



# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Year Ended March 31, 2009**

**CITY OF BELTON, MISSOURI**

*Prepared by the Finance Department*



***PROUD PAST  
BRIGHT FUTURE***



**CITY OF BELTON, MISSOURI**  
**COMPREHENSIVE ANNUAL**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**MARCH 31, 2009**

**Prepared by: Finance Department**



CITY OF BELTON, MISSOURI

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# City of Belton, Missouri

## Principal Officials

### MAYOR/CITY COUNCILMEN

Jimmy Odom ..... Mayor  
Perry Gough ..... Ward I  
Bobby Davidson ..... Ward I  
Jeff Davis ..... 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

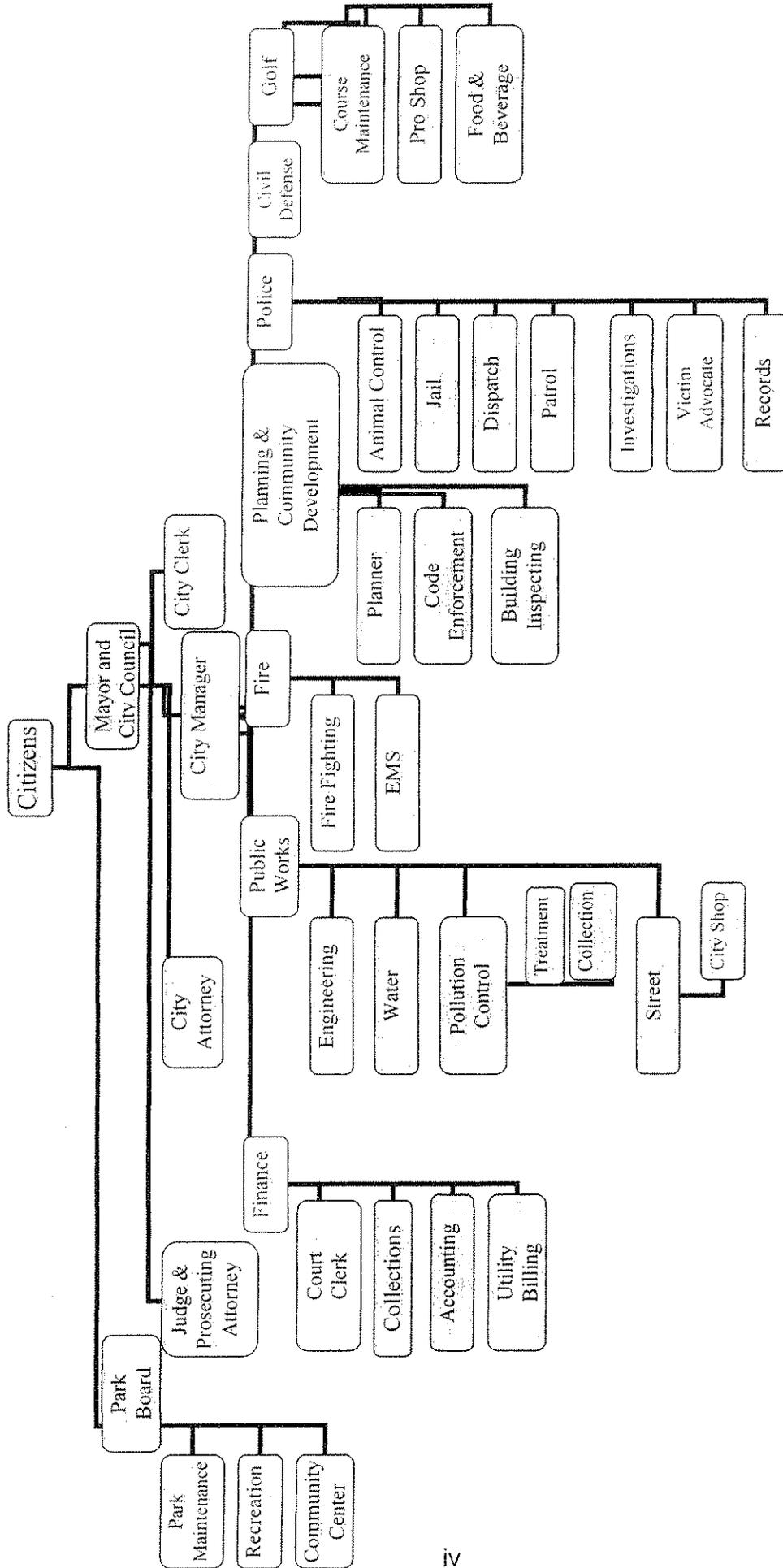
James Person ..... Police Chief

### ADMINISTRATION

Ron Trivitt ..... City Manager

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

City of Belton, Missouri  
Organization Chart





**CITY OF BELTON**

506 Main Street  
Belton, MO 64012

(816) 331-4331  
Fax (816) 322-4620

August 31, 2009

**HONORABLE MAYOR, CITY COUNCIL, AND CITY MANAGER:**

The Finance Department is pleased to present this Comprehensive Annual Financial Report (CAFR) of the City of Belton, Missouri (the City), for the fiscal year ended March 31, 2009. 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 data 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* as well as other GASB statements issued before and since. 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 Troutt, Beeman & Co., PC, a Certified Public Accounting firm. The goal of an 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, 2009, 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 organization chart, a list of principal officers, and the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 2008 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 Management's Discussion and Analysis (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 25,337. 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.

Utility service in the City is mixed between public and private companies. Water and sanitary sewerage utilities are operated by the Water and Sewer Departments of the City. Water and sewer rates are established to meet the total revenue requirements of the utilities including operating and capital expenditures. Natural gas is supplied by Missouri Gas Energy Company (MGE), and electricity by KCP&L. Both traditional and cellular phone service is provided by several companies.

All major commercial television networks, independent local stations as well as public television, provides service to the City. Cable television is provided by Time Warner on which the City information channel is available.

The City of Belton was the first in Missouri to adopt the fourth class city form of government. Having said this, on November 4, 2008, the voters approved the charter making Belton a charter city which utilizes a Mayor/Council/Manager form of government. Registered voters elect a mayor and eight council members to serve four and three year terms, respectively. An election for council member in each of four wards is conducted as a unit of two every three years, while the election for mayor is conducted every four years. The City Manager is appointed by the Mayor with the consent of the City Council.

