CITY OF BELTON, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED MARCH 31, 2007

Prepared by: Finance Department

CITY OF BELTON, MISSOURI

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CITY OF BELTON, MISSOURI

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City of Belton, Missouri

Principal Officials

MAYOR/BOARD OF ALDERMEN

Jimmy Odom ..... Mayor

Perry Gough ..... Ward I
Bobby Davidson ..... Ward I
David Brown ..... Ward II
Justin Neff ..... Ward II
Albert Hoag ..... Ward III
Everett Loughridge ..... Ward III
Tim Savage ..... Ward IV
Gary Lathrop ..... Ward IV

OTHER ELECTED OFFICIALS

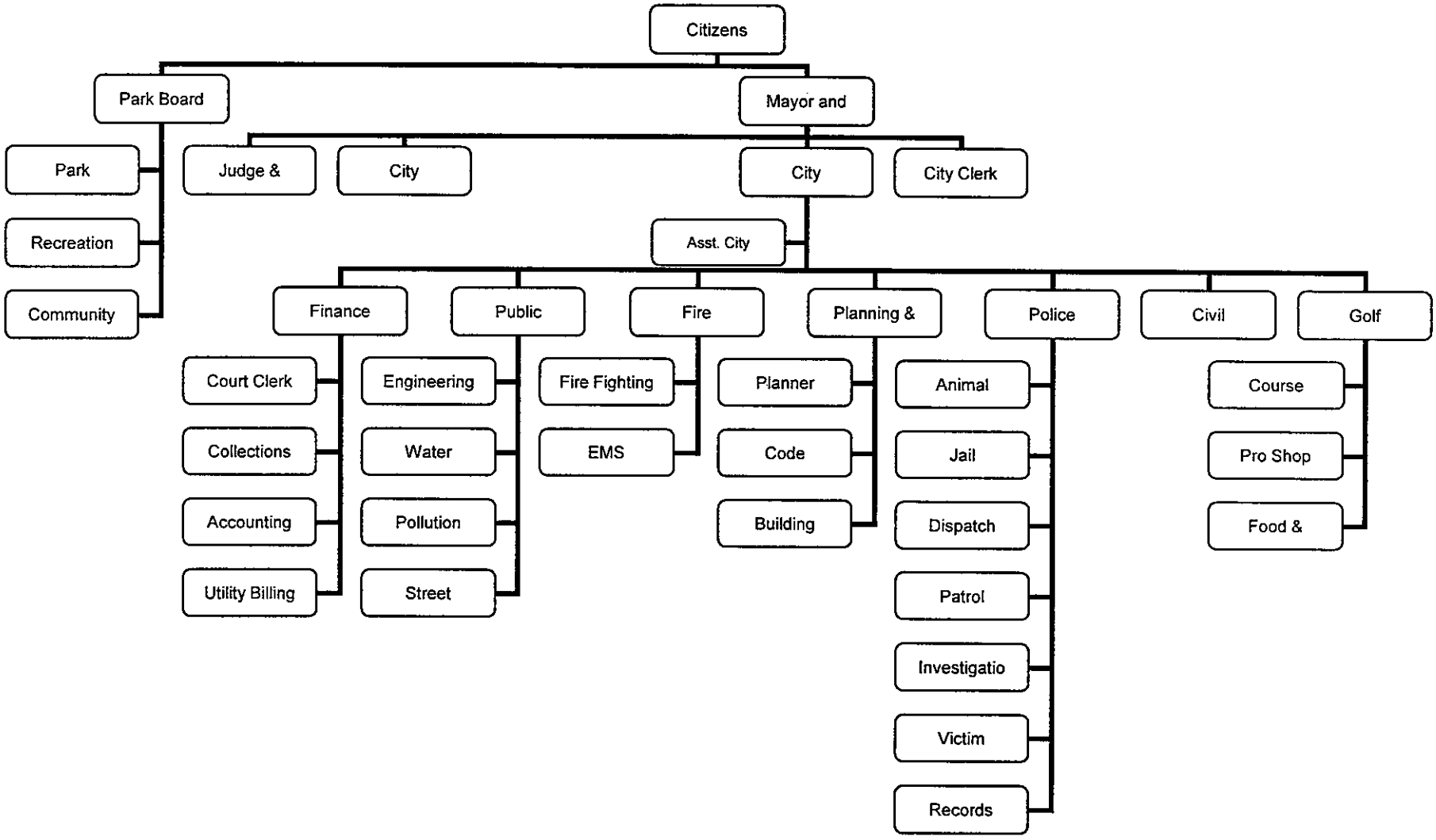
Fred Buchanan ..... City Collector
James Person ..... Police Chief

ADMINISTRATION

Ron Trivitt ..... City Administrator

Independent Certified Public Accountants ..... Troutt, Beeman & Co., P.C.

City of Belton, Missouri
Organization Chart



CITY OF BELTON
506 Main Street
P.O. Box 230
Belton, MO 64012
(816) 331-4331
Fax (816) 322-4620

November 12, 2007

HONORABLE MAYOR, BOARD OF ALDERMEN, AND CITY ADMINISTRATOR:

The Finance Department is pleased to present this Comprehensive Annual Financial Report (CAFR) of the City of Belton, Missouri for the fiscal year ended March 31, 2007. This report is required by Missouri State Statute (RSMo 105.145) and is submitted for your information and review.

The responsibility for accuracy, completeness and fairness of the date presented, including all disclosures, rests with the City. I believe the report as presented is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

This report reflects changes required by Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*. The format and description of these reports are addressed in Management's Discussion and Analysis (MD&A) and in the notes to the financial statements. The MD&A can be found in the financial section of the report following the "Report of Independent Certified Public Accountants."

The report includes all activities of the City. All applicable funds, departments, and offices are included in these financial statements as part of the "primary government" of the City.

The City is required to undergo an annual audit of the financial records and transactions of all departments of the City by independent certified public accountants. The City's financial statements have been audited by Trout, Beeman & Co., PC, a Certified Public Accounting firm. The goal of independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and statement presentation. The Independent Certified Public Accountants concluded, based upon the audit, that there was a reasonable basis for issuing an unqualified opinion that the City's financial statements for the fiscal year ended March 31, 2007 are fairly presented in conformity with generally accepted accounting principles (GAAP). The Report of the

Certified Public Accountants is presented in the front of the Financial Section of this report.

The CAFR is presented in three sections: Introductory, financial and statistical. The ***introductory section*** is designed to introduce the reader to the report and includes this transmittal letter, The City's organizational chart, a list of principal officers, and the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 2006 CAFR.

The ***financial section*** begins with the independent auditors' report. The Auditors' report discloses the opinion of the independent auditors with regard to the presentation of the financial statements and internal controls. This section also includes the MD&A, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statement for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements.

The ***statistical section*** includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the reader with a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements and supporting schedules in the financial section alone.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Belton's MD&A can be found immediately following the report of the independent auditor.

Profile of the City

Belton Missouri was incorporated in 1872. It is located in the Northwest corner of Cass County and borders on the Southeastern edge of Kansas City, Missouri. Belton is the largest city in Cass County with an estimated population of 24,670. Belton was named after the man who helped survey it, Marcus Lindsey Belt, and has a history rich in names such as Carrie Nation, the Dalton Gang, the Cole Younger family, the Shawnee Indians, and Dale Carnegie, whose body is buried in the Belton cemetery.

Located in the "Heart of America", Belton offers excellent residential and business location with 71 Highway providing access to several major interstate highways just miles to the North and Lake of the Ozarks and Truman Lake to the South. Completed and near future major road projects in Belton give it tremendous growth potential for businesses wanting good major highway visibility in a solid and growing urban setting on the outskirts of the Greater Kansas City Area.

The City of Belton provides a comprehensive range of municipal services normally associated with a municipality including highly rated police and fire protection, public works services, parks and recreation facilities, and general administrative services. The

City also provides water and sanitary sewer services and a public golf course (Eagles' Landing Golf Course), all of which are accounted for in the financial statements as business-type funds.

The City of Belton is organized as a fourth class city under the Missouri Statutes and utilizes the Mayor/Board/Administrator form of government and was the first in Missouri to adopt this form of government. The City operates under the classic form of the plan. Registered voters elect a mayor and eight board members to serve two-year terms as representatives on the Board of Aldermen. An election for one alderman in each of four wards is conducted as a unit every year, while the election for mayor is conducted every two years. The City Administrator is appointed by the Mayor with the consent of the Board of Aldermen.

In fulfilling its responsibilities for reliable financial statements, management depends on the City's system of internal control. The objective of this system is to provide reasonable assurance that assets are effectively safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded. While the system of internal controls is not totally immune to discrepancies, it does comply with the standards of the industry, is reviewed annual as part of the independent audit, and has proven its integrity with years of absence of any significant discrepancies.

The annual budget serves as the foundation for the City of Belton's financial planning and control. The appropriated budget is prepared by fund, department (e.g. public works). Department heads may make transfers within their department with the approval of the City Administrator, though transfers between departments or funds require the approval of the Board of Aldermen. Budget to actual comparisons, which are required for each individual governmental fund for which an appropriated annual budget has been adopted, are included in this report.

Factors Affecting Financial Condition

Local economy. Strong retail development along Highway 58 (South Scott Street) has been the foundation for solid growth in the City's sales and property taxes. This was accomplished in large part with the successful use of Tax Increment Financing (TIF) which funded infrastructure improvements and continues to fund road improvements which should lay the foundation for continued commercial development. While growth in the retail sector slowed somewhat, a new center with Office Depot as the anchor tenant is nearing completion as this letter is being written. Other projects and plans are currently under consideration and the near future appears bright. Enhancement of the interchange at Highways Y and 71 is stimulating interest in developing the parcels in that corridor. The Highway Y corridor and an improved Hwy Y/71 interchange should be the hub for the next wave of growth in Belton.

Long Term Financial Planning. The City of Belton prepares a five year Capital Improvement Plan which includes proposed amounts for constructing, maintaining, upgrading and replacing the major components of the City's infrastructure. Funding sources, identified and prospective, are included in this plan giving the City a tool for meeting the needs of the City.

Cash management policies and practices. The Finance Department strives to keep abreast of current trends and procedures for cash management and forecasting to ensure the most efficient and profitable and secure us of the City's cash resources. While efforts are made to maximize the return on the City's investment dollar, the primary concern is always to assure the return of that investment. The City consolidates cash balances of all funds where restrictions or trust arrangements, i.e. bond reserves, allow. Idle cash during fiscal 2007 was invested in U.S. agencies and collateralized certificates of deposit. The average yield on investments was improved from 2.8% in 2006 to 5.2%. Fiscal 2008 will be somewhat lower as the Federal Reserve eases back on rates, but should still exceed the recent days of 2% and lower.

Risk Management. During the fiscal year, the City renewed all major insurance policies (property, boiler and machinery, general liability, automobile liability, public official's liability and law enforcement liability.) Significant attention is being given to cost control in the areas of health insurance and general liability as premiums in these areas rise faster than costs in many other areas.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Belton for its Comprehensive Annual Financial Report for the fiscal year ended March 31, 2006. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible by the hard work of the staff of the City of Belton Finance Department. The contribution made by each member of the office is sincerely appreciated. Special thanks are extended to the City's Independent Certified Public Accountants for their assistance and for the professional manner in which the firm accomplished the audit. I would also like to thank Mayor Odom, the Board of Aldermen, and Ron Trivitt, City Administrator, for their continued interest and support in planning and conducting the financial operations of the City in a professional and progressive manner.

Respectfully submitted,

Michael L. Wade
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Belton

Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
March 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor
and Members of the
City Board of Aldermen
City of Belton, Missouri

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belton, Missouri (the City), as of the year ended March 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belton, Missouri, as of March 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 20 to the financial statements, the City restated its beginning net assets in the govement-wide statement of activities in order to correct their financial statements and record an accrual for its sickness and benefits liability.

The Management's Discussion and Analysis and other required supplementary information on pages 5 through 14 and 62 through 66, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Belton, Missouri's basic financial statements. The introductory section, combining non-major fund financial statements, and statistical tables are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and budgetary schedules have been subjected to other auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Tuttle, Bueno & Co. P.C.

Harrisonville, Missouri
November 12, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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CITY OF BELTON
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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of The City of Belton's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the City's financial performance during the fiscal year that ended on March 31, 2007. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, the City's basic financial statements, and notes to the financial statements, to enhance their understanding of the activities and financial health of The City of Belton.

FINANCIAL HIGHLIGHTS

- Net assets of the City decreased $1.0 million or 3.3% during fiscal 2007 with $0.6 million of the decrease attributed to Governmental Activities with a $0.4 million decrease attributed to Business-type activities. The decrease is the result of depreciation expense of $2.1 million offset by excesses of revenue over spending in the sales tax improvement fund.
- Unrestricted net assets were negative $28.0 million. $27.5 million of this amount is attributed to Governmental Activities coupled with a negative $.5 million in business-type activities. The City's large negative amount in unrestricted net assets is primarily representative of the amount by which the City's debt exceeds corresponding assets.
- A special Fire Department sales tax, ¼ of 1%, was approved by the voters in April 2007 with collections actually commencing in October. This was done to assist with the funding of the new fire station. General obligation bonds for that facility, as well as various critical storm water remediation projects, were also approved at the April election.
- During fiscal 2007, the City's governmental expenditures of $25.6 million were $2.6 million more than the $23.0 million generated in taxes and other revenues for governmental programs. This excess in expenditures relates to the utilization of existing Tax Increment Financing bond proceeds to pay for road construction projects. In fiscal 2006, expenditures exceeded revenues by $1.7 million.
- The total cost of the City's programs was $6.6 million more than the prior year due in part to the following:
    - Increased interest on long term debt due to the issuance of 3 bond issues totaling $22.7 million in new debt.
    - Major road construction continuing on State of Missouri Highway Y and other roads stipulated in the Belton Town Centre Redevelopment agreement.

This discussion and analysis is intended to serve as an introduction to the City's *Basic Financial Statements*. The Basic Financial Statements contain three components: government-wide financial statements, fund financial statements (including component unit statements), and notes to the financial statements. In addition, this report contains other *Required Supplementary*

Information, a *Supplemental Information* section that presents *combining statements* for non-major governmental funds (along with actual and budget comparison schedules), and a *Statistical Section* which includes supplemental disclosure information.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
    - *Governmental Fund* statements tell how *general government* services like public safety, public works, health and welfare, and parks, trails, and storm water were financed in the short-term as well as what remains for future spending.
    - *Proprietary Fund* statements offer short-term and long-term financial information about the activities the City government operates similar to a private business, such as Eagles' Landing Golf Course.
    - The *Fiduciary Fund* statement provides information about *Agency Fund* assets held by the City which is acting solely as a *trustee or agent* for the benefit of others, to whom the resources belong. Belton currently has no situations which would indicate the need for fiduciary funds.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required components, a section is included with combining statements that provide further detail about our non-major governmental funds, each of which are added together and presented in single columns in each of the basic financial statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when and how they have changed. Net assets, the difference between the City's assets and liabilities, are one way to measure the City's financial health or current position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, consideration should be given to additional non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

The government-wide financial statements of the City are divided into three categories:

- *Governmental activities:* Most of the City's basic services are included here, such as public safety, roads and bridges, parks and recreation, and general administration. Sales taxes, property taxes, charges for services and State and Federal grants finance most of these activities.
- *Business-type activities:* The City charges fees to customers to help cover the costs of certain services it provides. The City's Enterprise Funds: Water Fund, Sewer Fund, and Eagles' Landing Golf Course, are included here.
- *Component units:* The City currently has no situations or relationships which would be classified as component units.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds*, not the City as a whole. Funds are accounting mechanisms that the City uses to keep track of and segregate specific sources of funding and spending for particular purposes.

- Some funds are required by state law and/or by bond covenants.
- The Finance Director, with Board of Aldermen approval, establishes other funds to control and manage resources for particular purposes (i.e. Debt Service and Capital Projects Funds) or to show that certain taxes and grants are used appropriately (i.e. Special Revenue Funds).
- *Governmental funds:* Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the subsequent page of the governmental funds statement that explains the relationship (or differences) between the two types of statements.
- *Proprietary funds:* Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

    - The City's *Enterprise Funds* are classified as a business-type activity on the government-wide statements, but more detailed information is provided in the Proprietary Fund Statements, such as its cash flows.

Government-wide Financial Analysis

Net assets. As discussed earlier, net assets may serve as a useful indicator of a government's financial position. As of March 31, 2007, the City's net assets were $28,032,048. Table A provides a summary of the City's Governmental and Business-type net assets for fiscal 2007.

