400	12,582	(11,818)
Total Recreation Center	<u>175,000</u>	<u>174,084</u>	<u>(916)</u>

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
GENERAL FUND - SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Court receipts:			
Costs and fines	380,000	320,268	(59,732)
Other	30,000	22,213	(7,787)
Total Court Receipts	<u>410,000</u>	<u>342,481</u>	<u>(67,519)</u>
Other:			
Intergovernmental/grants	-	11,101	11,101
Miscellaneous	21,600	6,766	(14,834)
Total Other	<u>21,600</u>	<u>17,867</u>	<u>(3,733)</u>
Investment income	<u>8,400</u>	<u>3,843</u>	<u>(4,557)</u>
Total Revenues	<u>\$ 3,395,200</u>	<u>3,222,159</u>	<u>(173,041)</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
GENERAL FUND - SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003

EXPENDITURES	Budget	Actual	Over (Under) Budget
Building:			
Personnel costs:			
Salaries	\$ 92,773	98,849	6,076
Payroll tax	7,051	7,566	515
	<u>99,824</u>	<u>106,415</u>	<u>6,591</u>
Dues	300	368	68
Supplies	650	2,848	2,198
Bonds and insurance	6,308	6,308	-
Miscellaneous	190	1,734	1,544
Total Building	<u>107,272</u>	<u>117,673</u>	<u>10,401</u>
Administration:			
Personnel costs:			
Salaries	292,044	281,041	(11,003)
Payroll tax	22,265	21,574	(691)
	<u>314,309</u>	<u>302,615</u>	<u>(11,694)</u>
Employee insurance	229,000	212,525	(16,475)
Pension contribution	149,000	138,243	(10,757)
Unemployment insurance	-	6,866	6,866
Utilities	93,600	99,348	5,748
Postage	4,000	6,164	2,164
Election costs	3,000	3,377	377
Supplies	12,000	12,848	848
Accounting	4,300	4,300	-
Legal fees	20,000	26,613	6,613
Bonds and insurance	71,202	71,252	50
Miscellaneous	25,600	27,060	1,460
Wellness program	3,000	1,331	(1,669)
Commission	5,700	5,385	(315)
Family festival	5,000	4,084	(916)
Public notices	1,500	2,894	1,394
Office equipment maintenance	2,000	2,097	97
Advertising	-	12,015	12,015
Professional development	9,000	16,321	7,321
Total Administration	<u>952,211</u>	<u>955,338</u>	<u>3,127</u>

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
GENERAL FUND - SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Police:			
Personnel costs:			
Salaries	1,213,600	1,168,443	(45,157)
Payroll tax	93,162	88,963	(4,199)
	<u>1,306,762</u>	<u>1,257,406</u>	<u>(49,356)</u>
Utilities	3,000	3,443	443
Bonds and insurance	86,454	86,454	-
Uniforms	19,940	16,884	(3,056)
Office supplies	9,760	9,068	(692)
Miscellaneous	18,860	8,355	(10,505)
Police equipment	-	4,600	4,600
Prisoner detention	75,000	48,971	(26,029)
Equipment maintenance	12,625	6,433	(6,192)
Dispatch	35,265	35,447	182
Service contract	44,153	50,024	5,871
Total Police	<u>1,611,819</u>	<u>1,527,085</u>	<u>(84,734)</u>
Street:			
Personnel costs:			
Salaries	286,785	286,288	(497)
Payroll tax	21,817	21,506	(311)
	<u>308,602</u>	<u>307,794</u>	<u>(808)</u>
Equipment maintenance	5,000	862	(4,138)
Bonds and insurance	38,577	38,577	-
Utilities	-	838	838
Uniforms	8,200	7,695	(505)
Miscellaneous	12,000	3,857	(8,143)
Total Street	<u>372,379</u>	<u>359,623</u>	<u>(12,756)</u>

(Continued)