## **Financial Information**

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 ensure that the assets of the government are effectively protected from loss, theft, or misuse. Further, management of the City is responsible for ensuring that transactions are executed in accordance with proper authorization and within City policies and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principals (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits require estimates and judgments by management. While the system of internal controls is not totally immune to discrepancies, it does comply with the standards of the industry, is reviewed annually as part of the independent audit, and has proven its integrity with years of absence of any significant discrepancies.

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which compromise its assets, liabilities, fund balances, revenues, and expenditures.

The annual budget serves as the foundation for the City of Belton's financial planning and control. The appropriated budget is prepared by fund and department (e.g. public

works, police, finance, etc.). Department heads may make transfers within their department with the approval of the City Manager. Transfers between departments or funds require the approval of the City Council. 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 and Pet Smart as the anchor tenants was opened, though the Office Depot store closed shortly after opening as part of their corporate downsizing. 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 secure use of the City's cash resources. While maximizing the return on investment, return of that investment is paramount. The City consolidates cash balances of all funds where restrictions do not disallow. Idle cash during fiscal 2009 was invested in U.S. agencies. With interest rates bottoming out, the average yield on investments decreased from 4.2% in 2008 to 2.6% in 2009. Fiscal 2010 will be somewhat lower as investments mature and are replaced with those having significantly lower yields.

**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, 2008. 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 staff member 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 City Council, and Ron Trivitt, City Manager, for their continued interest and support in planning and conducting the financial operations of the City in a professional and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael L. Wade". The signature is written in a cursive style with a large initial "M".

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, 2008

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.



A handwritten signature in black ink, appearing to read "M. L. R.", is written above the title.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan", is written above the title.

Executive Director

**INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor  
and Members of the  
City Council  
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, 2009, 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, 2009, 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.

The Management's Discussion and Analysis and other required supplementary information on pages 5 through 14 and 70 through 76, 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.