Table A
Combined Statement of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2006	2007	2006	2007	2006	2007
Assets						
Current and other assets						
Cash and other assets	$ 13,200,333	$ 33,964,692	$ 2,950,143	$ 1,574,772	$ 16,150,476	$ 35,539,464
Total capital assets	31,920,821	32,336,978	19,954,778	20,410,176	51,875,599	52,747,154
Total assets	$ 45,121,154	$ 66,301,670	$ 22,904,921	$ 21,984,948	$ 68,026,075	$ 88,286,618
Liabilities						
Current and other liabilities	$ 3,970,281	$ 4,840,532	$ 1,552,067	$ 1,631,272	$ 5,522,348	$ 6,471,804
Long-term liabilities	26,661,659	47,997,766	6,400,000	5,785,000	33,061,659	53,782,766
Total liabilities	$ 30,631,940	$ 52,838,298	$ 7,952,067	$ 7,416,272	$ 38,584,007	$ 60,254,570
Net Assets						
Invested in Capital Assets, net of debt	$ 17,204,664	$ 18,432,768	$ 12,979,778	$ 14,010,176	$ 30,184,442	$ 32,442,944
Restricted:						
Capital projects	234,140	18,952,578	-	-	234,140	18,952,578
Debt Service	6,213,148	4,033,507	1,629,482	1,075,861	7,842,630	5,109,368
Unrestricted	(9,162,738)	(27,955,481)	343,594	(517,361)	(8,819,144)	(28,472,842)
Total net assets	$ 14,489,214	$ 13,463,372	$ 14,952,854	$ 14,568,676	$ 29,442,068	$ 28,032,048

Total net assets for the City at March 31, 2007, were $28,032,048 with $14,568,676 attributed to business-type activities and $13,463,372 attributable to governmental activities.

At the end of fiscal 2007, the City had $52.7 million invested in a variety of capital assets, including land, buildings, construction in progress, law enforcement equipment, emergency preparedness equipment upgrades, document retention system, heavy equipment for the maintenance of roads and bridges, as well as, the addition of infrastructure. This was an increase of $0.8 million over 2006.

The largest portion of the City's net assets represents the investment in capital assets, net of related debt, which is restricted for the purpose of providing services to The City of Belton citizens; therefore, they are not available for future spending. Because they are not available for future spending, the resources needed to liquidate the related debt must be provided from other sources, primarily sales and property taxes.

Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The $18,952,578 of restricted assets for capital projects represent unspent bond proceeds for road, storm water, and fire station construction while the $5,109,368 restricted for debt service are funds collected and being held to pay off bonds and restricted for that use.

The City has issued debt in relation to one tax increment financing (TIF) area. The debt is paid with new revenue generated because of development within the TIF. These bonds have been financed over 20 years. The City's liabilities at March 31, 2007, include outstanding TIF bond debt

of $19,585,000 relating to funding these TIF costs. The eligible costs paid with these bonds vary in nature and the majority on the existing debt will not become assets of the City. Because of this, the City's total net assets are reduced and present a less favorable picture as compared to governments that do not extensively fund projects in this manner.

Governmental activities. Table B (see next page) presents fiscal 2006 and 2007 revenues and expenditures for the primary government as they are reported in the Statement of Activities in the basic financial statements. The revenues and expenditures include the Governmental Funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) and Enterprise Funds (Eagles' Landing Golf Course, Water and Sewer Funds).

Sales taxes increased 4.2% with commercial development slowing in fiscal 2007 after two years of more robust growth. Residential and commercial growth are both continuing, but at a slower rate which is reflected in the sales tax revenue.

Property taxes for general purposes grew 4.0% meaning new construction accounts for the additional 0.5% over the statutorily allowed inflation amount (3.5% for fiscal 2007). The above mentioned slow-down in new construction kept assessed value growth and the associated property tax revenue at this relatively flat level.

Investment earnings increased 82.1% as interest rates in the investment market continued the improvement seen in the previous year. Unspent bond proceeds also increased cash levels adding to the increased interest income. With the spending down of the bond proceeds and lowering of yield on investments already witnessed, investment earnings will certainly be decreased in fiscal 2008.

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Table B
City of Belton, Missouri - Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2006	2007	2006	2007	2006	2007
Revenues						
Program Revenues						
Charges for Services	$ 5,324,413	$ 6,903,636	$ 8,093,680	$ 8,744,028	$ 13,418,093	$ 15,647,664
Operating Grants and Contributions	1,323,239	1,285,878	-	-	1,323,239	1,285,878
Capital Grants and Contributions	11,926	14,844	-	-	11,926	14,844
General Revenues						
Taxes:						
Property Taxes for general purposes	1,177,913	1,225,553	-	-	1,177,913	1,225,553
Property Taxes for specific purposes	1,108,433	1,680,219	-	-	1,108,433	1,680,219
Franchise Taxes	2,377,285	2,488,383	-	-	2,377,285	2,488,383
Sales Taxes	7,119,806	7,421,933	-	-	7,119,806	7,421,933
Unrestricted Investment Earnings	361,841	1,004,725	298,459	197,354	660,300	1,202,079
Miscellaneous	369,597	406,626	314	-	369,911	406,626
Transfers	115,000	115,000	(115,000)	(115,000)	-	-
Total Revenues	19,289,453	22,546,797	8,277,453	8,826,382	27,566,906	31,373,179
Expenses						
Governmental Activities:						
General Government	2,783,012	3,005,903	-	-	2,783,012	3,005,903
Fire	2,872,938	3,207,616	-	-	2,872,938	3,207,616
Public Safety	3,921,266	4,193,069	-	-	3,921,266	4,193,069
Public Works	3,002,343	6,896,887	-	-	3,002,343	6,896,887
Civil Defense	54,129	58,547			54,129	58,547
Municipal Jail	401,754	396,218	-	-	401,754	396,218
Parks and Recreation	1,768,933	2,467,190	-	-	1,768,933	2,467,190
Community Development	661,761	173,443	-	-	661,761	173,443
Interest on Long-term Debt	1,648,716	2,735,525	-	-	1,648,716	2,735,525
Business-type Activities	-	-	8,576,382	9,210,558	8,576,382	9,210,558
Total Expenses	17,114,852	23,134,398	8,576,382	9,210,558	25,691,234	32,344,956
Changes in net assets	2,174,601	(587,601)	(298,929)	(384,176)	1,875,672	(971,777)
Net Assets at beginning of year	12,314,609	14,050,973	15,251,781	14,952,852	27,566,390	29,003,825
Net Assets at end of year	$ 14,489,210	$ 13,463,372	$ 14,952,852	$ 14,568,676	$ 29,442,062	$ 28,032,048

Public Works increased as work on major road construction projects escalated.

Interest on Long-term debt increased with the transacting of three new debt issues, one which technically closed in March of fiscal 2006 but had no financial impact until fiscal 2007.

Parks and recreation expenses increased 39.5% with continued capital expenditure on the parks and community center as well as expanding programs at the community center and other programs.

Business-type Activities: The City's Eagles' Landing Golf Course experienced a 12.7% increase in revenue showing a second straight year of increasing revenues. Rate increases in both Water and Sewer Funds to cover increasing costs and decreasing cash reserves resulted in revenues increasing by 5.5% and 9.5% respectively. Increases in the cost of water and contractual services resulted in an 8.2% increase in operating expenses. Sewer expenses showed only a 1.0% increase. Overall, there was an 8.0% increase in revenues in the Business-like Funds offset by an increase of 8.6% increase in operating expenses. $696K in non-operating expenses and $115K in transfers out yielded a decrease in $384K in net assets.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds Overview. The City of Belton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the City's governmental funds provide information on short-term inflows and outflows, as well as what remains for future spending. Such information is useful in assessing the City's financing requirements. For example, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The following information is supplemental to the information presented in the previous section (Table B).

At the end of fiscal 2007, The City of Belton reported a combined fund balance of $30,738,156 in the Governmental Funds. Of the total combined fund balance, nearly 100% consists of unreserved fund balance, the portion of fund balance which serves as a measure of current available financial resources. This share of the fund balance is further divided into General Fund, Special Revenue Funds, Capital Projects Fund, and Debt Service Funds in increased nearly $23 million as the result of issuance of $22.7 million in debt for capital projects, $5.9 million of which was expended in fiscal 2007.

The reserved fund balance represents resources not available for spending or those on which legal restriction have been placed.

The General Fund, Park Fund, Street Fund, Sales Tax Improvement Fund, Park Sales Tax Improvement Fund, Fire Station Construction, Storm Water Construction, and Major Road Construction Funds are the City's eight major governmental funds.

General Fund. The General Fund of The City of Belton accounts for all transactions not required to be accounted for in other funds. As the City's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property taxes and charges for services. The General Fund completed the year with a fund balance of $2,279,561, increasing by $50,171 from 2006. The fund balance is 97.5% unreserved while the remaining 2.5% is reserved.

Park Fund. The Park Fund accounts for Parks and Recreation property tax collected for the purpose of providing parks services for the City. This includes land purchasing, parks constructing, equipping, maintaining and operating the parks and recreation facilities. The Park Fund ending fund balance was $537,180; a decrease of $104,527 from the prior year's ending balance resulting from $290 thousand spent from reserves for capital outlay.

Street Fund. The Street Fund accounts for the operations and maintenance of roads and bridges within the City. Financing is provided primarily by a ½ cent transportation sales tax and other Intergovernmental revenues from the State, along with occasional transfers from the General

Fund. The Street Fund ending fund balance was $239,381 which is a decrease of $345,981 from the prior year's ending balance. The decrease was the result of the use of fund balance for construction projects and required engineering studies in preparation for planned projects.

Park Sales Tax Improvement Fund. The Park Sales Tax Improvement Fund accumulates monies from the ½ cent park improvement sales tax for making periodic principal and interest payments on bonds issued for other park operating or capital improvement needs. COP bonds were issued in 1998 with a repayment schedule of 20 years. Funds not needed to make debt service payments are available for other Park related uses. The fund balance at the end of 2007 is $1,252,321, a decrease of $9,011 from fiscal 2006 with a higher transfer of reserves made to support park operations.

Sales Tax Improvement Fund. The Sales Tax Improvement Fund accumulates monies from the ½ cent capital improvement sales tax for making periodic principal and interest payments on bonds issued for major street improvement projects. The bonds were issued in 1997 and 1998 with repayment schedules of 20 and 10 years respectively. The fund balance at the end of 2007 is $3,022,263, an increase of $874,716 over fiscal 2006. The increase is the result of sales taxes exceeding debt service payments partially as the result of the early defeasance of the 1998 bonds during fiscal 2006. During fiscal 2007 voters approved the renewal of this tax to be used for capital expenditures once the 1997 bonds have been paid off.

Major Road Construction Fund. The Major Road Construction Fund was established in the current fiscal year to account for revenue sources and expenditures for major road projects. The current fiscal year included one project in this fund; the Highway Y & 71 project. Revenue for the year was only $107,820 with expenditures of $3,580,539 being funded from prior year bond proceeds. Bond proceeds of $6 million were recorded in May of 2007.

Fire Station and Storm Water Construction Funds. These two funds were both established in the current fiscal year to account for the receipt and disbursement relating to two general obligation bond issues for specific capital projects, specifically building a new fire station, remodeling the existing fire station, and various storm water remediation projects. Bond proceeds of $9.2 and $6.8 million respectively were received in fiscal 2007. Construction of the new fire station is under way and storm water projects will be engineered and completed over the next three years approximately. Fund balances in the Fire Station and Storm Water Construction Funds are $9,043,376 and $6,650,466 respectively. As indicated above, fiscal 2007 was the first year for these two funds.

General Fund Budgetary Highlights

The Board of Aldermen revised the budget of the General Fund several times during the year for an overall increase in appropriations of $469,976 which was a 4.2% increase over the original budget with actual expenditures $258,723 below the final approved budget.

Actual revenues exceeded budgeted revenues by $246,027. The two major reasons for this surplus were:

- Licenses and permits exceeded budget by $116,985.
- Charges for services exceeded budgeted revenues by $229,206.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Belton's investment in capital assets for governmental and business-type activities is $52,747,154, net of accumulated depreciation. This includes land, buildings, improvements, equipment, roads, bridges, and construction in progress. The total increase in capital assets was 1.7% over the prior year. Major capital asset projects funded this year are as follows:

- Two ambulances for the Fire Department ($322,527).
- Construction of clubhouse at Eagles' Landing Golf Course ($160,077)
- Lacy Lane Street Project improvements ($465,572)
- Partial completion of the Water Department radio read meter conversion ($437,724)

Additional information on the City's capital assets can be found in Note 4 on pages 39 to 41 of this report.

Debt administration. The City of Belton had various forms of debt during fiscal 2007. Table C below shows the City's outstanding debt by type for 2006 and 2007.

	Governmental		Business-type		Total	
	2006	2007	2006	2007	2006	2007
TIF Reveneu Bonds	$13,300,000	$19,585,000	$ -	$ -	$13,300,000	$19,585,000
General Obligation Bonds	4,955,000	20,480,000	-	-	4,955,000	20,480,000
Sales Tax Revenue Bonds	3,420,000	3,195,000	-	-	3,420,000	3,195,000
Certificates of Participation	6,255,000	5,910,000	3,300,000	3,150,000	9,555,000	9,060,000
Sewerage Revenue Bonds			3,675,000	3,250,000	3,675,000	3,250,000
DNR Energy Loan	86,157	81,659			86,157	81,659
Total	$28,016,157	$49,251,659	$6,975,000	$6,400,000	$34,991,157	$55,651,659

The City's debt for governmental activities increased in fiscal 2007 from $28.0 million to $49.3 million or 76.1%. The primary component of the increase was the issuance of $15,995,000 in General Obligation Bonds: $9.2 million for fire station construction and $6.8 million for storm water remediation projects. In addition, $6.7 million in Tax Increment Financing Bonds were issued. All other principal and interest payments were made according to schedule.

Debt for business-type activities decreased by $575,000 with no new debt issued and all outstanding debt payments made according to existing amortization schedules.

Total debt increased a net of $20.7 million.

Additional information on the City's long-term debt can be found in Note 6 on pages 44 to 50 of this report.

ECONOMIC FACTORS, 2007 BUDGET AND TAX RATES

- The City's fiscal 2007 General Fund budget increased 8.3% from the fiscal 2006 budget. The newly approved Fire Department Sales Tax along with police and fire grant increases provided the funding for nearly half of this increase. Smaller increases in most other categories also were part of the total increase in revenue supporting the budget. The primary component of the increase in expenditures from 2006 to 2007 was the addition of staff and corresponding benefits in several areas including police, fire, as well as increases in benefit costs such as health insurance.
- The City has a 1 cent general sales tax as well as ½ cent sales taxes for Park, ½ cent for Transportation and ½ for capital improvement. A new ¼ cent fire department sales tax was approved by voters in April 2007, and became effective October 1, 2007. With the slow-down of new retail business construction, sales taxes have flattened out and sales tax revenue is up only 2% for the most recent 8 months ending August 2007.
- The City's 2007 property tax levies have been adopted by the Board of Aldermen and approved by the State Auditor's Office. The levies total $1.5507 per $100 of assessed value compared to 2006 rates totaling $1.3007, or an increase of 19.2%. The increase is entirely the result of the debt service component with the issuance of $6.78 million in G.O. bonds in March 2007 to make various improvements to the City's storm water system.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for our citizens, taxpayers, customers, investors, creditors, and other interested parties, and also to show our accountability for the monies entrusted to our care. If you have questions about this report or need additional financial information, contact Michael L. Wade, The City of Belton Director of Finance, 506 Main Street, Belton, Missouri 64012.

BASIC FINANCIAL STATEMENTS

Basic Financial Statements are provided so that the users of the financial report may obtain an overview of the City's financial position prior to a presentation of comparable data on a detailed basis for individual funds.