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
GENERAL FUND - SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under)</u> <u>Budget</u>
Recreation:			
Personnel costs:			
Salaries	178,613	223,819	45,206
Payroll tax	13,587	16,763	3,176
	<u>192,200</u>	<u>240,582</u>	<u>48,382</u>
Equipment maintenance	21,000	37,024	16,024
Utilities	4,500	2,217	(2,283)
Bonds and insurance	44,747	44,747	-
Supplies	7,000	8,359	1,359
Snack bar	11,000	7,233	(3,767)
Special events	15,000	19,050	4,050
Recreational programs	8,400	2,418	(5,982)
Miscellaneous	25,600	19,285	(6,315)
Total Recreation	<u>329,447</u>	<u>380,915</u>	<u>51,468</u>
 Total Expenditures	 <u>\$ 3,373,128</u>	 <u>3,340,634</u>	 <u>(32,494)</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
JUNE 30, 2003

	Capital Improvement	Sewer Lateral	Total
ASSETS			
Cash	\$ 772,845	41,443	814,288
Investments	200,358	-	200,358
Receivables:			
Governmental agencies	87,250	776	88,026
Interest	1,125	-	1,125
Due from other funds	-	27,067	27,067
	<u>\$ 1,061,578</u>	<u>69,286</u>	<u>1,130,864</u>
Total Assets	<u>\$ 1,061,578</u>	<u>69,286</u>	<u>1,130,864</u>
 LIABILITIES AND EQUITY			
Liabilities			
Due to other funds	\$ 16,003	-	16,003
 Equity			
Fund balances - unreserved	<u>1,045,575</u>	<u>69,286</u>	<u>1,114,861</u>
Total Liabilities And Equity	<u>\$ 1,061,578</u>	<u>69,286</u>	<u>1,130,864</u>

CITY OF BELLEFONTAINE NEIGHBORS, MISSOURI
SUPPLEMENTAL INFORMATION -
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2003

	Capital Improvement Fund			Sewer Lateral Fund			Total		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES									
Taxes	\$ 600,000	607,413	7,413	120,000	122,938	2,938	720,000	730,351	10,351
Investment income	15,000	18,532	3,532	900	519	(381)	15,900	19,051	3,151
Total Revenues	<u>615,000</u>	<u>625,945</u>	<u>10,945</u>	<u>120,900</u>	<u>123,457</u>	<u>2,557</u>	<u>735,900</u>	<u>749,402</u>	<u>13,502</u>
EXPENDITURES									
Administration - capital outlay	5,000	9,802	(4,802)	-	-	-	5,000	9,802	(4,802)
Police	41,066	34,365	6,701	-	-	-	41,066	34,365	6,701
Police - capital outlay	54,832	54,744	88	-	-	-	54,832	54,744	88
Street	224,601	238,365	(13,764)	-	-	-	224,601	238,365	(13,764)
Street - capital outlay	242,150	242,881	(731)	-	-	-	242,150	242,881	(731)
Recreation center	226,065	215,558	10,507	-	-	-	226,065	215,558	10,507
Recreation center - capital outlay	76,160	24,160	52,000	-	-	-	76,160	24,160	52,000
Sewer lateral	-	-	-	120,900	95,456	25,444	120,900	95,456	25,444
Total Expenditures	<u>869,874</u>	<u>819,875</u>	<u>49,999</u>	<u>120,900</u>	<u>95,456</u>	<u>25,444</u>	<u>990,774</u>	<u>915,331</u>	<u>75,443</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (254,874)</u>	<u>(193,930)</u>	<u>60,944</u>	<u>-</u>	<u>28,001</u>	<u>28,001</u>	<u>(254,874)</u>	<u>(165,929)</u>	<u>88,945</u>
FUND BALANCES, JULY 1		<u>1,239,505</u>			<u>41,285</u>			<u>1,280,790</u>	
FUND BALANCES, JUNE 30		<u>\$ 1,045,575</u>			<u>69,286</u>			<u>1,114,861</u>	