Harrisonville, Missouri  
August 31, 2009

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**CITY OF BELTON**

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Belton, MO 64012*

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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, 2009. 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 \$8.2 million or 16.3% during fiscal 2009 with an \$8.9 million of the decrease attributed to Governmental Activities mostly offsetting a \$.8 million increase attributed to business-type activities. The decrease is the result of \$9.4 million spent on the renovation of the Highways Y and 71 interchange not owned by the City, depreciation expense of \$2.8 million, offset by excesses of revenue over spending in the various other governmental funds.
- Unrestricted net assets were negative \$33.2 million. \$34.5 million of this amount is attributed to Governmental Activities offset by a positive \$1.3 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.
- \$17.1 million in Certificates of Participation were issued to renovate the City Hall Annex and Police/Court buildings and to complete the new aquatic center and make improvements to the community center. City Hall Annex work and the aquatic center are complete and the Police/Court building renovation is scheduled to be completed in fall of 2009.
- \$2.6 million in an MTFC loan was acquired to provide supplemental funding necessary to complete the Highway Y/71 interchange project. This project is scheduled to be completed in 2010.
- Construction of the new fire station and renovation of the existing fire station was completed and both are occupied and fully functional as of March 31, 2009, at a total cost of \$8.7 million.
- A one-time transfer from the General Fund to the Golf Fund in the amount of \$498,806 was made to cover losses accumulating over a multi-year period. In all likelihood, the Golf Fund will not be in a financial position to recover from those losses without this transfer.
- During fiscal 2009, the City's governmental expenditures of \$47.7 million were \$21.8 million more than the \$25.9 million generated in taxes and other revenues for governmental programs. This excess in expenditures relates to the utilization of existing bond proceeds to pay for the redesign and construction of the Highway Y/71 interchange, construction of a

new fire station, renovation of the existing station, and construction of the aquatic facility at the community center. In fiscal 2009, expenditures exceeded revenues by \$21.8 million.

- The total cost of the City's programs were \$9.4 million more than the prior year due in part to the following:
  - \$9.8 million major road construction continuing on the interchange at Highways Y and 71, completion of construction on the aquatic center, and beginning design work on several major storm water projects.
  - Additional costs to staff and operate the new fire station, major road construction continuing on Highway Y, and other roads stipulated in the Belton Town Centre Redevelopment agreement.
  - Increased interest on long-term debt due to the issuance of three bond issues totaling \$19.9 million in new debt.

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 the City Council 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, 2009, the City's net assets were \$41,968,459. Table A provides a summary of the City's governmental and business-type net assets for fiscal 2009.

	Governmental Activities		Business-type Activities		Total	
	2008	2009	2008	2009	2008	2009
<b>Assets</b>						
Current and other assets						
Cash and other assets	\$ 29,899,423	\$ 27,561,411	\$ 2,171,347	\$ 3,066,777	\$ 32,070,770	\$ 30,628,188
Total capital assets	64,487,247	75,255,434	21,049,029	20,301,992	85,536,276	95,557,426
Total assets	\$ 94,386,670	\$ 102,816,845	\$ 23,220,376	\$ 23,368,769	\$ 117,607,046	\$ 126,185,614
<b>Liabilities</b>						
Current and other liabilities	\$ 8,167,812	\$ 8,594,197	\$ 1,487,832	\$ 1,639,214	\$ 9,655,644	\$ 10,233,411
Long-term debt outstanding	51,410,004	68,345,312	6,422,290	5,638,432	57,832,294	73,983,744
Total liabilities	\$ 59,577,816	\$ 76,939,509	\$ 7,910,122	\$ 7,277,646	\$ 67,487,938	\$ 84,217,155
<b>Net Assets</b>						
Invested in Capital Assets, net of debt	\$ 45,860,242	\$ 44,789,700	\$ 13,886,638	\$ 13,879,702	\$ 59,746,880	\$ 58,669,402
Restricted:						
Capital projects	16,591,612	9,821,795	-	-	16,591,612	9,821,795
Debt service	5,448,858	5,802,995	713,910	862,377	6,162,768	6,665,372
Unrestricted	(33,091,858)	(34,537,154)	709,706	1,349,044	(32,382,152)	(33,188,110)
Total net assets	\$ 34,808,854	\$ 25,877,336	\$ 15,310,254	\$ 16,091,123	\$ 50,119,108	\$ 41,968,459

Total net assets for the City at March 31, 2009, were \$41,968,459 with \$16,091,123 attributed to business-type activities and \$25,877,336 attributable to governmental activities.