CITY OF BELTON, MISSOURI
STATEMENT OF NET ASSETS
MARCH 31, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash and investments	$ 27,093,429	$ 568,675	$ 27,662,104
Cash and investments-restricted	3,147,243	1,075,861	4,223,104
Taxes receivable, net	1,111,924	-	1,111,924
Internal balances	908,305	(908,305)	-
Due from other governments	40,702	-	40,702
Accrued interest	161,562	6,093	167,655
Accounts receivable	346,416	597,216	943,632
Delinquent property taxes receivable	99,744	-	99,744
Other receivables	729,695	13,935	743,630
Deferred charges, net of amortization	325,672	147,832	473,504
Inventories	-	73,465	73,465
Capital assets:			
Land, improvements, and construction in progress	4,232,124	375,117	4,607,241
Improvements other than buildings	3,645,603	21,956,770	25,602,373
Sewer plant	-	10,015,126	10,015,126
Buildings	10,683,509	2,484,056	13,167,565
Equipment and furniture	8,983,097	3,162,840	12,145,937
Infrastructure	17,503,471	-	17,503,471
Less: accumulated depreciation	(12,710,826)	(17,583,733)	(30,294,559)
Total capital assets	32,336,978	20,410,176	52,747,154
Total assets	66,301,670	21,984,948	88,286,618
LIABILITIES			
Accounts payable and accrued expenses	1,459,145	521,674	1,980,819
Salaries and benefits payable	413,654	55,477	469,131
Unearned revenues	920,402	-	920,402
Customer deposits	-	336,111	336,111
Other liabilities	149,663	23,448	173,111
Long-term liabilities:			
Due within one year:			
Bonds, capital leases, and contracts	1,654,668	615,000	2,269,668
Accrued interest	243,000	79,562	322,562
Due in more than one year,			
Bonds, capital leases, and contracts	47,596,991	5,785,000	53,381,991
Compensated absences	400,775	-	400,775
Total liabilities	52,838,298	7,416,272	60,254,570
NET ASSETS			
Invested in capital assets, net of related debt	18,432,768	14,010,176	32,442,944
Restricted for:			
Capital projects	18,952,578	-	18,952,578
Debt service	4,033,507	1,075,861	5,109,368
Unrestricted	(27,955,481)	(517,361)	(28,472,842)
Total net assets	$ 13,463,372	$ 14,568,676	$ 28,032,048

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2007

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Total
Primary government:							
Governmental activities:							
General government	$ 3,005,903	$ 2,870,366	$ -	$ -	$ (135,537)	$ -	$ (135,537)
Public safety	4,193,069	274,902	208,679	-	(3,709,488)	-	(3,709,488)
Public works	6,896,887	1,718,060	1,021,379	14,844	(4,142,604)	-	(4,142,604)
Fire and emergency services	3,207,616	739,790	47,444	-	(2,420,382)	-	(2,420,382)
Civil defense	58,547	-	-	-	(58,547)	-	(58,547)
Parks and recreation	2,467,190	749,393	8,376	-	(1,709,421)	-	(1,709,421)
Community and economic development	173,443	493,400	-	-	319,957	-	319,957
Municipal jail	396,218	57,725	-	-	(338,493)	-	(338,493)
Interest on long-term debt	2,735,525	-	-	-	(2,735,525)	-	(2,735,525)
Total governmental activities	23,134,398	6,903,636	1,285,878	14,844	(14,930,040)	-	(14,930,040)
Business-type activities:							
Water	4,249,830	4,164,095	-	-	-	(85,735)	(85,735)
Sewer	3,651,381	3,699,666	-	-	-	48,285	48,285
Golf course	1,309,347	880,267	-	-	-	(429,080)	(429,080)
Total business-type activities	9,210,558	8,744,028	-	-	-	(466,530)	(466,530)
Total primary government	$ 32,344,956	$ 15,647,664	$ 1,285,878	$ 14,844	(14,930,040)	(466,530)	(15,396,570)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					1,225,553	-	1,225,553
Property taxes, levied for specific purposes					1,680,219	-	1,680,219
Franchise taxes and other taxes					2,488,383	-	2,488,383
Sales taxes					7,421,933	-	7,421,933
Unrestricted investment earnings					1,004,725	197,354	1,202,079
Miscellaneous					406,626	-	406,626
Transfers					115,000	(115,000)	-
Total general revenues, special items, and transfers					14,342,439	82,354	14,424,793
Change in net assets					(587,601)	(384,176)	(971,777)
Net assets - beginning, as restated					14,050,973	14,952,852	29,003,825
Net assets - ending					$ 13,463,372	$ 14,568,676	$ 28,032,048

See accompanying notes.

CITY OF BELTON, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2007

	General Fund	Park	Street Department	Sales Tax Improvement
ASSETS				
Pooled cash and investments	$ 1,633,995	$ 611,055	$ 55,500	$ 2,892,012
Cash and investments-restricted	57,693	-	-	-
Taxes receivable, net	573,947	44,512	183,151	111,616
Due from other funds	908,305	-	-	-
Due from other governments	40,702	-	-	-
Accrued interest	17,548	3,930	358	18,635
Accounts receivable	346,416	-	-	-
Delinquent special assessments receivable	89,267	-	-	-
Delinquent property taxes receivable	18,547	-	-	-
Other receivables	435,071	8,376	270,700	-
Total assets	$ 4,121,491	$ 667,873	$ 509,709	$ 3,022,263
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 576,125	$ 49,092	$ 119,090	$ -
Salaries and benefits payable	344,670	41,646	27,338	-
Deferred revenue	812,207	37,620	85,500	-
Other liabilities	108,928	2,335	38,400	-
Total liabilities	1,841,930	130,693	270,328	-
Fund balances:				
Reserved for:				
Debt service	-	-	-	-
Other purposes	57,693	-	-	-
Unreserved:				
General fund	2,221,868	-	-	-
Special revenue funds	-	537,180	239,381	3,022,263
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Total fund balances	2,279,561	537,180	239,381	3,022,263
Total liabilities and fund balances	$ 4,121,491	$ 667,873	$ 509,709	$ 3,022,263

See accompanying notes.

Park Sales Tax Improvement	Major Road Construction	Fire Station Construction	Stormwater	Other Governmental Funds	Total Governmental Funds
$ 1,139,107	$ 1,671,838	$ 9,099,643	$ 6,662,806	$ 3,327,473	$ 27,093,429
-	-	-	-	3,089,550	3,147,243
111,616	-	-	-	87,082	1,111,924
-	-	-	-	-	908,305
-	-	-	-	-	40,702
1,598	-	58,636	42,934	17,923	161,562
-	-	-	-	-	346,416
-	-	-	-	6,855	96,122
-	-	-	-	81,197	99,744
-	-	-	-	15,548	729,695
$ 1,252,321	$ 1,671,838	$ 9,158,279	$ 6,705,740	$ 6,625,628	$ 33,735,142
$ -	$ 83,551	$ 114,903	$ 55,274	$ 419,110	$ 1,417,145
-	-	-	-	-	413,654
-	-	-	-	81,197	1,016,524
-	-	-	-	-	149,663
-	83,551	114,903	55,274	500,307	2,996,986
-	-	-	-	3,089,550	3,089,550
-	-	-	-	-	57,693
-	-	-	-	-	2,221,868
1,252,321	-	-	-	421,365	5,472,510
-	1,588,287	9,043,376	6,650,466	1,670,449	18,952,578
-	-	-	-	943,957	943,957
1,252,321	1,588,287	9,043,376	6,650,466	6,125,321	30,738,156
$ 1,252,321	$ 1,671,838	$ 9,158,279	$ 6,705,740	$ 6,625,628	$ 33,735,142

See accompanying notes.

CITY OF BELTON, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
MARCH 31, 2007

Fund balances - total governmental funds	$	30,738,156
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		32,336,978
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets. This amount represents the net of discounts and premiums on long-term obligations.		325,672
Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		(243,000)
Long-term liabilities (such as Notes Payable, Capital Lease Contract Payable, Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the government-wide statements.		(49,694,434)
Net Assets of Governmental Activities in the Statement of Net Assets	$	13,463,372

See accompanying notes.

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CITY OF BELTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE --
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2007

	General Fund	Park	Street Department	Sales Tax Improvement
REVENUES				
Taxes	$ 6,475,921	$ 510,324	$ 1,178,970	$ 1,178,932
Special assessments	14,844	-	-	-
Licenses and permits	451,160	-	5,984	-
Intergovernmental	312,797	8,376	1,021,379	-
Charges for services	1,364,558	749,393	-	-
Fees and fines	750,603	-	-	-
Investment earnings	66,691	15,631	13,996	103,392
Other	216,984	17,940	316,786	-
Interfund charges for support services	2,424,516	-	-	-
In lieu of taxes	-	-	-	-
Total revenues	12,078,074	1,301,664	2,537,115	1,282,324
EXPENDITURES				
General government	2,848,691	-	-	-
Public safety	4,037,529	-	-	-
Public works	869,744	-	1,965,527	-
Fire and emergency services	3,015,461	-	-	-
Civil defense	55,646	-	-	-
Parks and recreation	-	1,715,748	-	-
Community and economic development	223,208	-	-	-
Municipal jail	392,585	-	-	-
Capital outlay	24,679	290,443	938,242	-
Debt service:				
Principal	4,498	-	-	225,000
Interest and other charges	3,189	-	-	182,608
Total expenditures	11,475,230	2,006,191	2,903,769	407,608
Excess (deficiency) of revenues over expenditures	602,844	(704,527)	(366,654)	874,716
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	-	-
Premiums on bond issuances	-	-	-	-
Transfers in	115,000	600,000	160,673	-
Transfers out	(667,673)	-	(140,000)	-
Total other financing sources and uses	(552,673)	600,000	20,673	-
Net change in fund balances	50,171	(104,527)	(345,981)	874,716
Fund balances - beginning	2,229,390	641,707	585,362	2,147,547
Fund balances - ending	$ 2,279,561	$ 537,180	$ 239,381	$ 3,022,263

See accompanying notes.

Park Sales Tax Improvement	Major Road Construction	Fire Station Construction	Stormwater	Other Governmental Funds	Total Governmental Funds
$ 1,178,932	$ 10,730	$ -	$ -	$ 2,282,279	$ 12,816,088
-	-	-	-	-	14,844
-	-	-	-	1,008,540	1,465,684
-	-	-	-	-	1,342,552
-	-	-	-	-	2,113,951
-	-	-	-	-	750,603
60,110	97,090	320,488	58,803	268,524	1,004,725
-	-	-	-	7,600	559,310
-	-	-	-	-	2,424,516
-	-	-	-	493,400	493,400
1,239,042	107,820	320,488	58,803	4,060,343	22,985,673
-	-	-	-	-	2,848,691
-	-	-	-	-	4,037,529
-	-	-	-	5,663	2,840,934
-	-	-	-	-	3,015,461
-	-	-	-	-	55,646
-	-	-	-	382,928	2,098,676
-	-	-	-	86,416	309,624
-	-	-	-	-	392,585
-	3,358,657	573,775	60,078	667,141	5,913,015
345,000	-	-	-	855,000	1,429,498
303,053	221,882	152,505	125,570	1,652,318	2,641,125
648,053	3,580,539	726,280	185,648	3,649,466	25,582,784
590,989	(3,472,719)	(405,792)	(126,845)	410,877	(2,597,111)
-	6,003,000	9,220,000	6,775,000	667,000	22,665,000
-	-	229,168	2,311	-	231,479
-	-	-	-	1,152,000	2,027,673
(600,000)	-	-	-	(505,000)	(1,912,673)
(600,000)	6,003,000	9,449,168	6,777,311	1,314,000	23,011,479
(9,011)	2,530,281	9,043,376	6,650,466	1,724,877	20,414,368
1,261,332	(941,994)	-	-	4,400,444	10,323,788
$ 1,252,321	$ 1,588,287	$ 9,043,376	$ 6,650,466	$ 6,125,321	$ 30,738,156

See accompanying notes.

CITY OF BELTON, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2007

Net change in fund balances - total governmental funds:	$	20,414,368
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. This is the amount by which capital outlays, which are over the capitalization threshhold, exceeded depreciation in the current period.		416,157
Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Net Assets reports repayment as a reduction to long-term liabilities. This is the amount by which proceeds exceed repayments.		(21,235,502)
Governmental Funds report premiums and discounts as other financing sources. In contrast, those items are capitalized on the Statement of Net Assets and amortized over the life of the bonds on the Statement of Activities. This is the net amount of premiums, discounts, and amortization.		(83,686)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Accrued interest not reflected on governmental funds		(94,400)
Compensated absences		(4,538)
Change in net assets of governmental activities	$	(587,601)

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
MARCH 31, 2007

	Sewer Fund	Water Fund	Golf Course Fund	Total
ASSETS:				
Current assets:				
Pooled cash and investments	$ -	$ 567,675	$ 1,000	$ 568,675
Cash and investments-restricted	664,420	-	411,441	1,075,861
Receivables:				
Billed	161,361	180,532	-	341,893
Unbilled	118,393	136,930	-	255,323
Accrued interest	604	5,489	-	6,093
Other	13,643	292	-	13,935
Deferred charges, net of amortization	93,606	-	54,226	147,832
Due from other funds	-	284,995	-	284,995
Inventories	-	-	73,465	73,465
Total current assets	1,052,027	1,175,913	540,132	2,768,072
Non-current assets,				
Capital assets:				
Land and improvements	25,452	19,665	330,000	375,117
Improvements other than buildings	8,568,758	10,697,154	2,690,858	21,956,770
Sewer plant	10,015,126	-	-	10,015,126
Buildings	1,521,239	77,205	885,612	2,484,056
Equipment and furniture	925,144	1,529,599	708,097	3,162,840
Total capital assets at cost	21,055,719	12,323,623	4,614,567	37,993,909
Less accumulated depreciation	(10,615,526)	(5,251,019)	(1,717,188)	(17,583,733)
Capital assets, net	10,440,193	7,072,604	2,897,379	20,410,176
	11,492,220	8,248,517	3,437,511	23,178,248
LIABILITIES:				
Current liabilities:				
Accounts payable	57,427	383,868	80,379	521,674
Salaries and benefits payable	21,808	21,756	11,913	55,477
Accrued interest payable	42,966	-	36,596	79,562
Due to other funds	284,995	-	908,305	1,193,300
Customer deposits	-	336,111	-	336,111
Other payables	10,097	11,787	1,564	23,448
Bonds, notes, and loans payable	460,000	-	155,000	615,000
Total current liabilities	877,293	753,522	1,193,757	2,824,572
Non-current liabilities,				
Bonds, notes, and loans payable	2,790,000	-	2,995,000	5,785,000
Total non-current liabilities	2,790,000	-	2,995,000	5,785,000
	3,667,293	753,522	4,188,757	8,609,572
NET ASSETS:				
Invested in capital assets, net of related debt	7,190,193	7,072,604	(252,621)	14,010,176
Restricted for debt service	664,420	-	411,441	1,075,861
Unrestricted	(29,686)	422,391	(910,066)	(517,361)
	$ 7,824,927	$ 7,494,995	$ (751,246)	$ 14,568,676

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS --
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2007

	Sewer Fund	Water Fund	Golf Course Fund	Total
REVENUES,				
Charges for services	$ 3,699,666	$ 4,164,095	$ 880,267	$ 8,744,028
	3,699,666	4,164,095	880,267	8,744,028
OPERATING EXPENSES:				
Personnel services	641,964	603,451	454,584	1,699,999
Contractual services	60,440	29,802	70,088	160,330
Materials and supplies	19,715	34,473	204,574	258,762
Maintenance and repairs	100,216	212,897	50,933	364,046
Fuel and lubricants	23,292	22,599	15,476	61,367
Utilities	95,481	57,572	93,587	246,640
Water supply	860,604	1,426,660	-	2,287,264
Interfund charges for support services	723,835	1,146,855	37,602	1,908,292
Depreciation and amortization	594,711	317,352	192,710	1,104,773
Bad debts expense	11,429	16,161	-	27,590
Miscellaneous	65,315	110,177	22,519	198,011
	3,197,002	3,977,999	1,142,073	8,317,074
Operating income (loss)	502,664	186,096	(261,806)	426,954
NON-OPERATING REVENUES (EXPENSES):				
Franchise tax	(252,056)	(271,831)	-	(523,887)
Interest income	135,123	39,123	23,108	197,354
Miscellaneous expense	-	-	(40)	(40)
Interest expense	(202,323)	-	(167,234)	(369,557)
	(319,256)	(232,708)	(144,166)	(696,130)
Net income (loss) before transfers	183,408	(46,612)	(405,972)	(269,176)
Transfers out	(50,000)	(65,000)	-	(115,000)
Increase (decrease) in net assets	133,408	(111,612)	(405,972)	(384,176)
Total net assets - beginning	7,691,519	7,606,607	(345,274)	14,952,852
Total net assets - ending	$ 7,824,927	$ 7,494,995	$ (751,246)	$ 14,568,676

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF CASH FLOWS -- PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2007

	Sewer Fund	Water Fund	Golf Course Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Received from customers	$ 3,701,384	$ 4,160,403	$ 880,267	$ 8,742,054
Payments to employees and fringe benefits	(639,899)	(598,472)	(450,607)	(1,688,978)
Payments for operations	(2,355,078)	(3,033,507)	(334,484)	(5,723,069)
Other receipts (payments)	-	-	(40)	(40)
Net cash provided by operating activities	706,407	528,424	95,136	1,329,967
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers to other funds	(50,000)	(65,000)	-	(115,000)
Cash disbursements from interfund receivables	-	38,318	-	38,318
Net cash used by noncapital financing activities	(50,000)	(26,682)	-	(76,682)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(359,528)	(1,040,566)	(160,077)	(1,560,171)
Principal paid on capital debt and leases	(425,000)	-	(150,000)	(575,000)
Interest paid on capital debt and leases	(207,079)	-	(161,461)	(368,540)
Net cash used by capital and related financing activities	(991,607)	(1,040,566)	(471,538)	(2,503,711)
CASH FLOWS FROM INVESTING ACTIVITIES,				
Investment income	134,873	41,657	23,108	199,638
Net decrease in cash and cash equivalents	(200,327)	(497,167)	(353,294)	(1,050,788)
Cash and cash equivalents, beginning of year	864,747	1,064,842	765,735	2,695,324
Cash and cash equivalents, end of year	$ 664,420	$ 567,675	$ 412,441	$ 1,644,536
Reconciliation of operating income (loss) to net cash provided by operating activities,				
Operating income (loss)	$ 502,664	$ 186,096	$ (261,806)	$ 426,954
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	594,711	317,352	192,710	1,104,773
Miscellaneous nonoperating income	-	-	(40)	(40)
Cash payments for franchise tax	(252,056)	(271,831)	-	(523,887)
Changes in assets and liabilities:				
Receivables, net	1,717	(3,694)	-	(1,977)
Inventories	-	-	(1,545)	(1,545)
Accounts payable and accrued liabilities	(102,311)	265,859	(160,001)	3,547
Due to other funds	(38,318)	-	325,818	287,500
Customer deposits	-	34,642	-	34,642
Total adjustments	203,743	342,328	356,942	903,013
Net cash provided by operating activities	$ 706,407	$ 528,424	$ 95,136	$ 1,329,967

See accompanying notes.

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NOTES TO FINANCIAL STATEMENTS

The Notes to the Financial Statements include a summary of the accounting policies followed and information used by the City that are judged to be most appropriate for full disclosure in the preparation of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the City of Belton, Missouri (the City), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

A. Reporting Entity: The City of Belton, Missouri, was incorporated in 1872 and covers an area of approximately 16 square miles located primarily in Cass County, Missouri. Belton is a fourth class city and operates under the Mayor/Board/Administrator form of government. The City Administrator is the chief administrative officer of the City. The accompanying financial statements present the City's primary government and any component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). Management has considered all potential component units and has determined there are no entities outside of the primary government that should be blended into or discretely presented with the City's financial statements.

The accounting and reporting policies of the City conform to generally accepted accounting principles applicable to local governments. With regard to FASB pronouncements issued after November 30, 1989, for its proprietary fund activities, the City has elected not to adopt any of those pronouncements. The City has also refrained from implementing FASB pronouncements issued after November 30, 1989.

B. Government-Wide and Fund Financial Statements: The government-wide financial statements include the statement of net assets and the statement of activities. Government-wide statements report, except for City fiduciary activity, information on all of the activities of the City and its component units. For the most part, the effect of interfund activity has been removed from the government-wide statements, but continues to be reflected on the fund statements. *Governmental activities*, which are normally supported by taxes and governmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

B. Government-Wide and Fund Financial Statements (Continued):

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds include other Special Revenue, Capital Projects, and Debt Service funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for non-major funds are presented with Combining and Individual Fund Statements and Schedules.

C. Measurement Focus, Basis of Accounting, and Basis of Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, claims, and judgments are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

The government reports the following major governmental funds:

The General Fund is the primary operating fund. Expenditures from this fund provide basic City services, such as police and fire protection, planning, inspection, engineering, animal control, civil defense, municipal court, and overall basic services such as finance and data processing, personnel, and general administration of the City.

Revenue sources include taxes, which include property taxes, sales taxes, franchise taxes, and cigarette taxes. Other revenues include fees for ambulance service, other fees and licenses, and revenue gathered from the municipal court and investment earnings.

The Park Fund accounts for taxes collected and expended for operations and improvements to the City's parks and swimming pool.

The Street Department Fund accounts for the operation and maintenance of streets, curbs, etc.

The Sales Tax Improvement Fund accounts for collection of sales tax monies collected for specified construction projects.

The Park Sales Tax Improvement Fund accounts for collection of sales tax monies collected for specified park projects.

The Major Road Construction Fund accounts for collection of building permit fees collected for street improvements.

The Fire Station Construction Fund accounts for collection of property tax collected for the construction and renovation of fire facilities.

The Stormwater Fund accounts for collection of property tax collected for stormwater improvements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Proprietary fund level financial statements are used to account for activities, which are similar to those found in the private-sector. The measurement focus is upon determination of net income, financial position, and cash flows. The City's proprietary funds are as follows:

Water Fund accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing, collection, and related debt service.

Sewer Fund accounts for the provision of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing, collection, and related debt service.

Golf Course Fund accounts for the activities at the Belton Municipal Golf Course.

On the proprietary fund financial statements, operating revenues are those that flow directly from the operations of the activity, i.e., charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

D. Budgets: The reported budgetary data represents the final approved budget after amendments as adopted by the Board of Aldermen. Annual operating budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Proprietary Funds. Missouri law requires budgets to be adopted for all governmental funds. The City prepares its budgets on the modified accrual basis of accounting for its governmental funds and the accrual basis for its proprietary funds. The Board of Aldermen has amended the budget at various times during the year and has performed the following procedures in establishing the City's budget:

(1) Prior to March 1, the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.

(2) Public hearings are conducted to obtain taxpayer comments.

(3) Prior to April 1, the budget is legally enacted through the passage of an ordinance.

(4) The City Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Board of Aldermen. This constitutes the City's legal level of budgetary control.

(5) Appropriations lapse at year-end, but may be reappropriated in the following fiscal year.

E. Pooled Cash, Investments, and Restricted Assets: State statutes authorize the City to invest in banking institutions and obligations of municipalities, repurchase agreements, U.S. government agency obligations, and obligations of the U.S. Treasury. Cash resources of the individual governmental fund types are combined to form a pool of cash and investments. At March 31, 2007, the City's cash was deposited in demand accounts, certificates of deposit, Federal Home Loan Bank Notes, Federal National Mortgage Notes, and U.S. Treasury Obligations. Investments with maturities of less than one year are stated at cost, which approximates fair value. Investments with original maturities of greater than one year are recorded at fair value. Interest income on pooled cash and investments is allocated based upon each fund's respective average cash balance.

Certain proceeds of federal grants are classified as restricted assets on the balance sheet because their use is limited by applicable grant agreements. Assets are also restricted for court bonds, debt service reserve requirements, refunding customer meter deposits, sewer capital expenditures, and future debt refunding.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

F. Statement of Cash Flows: A statement of cash flows has been presented in accordance with Governmental Accounting Standards Board Statement 9 for the Proprietary Fund. For purposes of the statement of cash flows, demand deposits, and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

G. Accounts Receivable: Accounts receivable for water and sewer services are accounted for in the Water and Sewer Funds and include billed amounts as well as an accrual for the earned but unbilled services from the previous billing date through March 31, 2007. Accounts receivable in the General Fund represents charges for the mowing of weeds, ambulance service, fire protection, and court fines and fees.

H. Interfund Receivables and Payables: Transactions between funds that are representative of cash overdrafts from pooled cash and investing are reported as interfund receivables or payables.

I. Interfund Transactions: During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources to provide services and construct assets. Legally authorized transfers are treated as transfers and are included in the results of operations of both Governmental and Proprietary Funds. Nonrecurring or nonroutine permanent transfers of equity are reported as equity transfers.

J. Inventory: Inventory, which consists principally of maintenance supplies, gasoline, and oil, is valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when purchased.

K. Deferred Charges: Costs incurred in issuing and refunding bonds have been capitalized and recorded as deferred charges. These costs are amortized, using the straight-line method, over the period that the related bonds are outstanding.

L. Capital Assets: Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads and bridges), are reported in the applicable government or business-type activities columns in the government-wide statements. Capital assets are defined as assets with a cost of $5,000 or more. Capital assets are recorded at historical cost if purchased or constructed, or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

L. Capital Assets (Continued):

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is computed using the straight-line method over the following estimated lives:

Major Assets

Buildings	7 - 50 years
Improvements	10 - 50 years
Infrastructure	50 years
Furniture and equipment	5 - 30 years

GASB Statement 34 requires the reporting and depreciation of the new infrastructure expenditures effective with the beginning of the implementation year.

M. Compensated Absences: Accumulated vacation leave, that is expected to be liquidated with expendable available financial resources, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

N. Long-Term Obligations: Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

O. 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 the formal budgetary control. Encumbrances outstanding at year-end, if any, are reported as reservations of fund balance for subsequent year expenditures. When expenditures are incurred in subsequent years relating to amounts previously encumbered, such amounts are, if material, reappropriated in the year expended.

P. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the general purpose financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS:

At March 31, 2007, the carrying amount of the City's demand deposits in financial institutions was $3,273,944. The bank balances of demand deposits were fully insured with a combination of FDIC insurance and pledged collateral held in the name of the City. All deposits were held by a qualified depository.

At March 31, 2007, the City's investments consist of the following:

	Carrying Amount	Fair Value	Investment Rating
Fidelity Treasury Fund	$ 4,577,388	$ 4,432,117	NA
Federal Home Loan Mortgage Corporation	559	560	AAA
Federal Home Loan Banks	8,360,284	8,360,865	AAA
Freddie Mac	2,925,982	2,925,982	AAA
Federal National Mortgage Association	12,155,863	12,260,786	AAA
AIGFMC Investment Agreement	10,040	10,040	AA
United States Treasury Notes	305,472	306,032	NA
Financial Square Trust Treasury	3,921	3,921	NA
Societe General Contract	271,754	271,754	AA1
Chicago Title Insurance Company	1	1	NA
	$ 28,611,264	$ 28,572,058	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal policy for interest rate risk. However, the City does manage its exposure to fair value loss arising from interest rate changes on internally invested funds by reviewing the portfolio on an ongoing basis for changes in effective yield amounts. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk of investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize demand deposits with securities held by the financial institution's agent and in the City's name.

2. DEPOSITS AND INVESTMENTS (Continued):

At March 31, 2007, the City had the following investments and maturities:

		Investment maturities (in years)		
	Value	Less than one	1-5	> 5
Investment type:				
Fidelity Treasury Money Market	$ 4,577,388	$ 4,577,388	$ -	$ -
Federal Home Loan Mortgage Corp	559	559	-	-
Federal Home Loan Banks	8,360,284	5,975,284	2,385,000	-
Freddie Mac	2,925,982	2,925,982	-	-
Federal National Mortgage Association	12,155,863	12,155,863	-	-
AIGFMC Investment Agreement	10,040	-	-	10,040
United States Treasury Notes	305,472	-	305,472	-
Financial Square Trust Treasury	3,921	3,921	-	-
Societe General Contract	271,754	-	-	271,754
Chicago Title Insurance Co	1	1	-	-
	$ 28,611,264	$ 25,638,998	$ 2,690,472	$ 281,794

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's. Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer.

At March 31, 2007, the carrying value of deposits and investments are summarized as follows:

Investments:	
Treasury money market	$ 4,577,388
U.S. government securities	305,472
U.S. agency securities	23,442,688
Other	285,716
Total investments	28,611,264
Deposits	3,273,944
Total	$ 31,885,208

2. DEPOSITS AND INVESTMENTS (Continued):

Deposits and investments of the City are reflected in the government-wide financial statements as follows:

Pooled cash and investments	$ 27,662,104
Restricted cash	4,223,104
Total	$ 31,885,208

3. ACCOUNTS RECEIVABLE:

As a result of providing water and sanitation services to its citizens, the City has extended credit to them. Accounts receivable are presented net of allowance for doubtful accounts of $138,408 in the Water Fund and $71,252 in the Sewer Fund.

4. CAPITAL ASSETS:

A. Capital asset activity for the year ended March 31, 2007, consisted of the following:

	Balance 4/1/2006	Increases	Decreases	Balance 3/31/2007
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 1,547,890	$ -	$ -	$ 1,547,890
Construction in progress	2,518,585	165,649	-	2,684,234
Total capital assets not being depreciated	4,066,475	165,649	-	4,232,124
Capital assets being depreciated:				
Buildings	10,683,509	-	-	10,683,509
Improvements	3,612,244	33,359	-	3,645,603
Furniture and equipment	8,409,628	782,812	209,343	8,983,097
Infrastructure	16,736,125	767,346	-	17,503,471
Total capital assets being depreciated	39,441,506	1,583,517	209,343	40,815,680
Less accumulated depreciation:				
Buildings	2,930,258	286,948	-	3,217,206
Improvements	1,041,404	114,789	-	1,156,193
Furniture and equipment	6,388,560	560,600	209,343	6,739,817
Infrastructure	1,226,938	370,672	-	1,597,610
Total accumulated depreciation	11,587,160	1,333,009	209,343	12,710,826
Total capital assets being depreciated, net	27,854,346	250,508	-	28,104,854
Governmental activities capital assets, net	$31,920,821	$ 416,157	$ -	$32,336,978

4. CAPITAL ASSETS (Continued):

A. Capital asset activity for the year ended March 31, 2007, consisted of the following (Continued):

	Balance 4/1/2006	Increases	Decreases	Balance 3/31/2007
Business-type activities:				
Capital assets not being depreciated,				
Land and improvements	$ 375,117	$ -	$ -	$ 375,117
Total capital assets not being depreciated	375,117	-	-	375,117
Capital assets being depreciated:				
Buildings	2,339,851	144,205	-	2,484,056
Improvements	21,044,507	912,263	-	21,956,770
Sewer plant	10,015,126	-	-	10,015,126
Equipment	2,750,155	503,704	91,019	3,162,840
Total capital assets being depreciated	36,149,639	1,560,172	91,019	37,618,792
Less accumulated depreciation:				
Buildings	1,376,203	108,462	-	1,484,665
Improvements	9,123,555	501,766	-	9,625,321
Sewer plant	3,666,203	333,838	-	4,000,041
Equipment	2,404,017	160,707	91,018	2,473,706
Total accumulated depreciation	16,569,978	1,104,773	91,018	17,583,733
Total capital assets being depreciated, net	19,579,661	455,399	1	20,035,059
Business-type activities capital assets, net	$19,954,778	$ 455,399	$ 1	$20,410,176

4. CAPITAL ASSETS (Continued):

B. Depreciation expense was charged to the functions/programs of the primary government as follows:

Government activities:		
General government	$	152,674
Civil defense		2,901
Emergency services		53,773
Fire		149,840
Municipal jail		3,633
Public safety		155,540
Public works		428,134
Parks		386,514
Total depreciation expense, governmental	$	1,333,009
Business-type activities:		
Sewer	$	594,711
Water		317,352
Golf Course		192,710
Total depreciation expense, business-type	$	1,104,773

5. PENSION PLAN:

A. Plan Description: The City of Belton participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. 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 Internal Revenue Code Section 401(a) and is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to LAGERS, PO Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334.

B. Funding Policy: The City of Belton's full-time employees do not contribute to the pension plan. The political subdivision is required by state statute to contribute to an actuarially determined rate; the current rate is 10% (general), 6.9% (police), and 8.9% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

For 2006, the political subdivision's annual pension cost of $639,170 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2005, and/or February 28, 2006, annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions include (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually, before retirement and 4% per year, compounded annually, after retirement; (b) projected salary increases of 4% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 6% per year, depending on age, attributable to seniority/merit; and (d) pre- and post-retirement mortality based on the 2000 Group Annuity Mortality table 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, 2006, was 15 years.

5. PENSION PLAN (Continued):

B. Funding Policy (Continued):

Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
6/30/04	$ 404,652	100%	$ -
6/30/05	$ 534,710	100%	$ -
6/30/06	$ 639,170	100%	$ -

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)
02/29/04	$ 11,713,914	$ 10,426,019	$ (1,287,895)
02/28/05	$ 12,587,047	$ 11,900,899	$ (686,148)
02/28/06	$ 13,862,163	$ 13,218,955	$ (643,208)

Actuarial Valuation Date	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percent of Covered Payroll
02/29/04	112%	$ 6,197,501	-
02/28/05	106%	$ 6,986,549	-
02/28/06	105%	$ 7,655,061	-

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006, annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuation, please contact the LAGERS office in Jefferson City.

6. LONG-TERM DEBT:

Changes in long-term debt of the City for the year ended March 31, 2007, consisted of the following:

Governmental Activities

	Balance April 1, 2006 (as restated)	Additions	Retirements	Balance March 31, 2007	Amounts Due Within One Year
Notes payable	$ 86,157	$ -	$ 4,498	$ 81,659	$ 4,668
Sales tax revenue bonds	16,720,000	6,670,000	610,000	22,780,000	645,000
General obligation bonds	4,955,000	15,995,000	470,000	20,480,000	645,000
Certificates of participation	6,255,000	-	345,000	5,910,000	360,000
Total loans and notes payable	28,016,157	22,665,000	1,429,498	49,251,659	1,654,668
Other liabilities, Compensated absences	438,237	44,609	40,071	442,775	42,000
	$ 28,454,394	$ 22,709,609	$ 1,469,569	$ 49,694,434	$ 1,696,668

Business-Type Activities

	Balance April 1, 2006	Additions	Retirements	Balance March 31, 2007	Amounts Due Within One Year
Revenue bonds	$ 3,675,000	$ -	$ 425,000	$ 3,250,000	$ 460,000
Certificates of participation	3,300,000	-	150,000	3,150,000	155,000
	$ 6,975,000	$ -	$ 575,000	$ 6,400,000	$ 615,000

The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund. The liability for compensated absences has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. LONG-TERM DEBT (Continued):

Total City debt at March 31, 2007, consisted of the following:

General obligation bonds:	
$6,000,000, Series 2001 general obligation refunding bonds, issued for street improvements, due in annual installments of $325,000 to $680,000, through March 1, 2015; interest at 3% to 4.3%	$ 4,560,000
$9,220,000, Series 2006 general obligation bonds, issued for fire safety, due in annual installments of $75,000 to $1,305,000, through March 1, 2026; interest at 4% to 4.6%	9,145,000
$6,775,000, Series 2007 general obligation bonds, issued for stormwater improvements, due in annual installments of $100,000 to $925,000, through March 1, 2023; interest at 3.5% to 4.125%	6,775,000
Total general obligation bonds	20,480,000
Governmental fund revenue bonds:	
$5,000,000, Series 1997 capital improvements sales tax revenue bonds, issued for capital improvements, due in installments of $155,000 to $415,000, through March 1, 2017; interest at 4.5% to 5.45%	3,195,000
$13,865,000, Series 2004 tax increment financing bonds, due in annual installments of $120,000 to $1,945,000, through December 31, 2024; interest at 4.5% to 6.25%	12,915,000
$6,670,000, Series 2006 tax increment financing bonds, due in annual installments of $175,000 to $1,250,000, through March 1, 2025; interest at 5% to 5.625%	6,670,000
Total governmental revenue bonds	22,780,000
Governmental fund certificates of participation,	
$8,560,000, Series 1998B, tax-exempt certificates of participation, issued for the community center, due in annual installments of $345,000 to $1,460,000, through March 1, 2018; interest at 4.1% to 5%	5,910,000
Governmental fund notes payable,	
$90,900, DNR note payable, issued for heating, air conditioning, and lighting, due in semi-annual installments of $3,834, through February 21, 2021; interest at 3.75%	81,659

6. LONG-TERM DEBT (Continued):

Proprietary fund revenue bonds:

$6,825,000, Series 1991A Sewerage System Revenue Bonds (State Revolving Fund Program), due in annual installments of $285,000 to $590,000, through December 1, 2012; interest at 6.4% to 6.875%	$	3,010,000
$430,000, Series 1992A Sewerage System Revenue Refunding Bonds (State Revolving Fund Program), due in annual installments of $25,000 to $45,000, through January 1, 2013; interest at 6.1% to 6.55%		240,000
Total proprietary revenue bonds		3,250,000

Proprietary fund certificates of participation:

$2,330,000, Series 1998B, tax-exempt certificates of participation, issued for the golf course, due in annual installments of $65,000 to $420,000, through March 1, 2018; interest at 4.5% to 5.2%		1,765,000
$1,430,000, Series 2006, certificates of participation, issued for the golf clubhouse, due in annual installments of $45,000 to $220,000, through March 1, 2026; interest at 4.5% to 5.375%		1,385,000
Total proprietary fund certificates of participation		3,150,000

At March 31, 2007, the constitutionally imposed total general obligation debt limit was $42,168,194 which, after reduction for outstanding general obligation bonds of $20,480,000 and considering the $943,957 available in the Debt Service Funds, provides a general obligation debt margin of $22,632,151.