At the end of fiscal 2009, the City had \$95.6 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 \$10.1 million over 2008.

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 \$9,821,795 of restricted assets for capital projects represent unspent bond proceeds for road, storm water, and aquatic center construction while the \$6,665,372 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 incremental revenue generated because of development within the TIF. These bonds have been financed over 20 years. The City's liabilities at March 31, 2009, include outstanding TIF bond debt of \$18,740,000 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 2008 and 2009 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 decreased 3.8% with economic conditions suppressing retail activity universally. Residential and commercial growth are both slowed in most communities reflective of general economic conditions which corresponds directly with the reduction in the sales tax revenue. Sales taxes make up 29.1% of revenue in the governmental funds.

Property taxes for general purposes grew 4.3%. 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 decreased 56% with a dramatic reduction in available investment interest rates and reduced amounts in unspent bond proceeds and other cash reserves. Spending on construction projects exceeding new bond proceeds caused a \$3.5 million decrease in cash available for investment. This trend will continue in 2010 with significant progress on capital projects taking place.

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

	Governmental Activities		Business-type Activities		Total	
	2008	2009	2008	2009	2008	2009
<b>Revenues</b>						
<u>Program Revenues</u>						
Charges for Services	\$ 6,553,024	\$ 7,679,010	\$ 9,278,367	\$ 9,994,993	\$ 15,831,391	\$ 17,674,003
Operating Grants and Contributions	1,334,595	1,408,883	-	-	1,334,595	1,408,883
Capital Grants and Contributions	67,030	4,900	-	-	67,030	4,900
<u>General Revenues</u>						
Taxes:						
Property Taxes-general purposes	1,252,226	1,306,224	-	-	1,252,226	1,306,224
Property Taxes-specific purposes	2,276,999	2,504,867	-	-	2,276,999	2,504,867
Franchise Taxes	3,476,835	3,878,180	-	-	3,476,835	3,878,180
Sales Taxes	7,824,346	7,537,088	-	-	7,824,346	7,537,088
Unrestricted Investment Earnings	1,464,814	820,048	288,011	85,994	1,752,825	906,042
Miscellaneous	230,292	189,644	960	148	231,252	189,792
Special item-gain on sale of assets	-	113,582	-	-	-	113,582
<b>Total Revenues</b>	<b>24,480,161</b>	<b>25,442,426</b>	<b>9,567,338</b>	<b>10,081,135</b>	<b>34,047,499</b>	<b>35,523,561</b>
<b>Expenses</b>						
Governmental Activities:						
General Government	3,131,869	3,657,329	-	-	3,131,869	3,657,329
Fire	3,578,419	4,213,434	-	-	3,578,419	4,213,434
Public Safety	4,905,470	4,951,838	-	-	4,905,470	4,951,838
Public Works	3,671,068	13,660,507	-	-	3,671,068	13,660,507
Civil Defense	98,438	74,716	-	-	98,438	74,716
Municipal Jail	419,751	446,596	-	-	419,751	446,596
Parks and Recreation	2,550,579	3,005,796	-	-	2,550,579	3,005,796
Community Development	2,620,822	179,442	-	-	2,620,822	179,442
Interest on Long-term Debt	3,358,029	3,544,108	-	-	3,358,029	3,544,108
Business-type Activities	-	-	9,619,065	9,940,444	9,619,065	9,940,444
<b>Total Expenses</b>	<b>24,334,445</b>	<b>33,733,766</b>	<b>9,619,065</b>	<b>9,940,444</b>	<b>33,953,510</b>	<b>43,674,210</b>
<b>Changes in net assets before transfers</b>	<b>145,716</b>	<b>(8,291,340)</b>	<b>(51,727)</b>	<b>140,691</b>	<b>93,989</b>	<b>(8,150,649)</b>
<b>Transfers</b>	<b>(793,305)</b>	<b>(640,178)</b>	<b>793,305</b>	<b>640,178</b>	<b>-</b>	<b>-</b>
<b>Changes in net assets</b>	<b>(647,589)</b>	<b>(8,931,518)</b>	<b>741,578</b>	<b>780,869</b>	<b>93,989</b>	<b>(8,150,649)</b>
<b>Net Assets at beginning of year</b>	<b>35,456,443</b>	<b>34,808,854</b>	<b>14,568,676</b>	<b>15,310,254</b>	<b>50,025,119</b>	<b>50,119,108</b>
<b>Net Assets at end of year</b>	<b>\$ 34,808,854</b>	<b>\$ 25,877,336</b>	<b>\$ 15,310,254</b>	<b>\$ 16,091,123</b>	<b>\$ 50,119,108</b>	<b>\$ 41,968,459</b>