6. LONG-TERM DEBT (Continued):

Aggregate annual principal and interest payments applicable to long-term debt are:

Years ending March 31,	Principal	Interest	General Obligation Bonds
2008	$ 645,000	$ 899,992	$ 1,544,992
2009	675,000	876,794	1,551,794
2010	770,000	849,794	1,619,794
2011	820,000	818,869	1,638,869
2012	930,000	785,394	1,715,394
2013-2017	4,875,000	3,297,819	8,172,819
2018-2022	6,460,000	2,201,713	8,661,713
2023-2026	5,305,000	598,526	5,903,526
	$ 20,480,000	$ 10,328,901	$ 30,808,901

Years ending March 31,	Principal	Interest	Certificates of Participation
2008	$ 515,000	$ 442,338	$ 957,338
2009	535,000	419,633	954,633
2010	560,000	395,558	955,558
2011	585,000	369,843	954,843
2012	610,000	342,590	952,590
2013-2017	3,515,000	1,242,373	4,757,373
2018-2022	2,250,000	286,564	2,536,564
2023-2026	490,000	76,864	566,864
	$ 9,060,000	$ 3,575,763	$ 12,635,763

6. LONG-TERM DEBT (Continued):

Years ending March 31,	Principal	Interest	Proprietary Revenue Bonds
2008	$ 460,000	$ 179,198	$ 639,198
2009	485,000	153,590	638,590
2010	520,000	126,980	646,980
2011	555,000	97,684	652,684
2012	595,000	91,628	686,628
2013	635,000	34,300	669,300
	$ 3,250,000	$ 683,380	$ 3,933,380

Years ending March 31,	Principal	Interest	Sales Tax Revenue Bonds
2008	$ 645,000	$ 1,297,998	$ 1,942,998
2009	695,000	1,267,773	1,962,773
2010	825,000	1,234,419	2,059,419
2011	890,000	1,193,374	2,083,374
2012	985,000	1,147,126	2,132,126
2013-2017	6,330,000	4,832,958	11,162,958
2018-2022	6,595,000	2,996,670	9,591,670
2023-2024	5,815,000	661,625	6,476,625
	$ 22,780,000	$ 14,631,943	$ 37,411,943

6. LONG-TERM DEBT (Continued):

Years ending March 31,	Principal	Interest	Note Payable
2008	$ 4,668	$ 3,019	$ 7,687
2009	4,845	2,842	7,687
2010	5,028	2,659	7,687
2011	5,219	2,468	7,687
2012	5,416	2,271	7,687
2013-2017	30,315	8,119	38,434
2018-2021	26,168	2,098	28,266
	$ 81,659	$ 23,476	$ 105,135

Bond Reserve Accounts:

Under the Series 1998B Certificates of Participation Indentures, the City is required to deposit funds into a reserve account equal to $1,128,000.

At March 31, 2007, the City was in compliance with this requirement.

Under the Series 2002 Certificates of Participation Indentures, the City is required to deposit funds into a reserve account equal to $1,161,500.

At March 31, 2007, the City was in compliance with this requirement.

6. LONG-TERM DEBT (Continued):

Under the Series 2005 Certificates of Participation Indentures, the City is required to deposit funds into a reserve account equal to $115,933.

At March 31, 2007, the City was in compliance with this requirement.

Under the Series 1991A Sewerage System Revenue Bonds (State Revolving Fund Program), the City is required to deposit monies into a debt service account sufficient to meet maturity dates of principal and interest.

At March 31, 2007, the City was in compliance with this requirement.

Further, after providing funds for current operations and principal and interest, excess funds will be deposited at a rate of $7,109 monthly into a depreciation and replacement account until a balance of $341,250 is reached.

At March 31, 2007, the City was in compliance with this requirement.

Under the Series 1992A Sewerage System Refunding Revenue Bonds (State Revolving Fund Program), the City is required to deposit monies into a debt service account sufficient to meet maturity dates of principal and interest. Further, after providing funds for current operations and principal and interest, excess funds will be deposited at a rate of $358 monthly into a depreciation and replacement account until a balance of $21,500 is reached.

At March 31, 2007, the City was in compliance with these requirements.

Under the Series 1996 Sewerage System Refunding Revenue Bonds, the City is required to deposit monies into a debt service account sufficient to meet maturity dates of principal and interest.

At March 31, 2007, the City was in compliance with this requirement.

Rates and fees established and charged were sufficient to satisfy bond covenant responsibilities for the sewer fund for the year ended March 31, 2007.

7. RESTRICTED CASH:

Restricted cash and investments at March 31, 2007, consisted of the following:

Account	General Fund	Special Revenue Fund	Total
Court bonds	$ 56,041	$ -	$ 56,041
Donations	1,652	-	1,652
Reserve for certificates of participation	-	3,089,550	3,089,550
	$ 57,693	$ 3,089,550	$ 3,147,243

	Proprietary Funds		
General Account	Sewer Fund	Golf Fund	Total
Reserve for debt service	$ 301,670	$ -	$ 301,670
Reserve for certificates of participation	-	411,441	411,441
Reserve for depreciation and replacement	362,750	-	362,750
	$ 664,420	$ 411,441	$ 1,075,861

8. LEGAL MATTERS:

There are a number of claims and/or lawsuits to which the City is a party as a result of certain law enforcement activities, injuries, and various other matters and complaints arising in the ordinary course of City activities. The City's management and legal counsel believe that the potential claims against the City not covered by insurance, if any, resulting from such matters, would not materially affect the financial position of the City.

9. TAX REVENUES:

The tax revenue, including interest and penalties collected thereon, for the year ended March 31, 2007, is as follows:

Type	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
Property	$ 1,148,228	$ 510,324	$ 1,169,895	$ -
Railroad	71,359	-	-	-
Franchise	2,476,721	-	-	-
Cigarette	178,288	-	-	-
City Sales	2,595,359	2,291,316	-	-
Park Sales	-	1,178,932	-	-
Transportation Sales	-	1,178,970	-	-
Financial Institution	5,966	-	-	-
Other	-	-	-	10,730
	$ 6,475,921	$ 5,159,542	$ 1,169,895	$ 10,730

The assessed valuation of the tangible property for the purpose of local taxation as of May 31, 2006, was as follows:

Real estate	$ 163,592,476
Personal property	47,248,491
	$ 210,840,967

9. TAX REVENUES (Continued):

The tax levy per $100 of assessed valuation of tangible real and personal property for the calendar year 2006 was as follows:

General Fund	$	0.52
Park and Recreation Fund		0.23
Debt Service Funds		0.55
	$	1.30

Property taxes may attach as an enforceable lien on property as of January 1. Taxes are levied no later than November 1 and are due and payable at that time. All unpaid taxes levied by November 1 become delinquent January 1 of the following year.

10. INTERFUND TRANSACTIONS:

Interfund receivable and payable balances at March 31, 2007, were as follows:

	Receivable	Payable
General Fund	$ 908,305	$ -
Proprietary Funds:		
Sewer	-	284,995
Water	284,995	-
Golf	-	908,305
	$ 1,193,300	$ 1,193,300

Transfers during the year ended March 31, 2007, were as follows:

	Transfers In	Transfers Out
General Fund	$ 115,000	$ 667,673
Special Revenue Funds:		
Impact Fees	-	230,000
Park	600,000	-
Street	160,673	140,000
Sales Tax Escrow	253,500	275,000
Park Sales Tax	-	600,000
Capital Projects Funds:		
Vehicle Replacement Fund	415,825	-
Building Improvements Fund	12,675	-
Capital Projects Fund	470,000	-
Proprietary Funds:		
Sewer	-	50,000
Water	-	65,000
	$ 2,027,673	$ 2,027,673

In general, transfers are used to (1) move revenues from the fund that collects the money to the fund that expends the money, (2) move receipts restricted or earmarked for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in a fund to provide operating advances to other funds in accordance with budgetary authorizations.

10. INTERFUND TRANSACTIONS (Continued):

The due to/from balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

11. INTERGOVERNMENTAL REVENUE:

Intergovernmental revenue during the year ended March 31, 2007, consisted of the following:

	General Fund	Special Revenue Funds
Federal:		
Federal Emergency Management Agency,		
Emergency Management Assistance	$ 12,627	$ -
US Department of Justice:		
Bullet Proof Vest	294	-
Crime Victims Advocate	29,488	-
Local Law Enforcement Block Grant	1,935	-
High Intensity Drug Trafficking Area	123,592	-
US Department of Homeland Security,		
S.A.F.E.R.	111,415	-
State:		
Department of Revenue:		
Motor Vehicle Sales Tax	-	159,082
Motor Vehicle Fuel Tax	-	621,234
Motor Vehicle Fees	-	145,781
Department of Public Safety,		
Highway Safety Grant	33,446	-
Department of Conservation,		
Tree Resource Improvements	-	8,376
County,		
Road and Bridge Property Taxes	-	95,282
	$ 312,797	$ 1,029,755

12. 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; workers' compensation, and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year and no significant losses in the past three fiscal years.

13. SELF-INSURANCE:

The City is a member of the Mid-America Regional Council Insurance Trust (MARCIT), a not-for-profit corporation consisting of governmental entities incorporated in 1984 to acquire insurance for its members. MARCIT operates as a purchasing pool and is not a joint venture activity of the City. The City has no control over budgeting, financing, management selection, or the governing body. MARCIT provides both conventional and self-insurance coverage for its members including medical, dental, property, casualty, general liability, and workers' compensation. The City participates in property, casualty, general liability, and workers' compensation insurance coverages.

MARCIT manages the cash and investment pool, funded by insurance premiums, on behalf of its members. MARCIT's investment pool consists of interest bearing deposits, U.S. Treasury strips, U.S. governmental agency obligations, and collateralized mortgage obligations. In the event that a deficit occurs with respect to any fiscal year of MARCIT for which the City was a participant at any time during such year; and in the event that MARCIT determines that an assessment is required in order to provide additional funds for the obligations of MARCIT for such year; and further, in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment, irrespective of whether or not the City is a member of MARCIT at the time of such assessment. Management of the City is not aware of any deficit situation in MARCIT which would require an accrual of a liability as of March 31, 2007.

MARCIT's financial statements are presented in its Comprehensive Annual Financial Report.

14. DEFERRED COMPENSATION PLAN:

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional.

Employees may contribute up to 25% of their annual base salary to a maximum limit of $15,500 per year. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the plan's trustee, and the choice of the investment option(s) is made by the participants.

The City contributes 2% of employee compensation for full-time employees participating in the plan. No contributions are made for part-time employees. The amount contributed by the City in 2007 was $104,829.

15. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

For the year ended March 31, 2007, in violation of Missouri state statutes and the City's budgetary process, the City had a fund balance deficit in the following fund:

Proprietary Fund,	
Golf Course	$ (751,246)
Capital Projects Fund,	
Parks and Community Center	$ (8,129)

16. COMMITMENTS:

The City had approximately $1,012,000 of construction commitments at March 31, 2007.

17. RECONCILIATION OF GOVERNMENT-WIDE STATEMENT OF ACTIVITIES:

Explanation of certain differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities:

Capital outlay	$ 1,749,166
Depreciation expense	(1,333,009)
Net adjustment	$ 416,157
Premium	$ (231,479)
Discount	167,287
Discount/premium amortization	(19,494)
Net adjustment	$ (83,686)

18. NET ASSETS:

Net assets are comprised of three categories: Net assets invested in capital assets net of related debt; restricted net assets; and unrestricted net assets. The first category reflects the portion of net assets which is associated with non-liquid, capital assets, less the outstanding debt (net) related to these capital assets. The related debt (net) is the debt less the outstanding liquid assets and any associated unamortized costs. Restricted net assets are restricted assets, (usually cash) that must be spent for specific purposes. Net assets, which are neither restricted or related to capital assets, are reported as unrestricted net assets.

The City issued debt to finance the construction of infrastructure in the Tax Increment Financing Districts. However, the City does not own these capital assets. As a result, in the Statement of Net Assets, the debt reduces unrestricted net assets of the City and the unspent bond proceeds are reported in restricted net assets.

Capital assets, net	$ 32,336,978
Total debt	(49,251,659)
Debt related to assets not owned by City	19,585,000
Unspent bond proceeds	15,762,449
Invested in capital assets, net of related debt	$ 18,432,768

The City has reported a deficit in its unrestricted net assets due to issuing debt for the construction of assets not owned by the City. The city has a sales tax revenue stream dedicated to paying off the debt in future years. Also, the City has not yet retroactively reported all of its infrastructure assets which will reduce the deficit.

19. SUBSEQUENT EVENTS:

In April 2007, the citizens of the City approved the continuance of its capital improvement sales tax of one-half of one percent until December 31, 2028. The use of the sales tax revenues are for the purpose of funding capital improvements including, but not limited to, projects listed in the City's approved Capital Improvement Plan and the costs of operation and maintenance of capital improvements.

In August 2007, the City issued $15,835,000 in certificates of participation. These certificates are for the construction of an aquatic center, golf driving range, and the fiber optic cabling project. The certificates also refinanced existing debt for the Park department and Golf Fund.

20. PRIOR PERIOD ADJUSTMENT AND CHANGE IN FINANCIAL PRESENTATION:

During the current year, management recorded compensated absences for government-wide purposes. The impact is recording $438,237 liability for the government-wide statement of net assets. This represents the City's estimate of the liability of compensated absences. The recording of this liability has no impact on the statement of operations.

A summary of the changes is described below:

	Governmental Activities
Net assets, beginning, as previously reported	$ 14,489,210
Compensated absences	(438,237)
Net assets, beginning as restated	$ 14,050,973

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REQUIRED SUPPLEMENTARY INFORMATION

OTHER THAN MD&A

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 6,448,187	$ 6,448,187	$ 6,475,921	$ 27,734
Special assessments	20,000	20,000	14,844	(5,156)
Licenses and permits	334,175	334,175	451,160	116,985
Intergovernmental	251,900	343,092	312,797	(30,295)
Charges for services	1,633,576	1,135,352	1,364,558	229,206
Fees and fines	838,000	842,075	750,603	(91,472)
Investment earnings	75,000	75,000	66,691	(8,309)
Other	208,400	209,650	216,984	7,334
Interfund charges for support services	1,926,292	2,424,516	2,424,516	-
In lieu of taxes from enterprise funds	-	-	-	-
	11,735,530	11,832,047	12,078,074	246,027
EXPENDITURES:				
General government	2,784,745	3,114,461	2,848,691	265,770
Public safety	4,143,869	4,222,162	4,037,529	184,633
Public works	627,205	627,205	869,744	(242,539)
Fire	2,931,659	2,973,959	3,015,461	(41,502)
Civil defense	64,139	64,139	55,646	8,493
Community and economic development	255,459	255,459	223,208	32,251
Municipal jail	451,001	451,001	392,585	58,416
Capital outlay	5,900	25,567	24,679	888
Debt service:				
Principal	-	-	4,498	(4,498)
Interest and other charges	-	-	3,189	(3,189)
	11,263,977	11,733,953	11,475,230	258,723
Excess of revenues over expenditures	471,553	98,094	602,844	504,750
OTHER FINANCING SOURCES (USES):				
Transfers in	115,000	115,000	115,000	-
Transfers out	(507,000)	(667,673)	(667,673)	-
Total other financing sources and uses	(392,000)	(552,673)	(552,673)	-
Net change in fund balances	79,553	(454,579)	50,171	504,750
Fund balances - beginning	2,229,390	2,229,390	2,229,390	-
Fund balances - ending	$ 2,308,943	$ 1,774,811	$ 2,279,561	$ 504,750

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
PARK
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 474,065	$ 474,065	$ 510,324	$ 36,259
Intergovernmental	-	-	8,376	8,376
Charges for services	632,350	632,350	749,393	117,043
Investment earnings	3,000	3,000	15,631	12,631
Miscellaneous	2,100	2,100	17,940	15,840
	1,111,515	1,111,515	1,301,664	190,149
EXPENDITURES:				
Parks and recreation	1,611,174	1,802,794	1,715,748	87,046
Capital outlay	52,100	289,454	290,443	(989)
	1,663,274	2,092,248	2,006,191	86,057
Excess (deficiency) of revenues over expenditures	(551,759)	(980,733)	(704,527)	276,206
OTHER FINANCING SOURCES				
Transfers in	600,000	600,000	600,000	-
Net change in fund balances	48,241	(380,733)	(104,527)	276,206
Fund balances - beginning	641,707	641,707	641,707	-
Fund balances - ending	$ 689,948	$ 260,974	$ 537,180	$ 276,206

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
STREET DEPARTMENT
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 1,267,500	$ 1,267,500	$ 1,178,970	$ (88,530)
Licenses and permits	700	700	5,984	5,284
Intergovernmental	1,013,000	1,013,000	1,021,379	8,379
Investment earnings	3,000	3,000	13,996	10,996
Miscellaneous	147,000	147,000	316,786	169,786
	2,431,200	2,431,200	2,537,115	105,915
EXPENDITURES:				
Public works	1,904,775	1,928,375	1,965,527	(37,152)
Capital outlay	647,025	992,487	938,242	54,245
	2,551,800	2,920,862	2,903,769	17,093
Excess (deficiency) of revenues over expenditures	(120,600)	(489,662)	(366,654)	123,008
OTHER FINANCING SOURCES (USES):				
Transfers in	100,000	160,673	160,673	-
Transfers out	(560,000)	(140,000)	(140,000)	-
Total other financing sources and uses	(460,000)	20,673	20,673	-
Net change in fund balances	(580,600)	(468,989)	(345,981)	123,008
Fund balances - beginning	585,362	585,362	585,362	-
Fund balances - ending	$ 4,762	$ 116,373	$ 239,381	$ 123,008

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
SALES TAX IMPROVEMENT
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 1,267,500	$ 1,267,500	$ 1,178,932	$ (88,568)
Investment earnings	25,000	25,000	103,392	78,392
	1,292,500	1,292,500	1,282,324	(10,176)
EXPENDITURES,				
Debt service:				
Principal	2,615,000	2,615,000	225,000	2,390,000
Interest and other charges	182,748	182,748	182,608	140
	2,797,748	2,797,748	407,608	2,390,140
Net change in fund balances	(1,505,248)	(1,505,248)	874,716	2,379,964
Fund balances - beginning	2,147,547	2,147,547	2,147,547	-
Fund balances - ending	$ 642,299	$ 642,299	$ 3,022,263	$ 2,379,964

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
PARK SALES TAX IMPROVEMENT
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 1,267,500	$ 1,267,500	$ 1,178,932	$ (88,568)
Investment earnings	30,000	30,000	60,110	30,110
	1,297,500	1,297,500	1,239,042	(58,458)
EXPENDITURES,				
Debt service:				
Principal	345,000	345,000	345,000	-
Interest and other charges	303,843	303,843	303,053	790
	648,843	648,843	648,053	790
Excess (deficiency) of revenues over expenditures	648,657	648,657	590,989	(57,668)
OTHER FINANCING USES,				
Transfers out	(600,000)	(600,000)	(600,000)	-
Net change in fund balances	48,657	48,657	(9,011)	(57,668)
Fund balances - beginning	1,261,332	1,261,332	1,261,332	-
Fund balances - ending	$ 1,309,989	$ 1,309,989	$ 1,252,321	$ (57,668)

CITY OF BELTON, MISSOURI

FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources which are restricted to finance particular functions or activities of the City.

Tax Increment Financing Special Allocation Fund – accounts for all "Payments in Lieu of Taxes" and all "Economic Activity Taxes" collected and expended resulting from the City's tax increment financing districts established to finance various improvements within the City.

Impact Fees Fund – accounts for the collection of the impact fees which are assessed on new construction based on the impact each project will have on the road infrastructure system of the City. The funds collected are restricted for use on improvements to the transportation infrastructure.

Sales Tax Escrow Fund – accounts for 10% of all sales tax monies collected in the General Fund. Monies received are restricted for unexpected expenditures or the acquisition of capital items.

DEBT SERVICE FUNDS

Debt Service Funds are used to accumulate monies to retire the City's outstanding General Obligation Debt.

North Scott/Highway 58 Capital Improvements – receives money to pay principal and interest on the Series 1995 Capital Improvement General Obligation Bonds.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all receipts and expenditures for the acquisition and construction of capital facilities by the City except those financed by Proprietary Funds. Capital facilities are defined as major, permanent facilities with an estimated useful life in excess of one year.

Capital Projects Funds utilized are Vehicle/Equipment Replacement, Building Improvement, Capital Improvements, North Scott Construction, Parks and Community Center, and Water Impact Fee. These funds are used to account for recurring capital expenditures and construction in progress.

CITY OF BELTON, MISSOURI
BALANCE SHEET --
OTHER GOVERNMENTAL FUNDS
MARCH 31, 2007

	Tax Increment Financing Special Allocation General	Impact Fees	Sales Tax Escrow	N. Scott/Hwy 58 Capital Improvements	Vehicle/Equipment Replacement	Building Improvement
ASSETS:						
Pooled cash and investments	$ 74,642	$ 300,393	$ 110,914	$ 922,465	$ 142,402	$ 39,228
Cash and investments-restricted	3,089,550	-	-	-	-	-
Taxes receivable, net	87,082	-	-	-	-	-
Accrued interest	-	1,936	715	5,944	-	-
Property taxes receivable	-	-	-	81,197	-	-
Sales tax receivable	6,855	-	-	-	-	-
Other receivables	-	-	-	15,548	-	-
Total assets	$ 3,258,129	$ 302,329	$ 111,629	$ 1,025,154	$ 142,402	$ 39,228
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts payable	$ 161,172	$ -	$ -	$ -	$ 42,866	$ -
Deferred revenue	-	-	-	81,197	-	-
Total liabilities	161,172	-	-	81,197	42,866	-
Fund balances:						
Reserved for,						
Debt service	3,089,550	-	-	-	-	-
Undesignated, reported as:						
Special revenue	7,407	302,329	111,629	-	-	-
Debt service	-	-	-	943,957	-	-
Capital projects	-	-	-	-	99,536	39,228
Total fund balances	3,096,957	302,329	111,629	943,957	99,536	39,228
Total liabilities and fund balances	$ 3,258,129	$ 302,329	$ 111,629	$ 1,025,154	$ 142,402	$ 39,228

(Continued)

See accompanying notes.

CITY OF BELTON, MISSOURI
BALANCE SHEET --
OTHER GOVERNMENTAL FUNDS (Continued)
MARCH 31, 2007

	Capital Improvements	North Scott Construction	Parks and Community Center	Water Impact Fee	Total Governmental Funds
ASSETS:					
Pooled cash and investments	$ 862,305	$ 89,794	$ 200,168	$ 585,162	$ 3,327,473
Cash and investments-restricted	-	-	-	-	3,089,550
Taxes receivable, net	-	-	-	-	87,082
Accrued interest	5,557	-	-	3,771	17,923
Property taxes receivable	-	-	-	-	81,197
Sales tax receivable	-	-	-	-	6,855
Other receivables	-	-	-	-	15,548
Total assets	$ 867,862	$ 89,794	$ 200,168	$ 588,933	$ 6,625,628
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	$ 6,775	$ -	$ 208,297	$ -	$ 419,110
Deferred revenue	-	-	-	-	81,197
Total liabilities	6,775	-	208,297	-	500,307
Fund balances:					
Reserved for,					
Debt service	-	-	-	-	3,089,550
Undesignated, reported as:					
Special revenue	-	-	-	-	421,365
Debt service	-	-	-	-	943,957
Capital projects	861,087	89,794	(8,129)	588,933	1,670,449
Total fund balances	861,087	89,794	(8,129)	588,933	6,125,321
Total liabilities and fund balances	$ 867,862	$ 89,794	$ 200,168	$ 588,933	$ 6,625,628

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE -- GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2007

	Tax Increment Financing Special Allocation General	Impact Fees	Sales Tax Escrow	N. Scott/Hwy 58 Capital Improvements	Vehicle/Equipment Replacement	Building Improvement	Capital Improvements
REVENUES:							
Taxes	$ 1,112,384	$ -	$ -	$ 1,169,895	$ -	$ -	$ -
Licenses and permits	-	430,401	-	-	-	-	-
Investment earnings	149,176	12,250	1,455	51,494	12,924	1,305	18,045
Miscellaneous	-	-	7,600	-	-	-	-
In lieu of taxes	493,400	-	-	-	-	-	-
	1,754,960	442,651	9,055	1,221,389	12,924	1,305	18,045
EXPENDITURES:							
Public works	-	5,663	-	-	-	-	-
Parks and recreation	-	-	13,595	-	-	-	-
Community and economic development	86,416	-	-	-	-	-	-
Capital outlay	-	-	-	-	636,605	18,578	11,958
Debt service:							
Principal	385,000	-	-	470,000	-	-	-
Interest and fiscal charges	1,090,098	-	-	562,220	-	-	-
	1,561,514	5,663	13,595	1,032,220	636,605	18,578	11,958
Excess (deficiency) of revenues over expenditures	193,446	436,988	(4,540)	189,169	(623,681)	(17,273)	6,087
OTHER FINANCING SOURCES (USES):							
Issuance of long-term debt	667,000	-	-	-	-	-	-
Transfers in	-	-	253,500	-	415,825	12,675	470,000
Transfers out	-	(230,000)	(275,000)	-	-	-	-
Total other financing sources and uses	667,000	(230,000)	(21,500)	-	415,825	12,675	470,000
Net change in fund balances	860,446	206,988	(26,040)	189,169	(207,856)	(4,598)	476,087
Fund balances - beginning	2,236,511	95,341	137,669	754,788	307,392	43,826	385,000
Fund balances - ending	$ 3,096,957	$ 302,329	$ 111,629	$ 943,957	$ 99,536	$ 39,228	$ 861,087

(Continued)

See accompanying notes.

CITY OF BELTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2007

	North Scott Construction	Parks and Community Center	Water Impact Fee	Total-Other Governmental Funds
REVENUES:				
Taxes	$ -	$ -	$ -	$ 2,282,279
Licenses and permits	-	-	578,139	1,008,540
Investment earnings	-	11,081	10,794	268,524
Miscellaneous	-	-	-	7,600
In lieu of taxes	-	-	-	493,400
	-	11,081	588,933	4,060,343
EXPENDITURES:				
Public works	-	-	-	5,663
Parks and recreation	-	369,333	-	382,928
Community and economic development	-	-	-	86,416
Capital outlay	-	-	-	667,141
Debt service:				
Principal	-	-	-	855,000
Interest and fiscal charges	-	-	-	1,652,318
	-	369,333	-	3,649,466
Excess (deficiency) of revenues over expenditures	-	(358,252)	588,933	410,877
OTHER FINANCING SOURCES (USES):				
Issuance of long-term debt	-	-	-	667,000
Transfers in	-	-	-	1,152,000
Transfers out	-	-	-	(505,000)
Total other financing sources and uses	-	-	-	1,314,000
Net change in fund balances	-	(358,252)	588,933	1,724,877
Fund balances - beginning	89,794	350,123	-	4,400,444
Fund balances - ending	$ 89,794	$ (8,129)	$ 588,933	$ 6,125,321

See accompanying notes.

CITY OF BELTON, MISSOURI
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGET AND ACTUAL -- GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2007

	GENERAL FUND		
	Budget	Actual	Actual Over (Under) Budget
General government:			
Legislation	$ 886,949	$ 666,909	$ (220,040)
Administration	512,179	492,735	(19,444)
City clerk	136,964	136,230	(734)
Municipal court	285,630	273,227	(12,403)
Finance	572,663	550,636	(22,027)
Inspection	336,477	333,201	(3,276)
Animal control	184,895	214,901	30,006
Garage operations	198,704	180,852	(17,852)
Total general government	3,114,461	2,848,691	(265,770)
Public safety	4,222,162	4,037,529	(184,633)
Public works	627,205	869,744	242,539
Fire	2,973,959	3,015,461	41,502
Civil defense	64,139	55,646	(8,493)
Community and economic development	255,459	223,208	(32,251)
Municipal jail	451,001	392,585	(58,416)
Capital outlay	25,567	24,679	(888)
Principal retirement	-	4,498	4,498
Interest and fiscal charges	-	3,189	3,189
	$ 11,733,953	$ 11,475,230	$ (258,723)

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
MAJOR ROAD CONSTRUCTION
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ -	$ -	$ 10,730	$ 10,730
Investment earnings	175,000	175,000	97,090	(77,910)
	175,000	175,000	107,820	(67,180)
EXPENDITURES:				
Capital outlay	8,100,000	8,138,848	3,358,657	4,780,191
Debt service,				
Interest and other charges	-	-	221,882	(221,882)
	8,100,000	8,138,848	3,580,539	4,558,309
Excess (deficiency) of revenues over expenditures	(7,925,000)	(7,963,848)	(3,472,719)	4,491,129
OTHER FINANCING SOURCES,				
Proceeds from long-term debt	8,100,000	6,003,000	6,003,000	-
Net change in fund balances	175,000	(1,960,848)	2,530,281	4,491,129
Fund balances - beginning	(941,994)	(941,994)	(941,994)	-
Fund balances - ending	$ (766,994)	$ (2,902,842)	$ 1,588,287	$ 4,491,129

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
FIRE STATION CONSTRUCTION
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ -	$ -	$ 320,488	$ 320,488
	-	-	320,488	320,488
EXPENDITURES:				
Capital outlay	-	820,758	573,775	246,983
Debt service,				
Interest and other charges	-	-	152,505	(152,505)
	-	820,758	726,280	94,478
Excess (deficiency) of revenues over expenditures	-	(820,758)	(405,792)	414,966
OTHER FINANCING SOURCES:				
Proceeds from long-term debt	-	9,449,169	9,220,000	229,169
Premium on bond issuance	-	-	229,168	(229,168)
Total other financing sources	-	9,449,169	9,449,168	1
Net change in fund balances	-	8,628,411	9,043,376	414,965
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ 8,628,411	$ 9,043,376	$ 414,965

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
STORMWATER
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ -	$ -	$ 58,803	$ 58,803
	-	-	58,803	58,803
EXPENDITURES:				
Capital outlay	-	478,690	60,078	418,612
Debt service,				
Interest and other charges	-	-	125,570	(125,570)
	-	478,690	185,648	293,042
Excess (deficiency) of revenues over expenditures	-	(478,690)	(126,845)	351,845
OTHER FINANCING SOURCES:				
Proceeds from long-term debt	-	-	6,775,000	(6,775,000)
Premium on bond issuance	-	-	2,311	(2,311)
Total other financing sources	-	-	6,777,311	(6,777,311)
Net change in fund balances	-	(478,690)	6,650,466	7,129,156
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ (478,690)	$ 6,650,466	$ 7,129,156

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
TAX INCREMENT FINANCING SPECIAL ALLOCATION GENERAL
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 1,635,000	$ 1,635,000	$ 1,112,384	$ (522,616)
Investment earnings	-	-	149,176	149,176
In lieu of taxes	425,000	425,000	493,400	68,400
	2,060,000	2,060,000	1,754,960	(305,040)
EXPENDITURES:				
Community and economic development	-	-	86,416	(86,416)
Debt service:				
Principal	565,000	565,000	385,000	180,000
Interest and other charges	1,365,838	1,365,838	1,090,098	275,740
	1,930,838	1,930,838	1,561,514	369,324
Excess (deficiency) of revenues over expenditures	129,162	129,162	193,446	64,284
OTHER FINANCING SOURCES,				
Issuance of long-term debt	-	667,000	667,000	-
Net change in fund balances	129,162	796,162	860,446	64,284
Fund balances - beginning	2,236,511	2,236,511	2,236,511	-
Fund balances - ending	$ 2,365,673	$ 3,032,673	$ 3,096,957	$ 64,284

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
IMPACT FEES
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses and permits	$ 200,000	$ 200,000	$ 430,401	$ 230,401
Investment earnings	2,240	2,240	12,250	10,010
	202,240	202,240	442,651	240,411
EXPENDITURES,				
Public works	-	5,670	5,663	7
	-	5,670	5,663	7
Excess (deficiency) of revenues over expenditures	202,240	196,570	436,988	240,418
OTHER FINANCING USES,				
Transfers out	(230,000)	(230,000)	(230,000)	-
Net change in fund balances	(27,760)	(33,430)	206,988	240,418
Fund balances - beginning	95,341	95,341	95,341	-
Fund balances - ending	$ 67,581	$ 61,911	$ 302,329	$ 240,418