Public Works increased \$10 million as work on major road construction projects, the aquatic center, and the Police/Court Building progressed. Spending on the Highway 71/Y Interchange was done in advance to pre-fund the joint project with the State of Missouri for \$9.7 million.

Interest on long-term debt increased 5.5% as the result of two debt issues. Park and Fire expenses increased with new and expanded facilities and the required increased staffing levels.

**Business-type Activities:** The City's Eagles' Landing Golf Course experienced a somewhat modest 4.1% increase in revenue, however that being the fourth consecutive year of increasing revenues in the struggling golf industry. A rate increase in the Sewer Funds to cover increasing costs, funds for future capital needs and decreasing cash reserves resulted in revenues increasing by 17.3%. Weather conditions kept water revenues suppressed with a .3% decrease. Costs were contained showing a .2% decrease which maintain a small operating income. Sewer expenses increased by 11.9% resulting from increased maintenance costs and charges for administrative support. Overall, there was a 7.8% increase in revenues in the Business-type Funds offset by an increase of 4.5% increase in operating expenses. \$950K in non-operating expenses and \$640K in net transfers yielded an increase of \$781K 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 2009, the City of Belton reported a combined fund balance of \$22,892,500 in the Governmental Funds. Of the total combined fund balance, 80.3% consists of unreserved fund balance. This is 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. Total fund balance decreased by \$2.6 million in fiscal 2009 as \$9.8 million in bond proceeds was spent on Highway Y/71 interchange improvements and \$5.7 million completing the construction of the new aquatic center which was opened to the public in December 2008.

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, Tax Increment Financing Special Allocation Fund, Sales Tax Improvement Fund, Park Sales Tax Improvement Fund, Major Road Construction Fund, Park and Community Construction Fund, and Storm Water 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 \$2,844,811, increasing by \$382,976 from 2008. The fund balance is 96.7% unreserved while the remaining 3.3% 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 a deficit (\$48,453); a decrease of \$447,410 from the prior year's

ending balance resulting from \$137,211 spent from reserves for capital outlay and a delayed opening of the aquatic center.

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 a deficit (\$99,857), is a decrease of \$328,055 from the prior year's ending balance from capital outlay spent from reserves.

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 debt related to various capital improvement projects as well as to fund other eligible capital improvement projects. The fund balance at the end of 2009 is \$4,579,017, an increase of \$4,346,350 over fiscal 2008. The increase is the result of issuance of \$10.3 million in debt with \$5.9 million of that spent on projects as of year-end. This was partially offset by debt service exceeding revenue by \$314,568.

Tax Increment Financing (TIF) Special Allocation Fund: The TIF Special Allocation Fund is used to record receipts and disbursements relating to the Belton Town Centre redevelopment project. This fund is primarily a pass through fund with all receipts sent to the bond trustee for debt service payments with the exception of City costs eligible for reimbursement. The fund balance at the end of 2009 is \$3,281,227, a decrease of \$4,881 from fiscal 2008.

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 and 2007 with repayment schedules of 20 years. Additional COP bonds were issued in 2008 to complete the new aquatic center. Funds not needed to make debt service payments are available for other park and recreation uses. The fund balance at the end of 2009 is \$1,131,279, a decrease of \$77,419. The decrease resulted from the increased debt service on the new COP issue as well as the payment of scheduled debt service.

Major Road Construction Fund: The Major Road Construction Fund was set up to account for revenue sources and expenditures for the capital road construction projects. In the current fiscal year, \$9.7 million in bond proceeds was expended and \$8 million in new debt issued resulting in a decrease to the fund balance of \$1.7 million. Beginning fund balance was \$1,577,952, and fund balance at year end was \$(103,233).

Park and Community Construction Fund: The Park and Community Construction Fund was established to account for revenue sources and capital park expenditures, primarily the park aquatic center. The fund balance at the end of 2009 is \$267,555, a decrease of \$4,381,841 from fiscal 2008. The decrease is the result of spending down of bond proceeds from the prior fiscal year.

Storm Water Construction Fund: The Storm Water Construction Fund was established to account for receipts and disbursements relating to a general obligation bond issue for various storm water remediation projects. Previous year bond proceeds were expended in the amount of \$992,558 for preliminary costs relating to storm water projects which will be completed over the next three years approximately. Fund balance in the Storm Water Construction Fund is \$6,254,813.

## General Fund Budgetary Highlights

The City Council revised the budget of the General Fund several times during the year for an overall increase in appropriations of \$443,400 which was a 3.3% increase over the original budget with actual expenditures of \$546,729 below the final approved budget.

Actual revenues exceeded budgeted revenues by \$518,052. The five major reasons for this surplus were:

- Taxes exceeded budget by \$591,702.
- Fees and fines exceeded budget by \$238,881.
- Charges for services exceeded budget by \$86,207.
- Licenses and permits fell short of budget by \$158,915.
- Intergovernmental revenue fell short of budget by \$135,284.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** The City of Belton's investment in capital assets for governmental and business-type activities is \$85,536,276, net of accumulated depreciation. This includes land, buildings, improvements, equipment, roads, bridges, and construction in progress. The total decrease in capital assets was 11.2% over the prior year. Major capital asset projects funded this year are as follows:

- Police/Court Building improvements (\$4,281,182)
- Precision International Tanker for the Fire Department (\$254,012)
- Renovation of City Hall Annex (\$1,418,139)
- Renovation of City Hall (\$277,141)
- Aquatic Center (\$8,186,299)

Additional information on the City's capital assets can be found in Note 4 on pages 41 to 43 of this report.

**Debt Administration:** The City of Belton had various forms of debt during fiscal 2009. Table C below shows the City's outstanding debt by type for 2008 and 2009.

	Governmental		Business-type		Total	
	2008	2009	2008	2009	2008	2009
TIF Revenue Bonds	\$ 19,180,000	\$ 18,740,000	\$ -	\$ -	\$ 19,180,000	\$ 18,740,000
General Obligation Bonds	19,835,000	19,160,000	-	-	19,835,000	19,160,000
Sales Tax Revenue Bonds	-	-	-	-	-	-
Certificates of Participation	13,608,550	29,796,450	3,131,450	3,028,550	16,740,000	32,825,000
Sewerage Revenue Bonds	-	-	2,795,000	2,310,000	2,795,000	2,310,000
Capital Leases	-	79,894	1,235,941	1,083,740	1,235,941	1,163,634
Notes Payable	-	2,602,362	-	-	-	2,602,362
DNR Energy Loan	76,991	121,001	-	-	76,991	121,001
<b>Total</b>	<b>\$52,700,541</b>	<b>\$70,499,707</b>	<b>\$7,162,391</b>	<b>\$6,422,290</b>	<b>\$ 59,862,932</b>	<b>\$ 76,921,997</b>

The City's debt for governmental activities increased in fiscal 2009 from \$52.8 million to \$70.5 million or 33.5%. The increase was the result of issuance of \$17,090,000 in Certificates of Participation primarily to make renovations to the Police/Court Building and City Hall Annex as well as supplemental funding to complete the new aquatic center. In addition, an MTFC loan for \$2,654,377 from the State of Missouri was secured to fund completion of the new interchange at Highways Y and 71. All other principal and interest payments were made according to schedule.

Debt for business-type activities decreased by \$595,102 with no new debt issued and payments on all outstanding debt made according to existing amortization schedules.

Total debt increased a net of \$17.1 million.

Additional information on the City's long-term debt can be found in Note 6 on pages 46 to 53 of this report.