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
SALES TAX ESCROW
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment earnings	$ 1,000	$ 1,000	$ 1,455	$ 455
Miscellaneous	-	-	7,600	$ 7,600
	1,000	1,000	9,055	8,055
EXPENDITURES,				
Parks and recreation	75,000	75,000	13,595	61,405
	75,000	75,000	13,595	61,405
Excess (deficiency) of revenues over expenditures	(74,000)	(74,000)	(4,540)	69,460
OTHER FINANCING SOURCES (USES):				
Transfers in	253,500	253,500	253,500	-
Transfers out	(275,000)	(275,000)	(275,000)	-
Total other financing sources and uses	(21,500)	(21,500)	(21,500)	-
Net change in fund balances	(95,500)	(95,500)	(26,040)	69,460
Fund balances - beginning	137,669	137,669	137,669	-
Fund balances - ending	$ 42,169	$ 42,169	$ 111,629	$ 69,460

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
N. SCOTT/HWY 58 CAPITAL IMPROVEMENTS
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	$ 503,300	$ 503,300	$ 1,169,895	$ 666,595
Investment earnings	22,000	22,000	51,494	29,494
	525,300	525,300	1,221,389	696,089
EXPENDITURES,				
Debt service:				
Principal	395,000	470,000	470,000	-
Interest and other charges	226,445	562,595	562,220	375
	621,445	1,032,595	1,032,220	375
Net change in fund balances	(96,145)	(507,295)	189,169	696,464
Fund balances - beginning	754,788	754,788	754,788	-
Fund balances - ending	$ 658,643	$ 247,493	$ 943,957	$ 696,464

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
VEHICLE/EQUIPMENT REPLACEMENT
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ 500	$ 500	$ 12,924	$ 12,424
	500	500	12,924	12,424
EXPENDITURES,				
Capital outlay	644,569	747,288	636,605	110,683
	644,569	747,288	636,605	110,683
Excess (deficiency) of revenues over expenditures	(644,069)	(746,788)	(623,681)	123,107
OTHER FINANCING SOURCES,				
Transfers in	415,825	415,825	415,825	-
Net change in fund balances	(228,244)	(330,963)	(207,856)	123,107
Fund balances - beginning	307,392	307,392	307,392	-
Fund balances - ending	$ 79,148	$ (23,571)	$ 99,536	$ 123,107

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
BUILDING IMPROVEMENT
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ -	$ -	$ 1,305	$ 1,305
	-	-	1,305	1,305
EXPENDITURES,				
Capital outlay	17,500	18,868	18,578	290
	17,500	18,868	18,578	290
Excess (deficiency) of revenues over expenditures	(17,500)	(18,868)	(17,273)	1,595
OTHER FINANCING SOURCES,				
Transfers in	12,675	12,675	12,675	-
Net change in fund balances	(4,825)	(6,193)	(4,598)	1,595
Fund balances - beginning	43,826	43,826	43,826	-
Fund balances - ending	$ 39,001	$ 37,633	$ 39,228	$ 1,595

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
CAPITAL IMPROVEMENTS
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ 29,250	$ 29,250	$ 18,045	$ (11,205)
	29,250	29,250	18,045	(11,205)
EXPENDITURES,				
Capital outlay	1,300,000	1,461,700	11,958	1,449,742
	1,300,000	1,461,700	11,958	1,449,742
Excess (deficiency) of revenues over expenditures	(1,270,750)	(1,432,450)	6,087	1,438,537
OTHER FINANCING SOURCES,				
Transfers in	890,000	470,000	470,000	-
Net change in fund balances	(380,750)	(962,450)	476,087	1,438,537
Fund balances - beginning	385,000	385,000	$ 385,000	-
Fund balances - ending	$ 4,250	$ (577,450)	$ 861,087	$ 1,438,537

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
NORTH SCOTT CONSTRUCTION
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	89,794	89,794	89,794	-
Fund balances - ending	$ 89,794	$ 89,794	$ 89,794	$ -

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
PARKS AND COMMUNITY CENTER
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES,				
Investment earnings	$ 8,000	$ 11,081	$ 11,081	$ -
	8,000	11,081	11,081	-
EXPENDITURES,				
Parks and recreation	-	369,333	369,333	-
	-	369,333	369,333	-
Net change in fund balances	8,000	(358,252)	(358,252)	-
Fund balances - beginning	350,123	350,123	350,123	-
Fund balances - ending	$ 358,123	$ (8,129)	$ (8,129)	$ -

CITY OF BELTON, MISSOURI
BUDGETARY COMPARISON SCHEDULE --
WATER IMPACT FEE
FOR THE YEAR ENDED MARCH 31, 2007

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses and permits	$ -	$ 600,000	$ 578,139	$ (21,861)
Investment earnings	-	-	10,794	10,794
	-	600,000	588,933	(11,067)
Net change in fund balances	-	600,000	588,933	(11,067)
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ 600,000	$ 588,933	$ (11,067)

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STATISTICAL SECTION
(Unaudited)

This statistical data relates to the physical, economic, social, and political characteristics of the City. Its design is to provide a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes, and supporting schedules presented in the Financial Section.

STATISTICAL SECTION
(Unaudited)

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Tables
Financial Trends	
These tables contain trend information to help the reader understand how the City's financial performance and well being have changed over time	1 through 4
Revenue Capacity	
These tables contain information to help the reader assess the City's most significant local revenue source-its property tax	5 through 8
Debt Capacity	
These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	9 through 13
Demographic and Economic Information	
These tables offer demographic and economic indicators to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	14 through 15
Operating Information	
These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	16 through 18

Except where noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning that year.

Table 1

CITY OF BELTON, MISSOURI
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS

	2004	2005	2006	2007
Governmental activities:				
Invested in capital assets, net of related debt	$ 7,432,997	$ 13,740,405	$ 17,204,664	$ 18,432,768
Restricted	2,488,449	8,043,215	6,447,288	22,986,085
Unrestricted	7,661,720	(9,469,007)	(9,162,738)	(27,955,481)
Total governmental activities net assets	$ 17,583,166	$ 12,314,613	$ 14,489,214	$ 13,463,372
Business-type activities:				
Invested in capital assets, net of related debt	$ 12,692,067	$ 13,144,656	$ 12,979,778	$ 14,010,176
Restricted	-	824,881	1,629,482	1,075,861
Unrestricted	3,124,259	1,282,244	343,594	(517,361)
Total business-type activities net assets	$ 15,816,326	$ 15,251,781	$ 14,952,854	$ 14,568,676
Primary government:				
Invested in capital assets, net of related debt	$ 20,125,064	$ 26,885,061	$ 30,184,442	$ 32,442,944
Restricted	2,488,449	8,868,096	8,076,770	24,061,946
Unrestricted	10,785,979	(8,186,763)	(8,819,144)	(28,472,842)
Total primary government net assets	$ 33,399,492	$ 27,566,394	$ 29,442,068	$ 28,032,048

Note: GASB #34 was implemented in the 2004 fiscal year, so only four fiscal years are shown. Ultimately, this schedule will contain information for the last 10 fiscal years.

Table 2

CITY OF BELTON, MISSOURI
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS

	2004	2005	2006	2007
Expenses:				
Governmental activities:				
General government	$ 2,265,304	$ 2,559,139	$ 2,783,012	$ 3,005,903
Public safety	3,383,055	3,610,673	3,921,266	4,193,069
Public works	2,312,234	2,223,050	3,002,343	6,896,887
Fire and emergency services	2,255,406	2,546,112	2,872,938	3,207,616
Civil defense	56,474	52,038	54,129	58,547
Parks and recreation	1,665,115	2,115,161	1,768,933	2,467,190
Community and economic development	2,095,956	7,888,254	661,761	173,443
Municipal jail	328,703	372,608	401,754	396,218
Interest on long-term debt	1,383,242	1,624,419	1,648,716	2,735,525
Total governmental activities expenses	15,745,489	22,991,454	17,114,852	23,134,398
Business-type activities:				
Water	3,356,539	3,740,508	3,949,958	4,249,830
Sewer	3,111,216	3,638,249	3,622,717	3,651,381
Golf course	999,015	887,635	1,003,707	1,309,347
Total business-type activities expenses	7,466,770	8,266,392	8,576,382	9,210,558
Total primary government expenses	$ 23,212,259	$ 31,257,846	$ 25,691,234	$ 32,344,956
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	$ 2,295,611	$ 2,536,155	$ 2,687,202	$ 2,870,366
Public safety	145,646	146,082	183,991	274,902
Public works	376,596	327,158	577,690	1,718,060
Fire and emergency services	637,519	484,803	578,786	739,790
Civil defense	-	-	-	-
Parks and recreation	489,626	525,360	584,592	749,393
Community and economic development	305,305	481,643	636,705	493,400
Municipal jail	100,020	97,548	75,447	57,725
Interest on long-term debt	-	-	-	-
Operating grants and contributions	1,520,749	1,516,916	1,323,239	1,285,878
Capital grants and contributions	10,161	22,251	11,926	14,844
Total governmental activities program revenues	5,881,233	6,137,916	6,659,578	8,204,358
Business-type activities:				
Charges for services:				
Water	3,903,947	3,668,824	3,946,226	4,164,095
Sewer	3,092,992	3,183,749	3,378,946	3,699,666
Golf	818,890	733,717	768,508	880,267
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	7,815,829	7,586,290	8,093,680	8,744,028
Total primary government program revenues	$ 13,697,062	$ 13,724,206	$ 14,753,258	$ 16,948,386
Net (Expense)/Revenue:				
Governmental activities	$ (9,864,256)	$ (16,853,538)	$ (10,455,274)	$ (14,930,040)
Business-type activities	349,059	(680,102)	(482,702)	(466,530)
Total primary government net expense	$ (9,515,197)	$ (17,533,640)	$ (10,937,976)	$ (15,396,570)
General Revenues and Other Changes in Net Assets:				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	$ 1,156,496	$ 1,059,970	$ 1,177,913	$ 1,225,553
Property taxes, levied for specific purposes	1,006,891	972,457	1,108,433	1,680,219
Franchise taxes and other taxes	2,115,455	2,306,913	2,377,285	2,488,383
Sales taxes	6,070,991	6,637,046	7,119,806	7,421,933
Unrestricted investment earnings	162,114	212,303	361,841	1,004,725
Miscellaneous	201,886	281,306	369,597	406,626
Transfers	115,000	115,000	115,000	115,000
Total governmental activities	10,828,833	11,584,995	12,629,875	14,342,439
Business-type activities:				
Unrestricted investment earnings	181,126	230,785	298,459	197,354
Miscellaneous	1,432	(229)	314	-
Transfers	(115,000)	(115,000)	(115,000)	(115,000)
Total business-type activities	67,558	115,556	183,773	82,354
Total primary government	$ 10,896,391	$ 11,700,551	$ 12,813,648	$ 14,424,793
Change in Net Assets:				
Governmental activities	$ 964,577	$ (5,268,543)	$ 2,174,601	$ (587,601)
Business-type activities	416,617	(564,546)	(298,929)	(384,176)
Total primary government	$ 1,381,194	$ (5,833,089)	$ 1,875,672	$ (971,777)

Note: GASB #34 was implemented in the 2004 fiscal year, so only four fiscal years are shown. Ultimately, this schedule will contain information for the last 10 fiscal years.

Table 3

CITY OF BELTON, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS

	2004	2005	2006	2007
General Fund:				
Reserved	$ 219,660	$ 211,854	$ 210,235	$ 57,693
Unreserved	2,715,524	2,536,500	2,019,157	3,005,903
Total general fund	$ 2,935,184	$ 2,748,354	$ 2,229,392	$ 3,063,596
All other governmental funds:				
Reserved	$ -	$ 1,951,844	$ 2,255,331	$ 3,089,550
Unreserved, reported in:				
Special Revenue	5,031,716	1,390,247	1,809,350	5,472,510
Capital Projects	971,884	2,108,751	234,140	18,952,578
Debt Service	1,349,358	3,819,648	3,795,579	943,957
Total all other governmental funds	$ 7,352,958	$ 9,270,490	$ 8,094,400	$ 28,458,595

Note: GASB #34 was implemented in the 2004 fiscal year, so only four fiscal years are shown. Ultimately, this schedule will contain information for the last 10 fiscal years.

* The City issued $15,995,000 of GO Bonds for fire safety and stormater improvements.

Table 4

CITY OF BELTON, MISSOURI
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues:										
Taxes	$ 5,396,920	$ 7,128,629	$ 8,017,176	$ 8,313,936	$ 8,517,783	$ 9,184,724	$ 10,349,833	$ 10,976,386	$ 11,783,437	$ 12,816,088
Special assessments	106,765	136,767	49,271	39,005	40,010	-	10,161	22,251	11,926	14,844
Licenses and permits	262,159	364,449	145,383	98,748	252,650	314,750	272,527	300,003	450,958	1,465,684
Intergovernmental	1,041,237	1,417,696	1,182,244	1,455,752	2,044,184	1,334,431	1,373,924	1,399,586	1,296,818	1,342,552
Charges for services	110,765	200,659	841,390	1,232,915	1,236,027	1,399,750	1,580,698	1,464,414	1,731,723	2,113,951
Fees and fines	333,463	492,422	570,773	578,689	578,152	678,972	648,585	701,499	740,608	750,603
Investment earnings	656,115	1,007,494	1,083,245	810,103	637,373	403,265	162,114	212,303	361,841	1,004,725
Other	151,464	634,816	66,317	212,592	281,436	233,596	423,728	434,652	448,459	559,310
Interfund charges for support	882,138	1,294,577	1,570,691	1,554,508	1,582,573	1,679,597	1,943,269	2,110,035	2,207,357	2,424,516
In lieu of taxes	394,164	509,785	645,518	803,340	995,164	1,179,720	420,305	596,643	751,705	493,400
Total revenues	9,335,190	13,187,294	14,172,008	15,099,588	16,165,352	16,408,805	17,185,144	18,217,772	19,784,832	22,985,673
Expenditures:										
General government	905,620	1,353,209	1,589,035	1,551,483	1,634,919	1,974,021	2,103,519	2,395,076	2,620,330	2,648,691
Public safety	1,711,389	2,342,188	2,681,495	2,817,932	2,792,085	2,823,017	3,244,545	3,452,198	3,782,057	4,037,529
Public works	1,050,277	1,467,849	1,501,775	1,473,564	1,689,249	1,610,513	3,840,775	2,484,054	2,937,158	2,840,934
Fire and emergency services	1,127,136	1,441,300	1,595,752	1,617,193	1,703,231	1,760,830	2,031,027	2,343,386	2,676,487	3,015,461
Civil defense	39,333	50,344	59,260	49,868	42,113	42,229	52,869	48,098	50,078	55,646
Parks and recreation	357,879	614,891	640,252	859,849	1,191,657	1,195,410	1,335,200	1,775,890	1,416,497	2,098,676
Community and economic development	52,331	240,433	405,080	375,914	583,434	3,792,335	2,095,526	7,865,084	638,066	309,624
Municipal jail	146,904	175,724	228,071	286,027	250,266	286,561	328,329	368,228	397,790	392,585
Capital outlay	2,251,509	6,126,629	8,235,407	7,722,124	2,950,863	1,758,309	1,413,766	2,700,450	2,749,838	5,913,015
Debt service										
Principal	1,025,000	1,340,001	1,345,000	1,440,000	1,867,001	2,203,515	1,438,687	4,925,000	2,579,743	1,429,498
Interest and other charges	863,265	1,054,145	1,389,359	1,328,042	1,554,821	1,652,834	1,245,259	2,084,604	1,631,850	2,641,125
Total expenditures	9,530,643	16,206,713	19,670,486	19,521,996	16,259,639	19,099,574	19,129,502	30,442,068	21,479,894	25,582,784
Excess of revenues over (under) expenditures	(195,453)	(3,019,419)	(5,498,478)	(4,422,408)	(94,287)	(2,690,769)	(1,944,358)	(12,224,296)	(1,695,062)	(2,597,111)
Other Financing Sources (Uses):										
Issuance of long-term debt	5,000,000	10,550,000	-	-	6,000,000	3,400,000	-	13,955,000	-	22,665,000
Bond refunding proceeds	-	2,950,000	-	-	1,615,000	-	-	-	-	-
Paid to escrow agent	-	(2,950,000)	-	-	(1,690,000)	(5,920,000)	-	-	-	-
Bond issuance costs	(149,799)	(349,600)	-	-	-	-	-	-	-	-
Premiums on bond issuances	-	-	-	-	-	-	-	-	-	231,479
Transfers in	1,189,829	2,717,962	5,026,565	5,297,914	2,958,656	1,254,453	1,154,498	1,296,927	1,621,600	2,027,673
Transfers out	(1,189,829)	(2,717,962)	(5,064,565)	(5,336,914)	(2,994,656)	(3,165,641)	(1,154,498)	(1,296,927)	(1,621,600)	(1,912,673)
Total other financing sources (uses)	4,850,201	10,200,400	(38,000)	(39,000)	5,889,000	(4,431,188)	-	13,955,000	-	23,011,479
Net change in fund balances	$ 4,654,748	$ 7,180,981	$ (5,536,478)	$ (4,461,408)	$ 5,794,713	$ (7,121,957)	$ (1,944,358)	$ 1,730,704	$ (1,695,062)	$ 20,414,368
Debt service as a percentage of noncapital expenditures	20.12%	14.93%	14.06%	14.39%	21.37%	20.50%	14.28%	23.31%	22.49%	20.69%

CITY OF BELTON, MISSOURI
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED MARCH 31,	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
1998	$ 70,322,050	$ 18,204,060	$ 224,540	$ 88,750,650	$ 1.42
1999	71,968,900	18,609,420	224,620	90,802,940	1.41
2000	76,998,410	19,354,990	224,070	96,577,470	1.44
2001	79,251,040	20,236,340	224,220	99,711,600	1.44
2002	89,351,220	22,249,666	232,719	111,833,605	1.44
2003	91,104,925	22,563,788	230,124	113,898,837	1.22
2004	108,782,610	29,061,898	274,410	138,118,918	1.01
2005	110,693,990	34,660,338	266,190	145,620,518	1.01
2006	121,506,055	34,943,368	271,320	156,720,743	1.03
2007	124,995,455	38,042,698	268,360	163,306,513	1.30

Source: Cass County Clerk's office

Note: Tax rates are per $1,000 of assessed value. Property in Cass County is reassessed every 5 years on average. The County assesses property at approximately 45 percent of actual value for commercial and industrial property and 35 percent for residential property.

CITY OF BELTON, MISSOURI
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	City Direct Rates				Overlapping Rates (a)	
FISCAL YEAR	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	PARK	TOTAL DIRECT	CASS COUNTY AND OTHERS	BELTON SCHOOL DISTRICT
1998	$ 0.53	$ 0.66	$ 0.23	$ 1.42	$ 0.99	$ 3.56
1999	0.52	0.66	0.23	1.41	1.06	3.63
2000	0.54	0.66	0.24	1.44	1.06	3.63
2001	0.54	0.66	0.24	1.44	1.02	4.31
2002	0.54	0.66	0.24	1.44	1.01	3.51
2003	0.53	0.46	0.23	1.22	0.82	4.71
2004	0.51	0.23	0.27	1.01	0.84	4.69
2005	0.51	0.23	0.27	1.01	1.32	5.19
2006	0.52	0.23	0.28	1.03	0.96	5.15
2007	0.52	0.23	0.55	1.30	1.31	5.24

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents.
Rates for debt service are based upon each year's requirement.

(a) Overlapping rates are those at local and county governments that apply to property owners within the City of Belton.

CITY OF BELTON, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2007			1998		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Quik Trip Corp.	$ 4,439,004	1	2.71%	$ 2,053,920	1	2.50%
Research Belton Hospital	3,829,170	2	2.34%			
Target	2,466,840	3	1.51%			
Home Depot	2,251,955	4	1.38%			
United Rentals	1,887,450	5	1.15%			
Kohl's	1,591,790	6	0.97%			
Lakewood Terrace	1,410,990	7	0.86%			
Hy-Vee Food Store	1,120,060	8	0.68%			
Dickinson Inc.	1,058,800	9	0.65%	864,920	4	1.05%
Carnegie Village	1,007,130	10	0.62%			
Plexes Association				1,049,490	2	1.28%
Maier Development				889,090	3	1.08%
North Cass Development				681,800	5	0.83%
Southfork Growth & Income Fund				707,940	6	0.86%
Wal-Mart Properties				643,900	7	0.78%
Cottages of Belton				632,660	8	0.77%
Arc Spec LLC				617,370	9	0.75%
S & S Real Estate				595,180	10	0.72%
	$ 21,063,189		12.87%	$ 8,736,270		10.62%

CITY OF BELTON, MISSOURI
PROPERT TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	$ 1,773,921	$ 1,668,939	94.08%	$ 99,313	$ 1,768,252	100%
1999	1,901,562	1,761,212	92.62%	149,235	1,910,447	100%
2000	1,956,088	1,863,208	95.25%	24,702	1,887,910	97%
2001	2,008,026	1,905,664	94.90%	31,058	1,936,722	96%
2002	1,918,856	1,824,651	95.09%	50,803	1,875,454	98%
2003	1,913,089	1,899,667	99.30%	150,026	2,049,693	107%
2004	1,837,962	1,712,354	93.17%	45,150	1,757,504	96%
2005	2,068,851	1,890,067	91.36%	52,460	1,942,527	94%
2006	2,098,170	2,097,450	99.97%	63,584	2,161,034	103%
2007	2,742,408	2,737,901	99.84%	-	2,737,901	100%

CITY OF BELTON, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Notes Payable	Sales Tax Revenue Bonds	General Obligation Bonds	Certificates of Participation	Revenue Bonds	Certificates of Participation	SRF Loan			
1998	$ -	$ 4,720,000	$ 9,574,202	$ 2,970,000	$ 8,945,000	$ -	$ 2,900,000	$ 29,109,202	9.26%	$ 1,367
1999	-	6,100,000	9,104,202	11,250,000	8,250,000	2,330,000	2,780,000	39,814,202	11.27%	1,828
2000	-	5,875,000	8,594,202	10,640,000	7,545,000	2,330,000	2,779,429	37,763,631	9.59%	1,738
2001	-	5,625,000	8,044,202	10,000,000	6,755,000	2,300,000	-	32,724,202	8.59%	1,495
2002	-	5,355,000	13,117,201	9,255,000	5,920,000	2,235,000	-	35,882,201	9.20%	1,634
2003	-	8,460,000	6,028,687	8,515,000	5,275,000	2,155,000	-	30,433,687	7.20%	1,383
2004	-	8,140,000	5,675,000	7,750,000	4,800,000	2,065,000	-	28,430,000	6.35%	1,254
2005	90,900	18,140,000	5,330,000	7,035,000	4,075,000	1,970,000	-	36,640,900	5.32%	1,539
2006	86,157	16,720,000	4,955,000	6,255,000	3,675,000	3,300,000	-	34,991,157	4.92%	1,450
2007	81,659	22,780,000	20,480,000	5,910,000	3,250,000	3,150,000	-	55,651,659	7.49%	2,256

Note 1: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements

Note 2: See Table 14 for personal income and population data for the City. These ratios are calculated using personal income and population for the prior calendar year.

Table 10

CITY OF BELTON, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	GENERAL BONDED DEBT OUSTANDING General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
1998	$ 9,574,202	11%	449.49
1999	9,104,202	10%	418.05
2000	8,594,202	9%	395.50
2001	8,044,202	8%	367.38
2002	13,117,201	12%	597.32
2003	6,028,687	5%	273.89
2004	5,675,000	4%	250.32
2005	5,330,000	4%	223.91
2006	4,955,000	3%	205.40
2007	20,480,000	13%	830.16

Note 1: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

Note 2: See Table 5 for the City's property value data.

Note 3: City population can be found in Table 14.

Table 11

CITY OF BELTON, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
MARCH 31, 2007

Governmental Unit	Debt Oustanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Belton School District	$ 52,577,541	89.00%	$ 46,794,011
Little Blue Valley Sewer District	95,825,000	3.99%	3,823,418
			50,617,429
City governmental activities direct debt			20,480,000
Total direct and overlapping debt			$ 71,097,429

Note: Overlapping governments are those that coincide, at least in part, with the geographical boundaries of Belton.

This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of Belton. The percentages were estimated using taxable assessed property values.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed value that is within the City's boundaries and dividing it by each unit's assessed value.

CITY OF BELTON, MISSOURI
COMPUTATION OF LEGAL DEBT MARGIN
MARCH 31, 2007

Assessed value, March 31, 2007 (3)		$ 210,840,967
Constitutional debt limit:		
Ordinary (1)	$ 21,084,097	
Additional (2)	21,084,097	
		$ 42,168,194
Less:		
General Obligation Bonds payable	$ 20,480,000	
Cash and securities available for retirement	943,957	
		19,536,043
Legal debt margin		$ 22,632,151

(1) Article VI, Section 26(b) and (c) of the state constitution permits the City, by vote of two-thirds of the voting electorate, to incur an indebtedness for the City purposes not to exceed 10% of the taxable tangible property therein as shown by the last completed assessment.

(2) Article VI, Section 26(d) and (e) of the state constitution provides that the City may become indebted, not exceeding in the aggregate of (1) above and an additional 10% for the purposes of acquiring rights-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm systems, and purchasing or constructing waterworks, electric or other plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation.

(3) Represents most current assessment (includes both real estate and personal property) as provided by the County Clerk.

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	$ 24,984,816	$ 25,902,332	$ 27,267,952	$ 28,777,827	$ 32,106,692	$ 31,564,630	$ 37,035,400	$ 40,472,210	$ 40,821,070	$ 42,168,194
Total net debt applicable to limit	8,528,330	6,795,852	5,466,447	6,044,000	5,364,295	4,300,572	4,910,873	4,553,534	4,200,212	19,536,043
Legal debt margin	$ 16,456,486	$ 19,106,480	$ 21,801,505	$ 22,733,827	$ 26,742,397	$ 27,264,058	$ 32,124,527	$ 35,918,676	$ 36,620,858	$ 22,632,151
Total net debt applicable to the limit as a percentage of debt limit	34.13%	26.24%	20.05%	21.00%	16.71%	13.62%	13.26%	11.25%	10.29%	46.33%

CITY OF BELTON, MISSOURI
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Water Revenue Bonds						Sewerage Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
1998	$ 2,122,012	$ 1,811,782	$ 310,230	$ 190,000	$ 88,367	$ 13.12	$ 1,632,685	$ 1,446,296	$ 186,389	$ 290,000	$ 421,636	$ 43.59
1999	2,995,858	2,425,880	569,978	390,000	88,187	15.96	2,280,795	2,285,842	(5,047)	305,000	492,703	34.97
2000	3,366,870	2,673,148	693,722	380,000	68,193	13.31	2,409,392	2,246,336	163,056	325,000	473,914	33.16
2001	3,536,054	2,938,153	597,901	425,000	46,438	13.33	2,574,697	2,429,924	144,773	365,000	448,769	31.61
2002	3,698,633	2,744,369	954,264	445,000	23,192	12.66	2,795,896	2,497,545	298,351	390,000	423,516	29.10
2003	3,836,424	2,908,287	928,137	230,000	2,311	6.06	2,918,246	2,515,379	402,867	415,000	290,179	24.16
2004	-	-	-	-	-	-	3,092,992	2,619,472	473,520	475,000	286,224	24.61
2005	-	-	-	-	-	-	3,183,749	3,091,263	92,486	725,000	326,486	33.03
2006	-	-	-	-	-	-	3,378,946	3,164,153	214,793	775,000	227,129	29.66
2007	-	-	-	-	-	-	3,699,666	3,197,002	502,664	425,000	202,323	16.96

Note 1: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Operating expenses do no include interest, depreciation, or amortization expenses.

CITY OF BELTON, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
1998	21,300	$ 314,451,900	$ 14,763	31.9	4,515	3.6%
1999	21,778	$ 353,239,160	$ 16,220	33.0	4,317	2.2%
2000	21,730	$ 393,791,060	$ 18,122	32.8	4,466	2.3%
2001	21,896	$ 380,815,232	$ 17,392	33.2	4,598	3.3%
2002	21,960	$ 390,009,600	$ 17,760	33.5	4,647	4.1%
2003	22,011	$ 422,831,310	$ 19,210	34.0	4,545	4.3%
2004	22,671	$ 447,978,960	$ 19,760	33.7	4,752	7.0%
2005	23,804	$ 688,697,328	$ 28,932	34.1	4,727	6.7%
2006	24,124	$ 711,923,364	$ 29,511	34.3	4,590	5.2%
2007	24,670	$ 742,591,670	$ 30,101	35.0	4,800	6.0%

Sources: Belton School District
Missouri Division of Employment Security
Mid-America Regional Council

Note: Population and medium age are based on surveys conducted during the year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Table 15

CITY OF BELTON, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2007			1998		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Belton School District	604	1	6.30%	425	2	5.82%
City of Belton	278	2	2.90%	145	6	1.99%
Hy-Vee	278	3	2.90%			
Quik 'N Tasty	256	4	2.67%	230	3	3.15%
Research-Belton Hospital	208	5	2.17%	195	4	2.67%
Price Chopper	174	6	1.81%	185	5	2.53%
Beautiful Savior Home	140	7	1.46%	98	7	1.34%
ROM	129	8	1.35%	85	8	1.16%
Kohl's	120	9	1.25%			
Home Depot	102	10	1.06%			
Crabtree-Harmon				1,818	1	24.91%
Adams Chevrolet				43	9	0.59%
Bank 10				42	10	0.58%
	2,289		23.88%	3,266		44.75%

Source: City Economic Development department

CITY OF BELTON, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General government	17	19	20	20	19	20	20	20	21	21
Public safety	45	45	44	51	51	51	51	51	70	55
Public works	15	15	19	19	19	18	19	22	22	23
Fire and emergency services	24	24	25	26	27	27	31	33	33	33
Civil defense	1	1	1	1	1	1	1	1	1	1
Parks and recreation	6	6	6	11	11	11	9	10	11	11
Community and economic development	1	1	1	1	1	1	2	3	3	3
Municipal jail	4	4	8	8	8	8	8	8	8	8
Water	8	8	9	9	9	9	10	11	11	11
Sewer	9	9	9	10	10	10	12	11	11	11
Golf course	-	-	-	-	-	-	-	3	3	10
Total	130	132	142	156	156	156	163	173	194	187

Source: City Finance Department

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

CITY OF BELTON, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General government[b]										
Public safety[a]:										
Arrests	2,416	2,549	3,016	3,413	2,482	2,652	3,486	3,527	3,681	3,511
Traffic citations	-	-	6,186	5,798	-	6,991	6,875	5,393	7,084	7,049
Public works[a]:										
Asphalt overlay (miles)	-	-	-	-	-	-	-	-	-	0.75
Sidewalks (feet)	-	-	-	-	-	-	-	-	-	3,500
Curbs (feet)	-	-	-	-	-	-	-	-	-	660
Fire and emergency services[a]:										
Emergency responses	-	-	-	-	2,982	2,901	2,943	3,108	3,077	3,099
Fires	-	-	-	-	188	172	171	171	143	151
Inspections	-	-	-	-	191	331	275	163	187	382
Civil defense[b]										
Parks and recreation[a]:										
Athletic fields	10	10	10	10	12	10	7	8	8	9
Baseball/softball diamonds	4	4	4	4	9	9	9	11	11	11
Football/soccer fields	3	3	3	7	7	7	7	7	7	7
Community Center admissions	-	-	-	-	74,999	65,717	64,044	73,438	84,394	110,729
Community and economic development[a]:										
Code violations	-	-	-	-	-	-	2,504	2,501	2,709	3,415
Tickets issued	-	-	-	-	-	-	196	444	94	236
Commercial building permits	8	24	24	26	35	11	14	7	37	17
Residential building permits	86	169	197	241	137	57	139	152	172	186
Municipal jail,										
Inmates	2,798	2,833	2,691	2,766	2,741	3,005	3,298	3,184	3,566	3,352
Water[a]:										
Water main breaks	18	17	26	48	25	38	61	35	30	45
New connections	-	-	-	205	30	218	162	194	346	250
Average daily use	-	-	-	1,776,663	1,774,805	1,862,766	1,923,456	1,794,090	1,896,759	2,013,089
Average daily maximum use	-	-	-	2,316,483	2,510,737	2,549,813	3,203,773	2,389,130	2,743,427	2,989,427
Capacity of water plant per day (gallons)	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000
Water storage capacity per day (gallons)	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000
Sewer:										
Average daily flow (million gallons)	1.09	0.53	0.65	0.48	0.80	0.61	0.59	1.69	1.49	0.92
Treatment plant average load per day	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,700,000	1,700,000	1,700,000	1,500,000	1,500,000
Treatment plant capacity per day	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Golf course[a],										
Rounds	-	-	-	-	32,091	30,102	26,595	24,613	25,609	26,516

[a] Indicators were not available for all years
[b] Indicators were not available for this function

Source: Various City departments

Table 18

CITY OF BELTON, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General government										
Public safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	7	7	7	7	7	9	9	9	9	9
Public works:										
Streets (miles)	130	130	145	145	145	148	148	214	216	216
Street lights	735	735	808	808	808	889	889	978	978	1,066
Fire and emergency services,										
Fire stations	1	1	1	1	1	1	1	1	1	1
Civil defense										
Parks and recreation:										
Community center	-	-	-	1	1	1	1	1	1	1
Acreage	131	131	168	168	168	168	168	168	168	168
Playgrounds	4	4	4	4	5	5	11	11	11	11
Community and economic development										
Municipal jail	1	1	1	1	1	1	1	1	1	1
Water,										
Fire hydrants	1,004	1,012	1,017	1,038	1,063	1,083	1,098	1,108	1,133	1,153
Sewer:										
Sanitary sewers (miles)	122	122	122	122	122	122	122	122	122	122
Storm sewers (miles)	20	20	25	30	30	45	45	48	48	48
Golf course	1	1	1	1	1	1	1	1	1	1