## **ECONOMIC FACTORS, 2009 BUDGET, AND TAX RATES**

The City of Belton was the first in Missouri to adopt the fourth class city form of government. Having said this, on November 4, 2008 the voters approved the charter and Belton is now a charter city and utilizes a Mayor/Council/Manager form of government. Registered voters elect a mayor and eight council members to serve four and three year terms, respectively. An election for one City Council Member in each of four wards is conducted as a unit two of every three years, while the election for mayor is conducted every four years. The City Manager is appointed by the Mayor with the consent of the City Council.

- The City's fiscal 2009 General Fund budget increased 6.8% from the fiscal 2008 budget. Increases in costs for police and fire protection accounted for 85.7% of the increase. Revenue in the governmental funds increased by 3.8%. Increases in Park charges for services accounted for 69.3% of the increase supporting the budget with smaller increases in various funds accounting for the balance.
- The City has a 1 cent general sales tax as well as ½ cent sales tax for Park, ½ cent for Transportation, ½ cent for capital improvement, and a ¼ cent fire department sales tax. With the continued economic slow-down in retail sales and of new retail development on hold in most communities including Belton, sales taxes were actually down by 3.7% from the previous fiscal year.
- The City's 2009 property tax levies have been adopted by the City Council and approved by the State Auditor's Office. The levies total \$1.5693 per \$100 of assessed value compared to 2008 rates totaling \$1.5577, or a very nominal increase of .7%.

## **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, Director of Finance, City of Belton, 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, 2009**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Pooled cash and investments	\$ 16,568,936	\$ 1,252,841	\$ 17,821,777
Cash and investments-restricted	8,485,549	862,377	9,347,926
Taxes receivable, net	1,255,911	-	1,255,911
Due from other governments	36,709	-	36,709
Accrued interest	50,817	5,869	56,686
Accounts receivable	244,815	729,884	974,699
Delinquent property taxes receivable	29,307	-	29,307
Other receivables	161,398	23,082	184,480
Deferred charges, net of amortization	727,969	143,885	871,854
Inventories	-	48,839	48,839
Capital assets:			
Land, improvements, and construction in progress	10,645,007	776,871	11,421,878
Improvements other than buildings	6,675,537	23,524,294	30,199,831
Sewer plant	-	10,015,126	10,015,126
Buildings	27,642,464	2,484,056	30,126,520
Equipment and furniture	10,024,927	3,317,186	13,342,113
Infrastructure	48,040,332	-	48,040,332
Less: accumulated depreciation	<u>(27,772,833)</u>	<u>(19,815,541)</u>	<u>(47,588,374)</u>
Total capital assets	<u>75,255,434</u>	<u>20,301,992</u>	<u>95,557,426</u>
Total assets	<u>102,816,845</u>	<u>23,368,769</u>	<u>126,185,614</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	2,520,087	258,335	2,778,422
Salaries and benefits payable	728,082	75,590	803,672
Unearned revenues	573,412	-	573,412
Customer deposits	-	405,496	405,496
Other liabilities	202,847	27,875	230,722
Long-term liabilities:			
Due within one year:			
Bonds, capital leases, and contracts	2,466,650	783,858	3,250,508
Accrued interest	303,015	88,060	391,075
Due in more than one year:			
Bonds, capital leases, and contracts	68,033,057	5,638,432	73,671,489
Development obligations	1,800,104	-	1,800,104
Compensated absences	312,255	-	312,255
Total liabilities	<u>76,939,509</u>	<u>7,277,646</u>	<u>84,217,155</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	44,789,700	13,879,702	58,669,402
Restricted for:			
Capital projects	9,821,795	-	9,821,795
Debt service	5,802,995	862,377	6,665,372
Unrestricted	<u>(34,537,154)</u>	<u>1,349,044</u>	<u>(33,188,110)</u>
Total net assets	<u>\$ 25,877,336</u>	<u>\$ 16,091,123</u>	<u>\$ 41,968,459</u>

See accompanying notes.

CITY OF BELTON, MISSOURI  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2009

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets			
	Charges for		Primary Government	
	Expenses	Services	Governmental	Business-type
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 3,657,329	\$ 3,349,177	\$ (308,152)	\$ -
Public safety	4,951,838	321,534	(4,392,744)	(4,392,744)
Public works	13,660,507	880,918	(11,684,554)	(11,684,554)
Fire and emergency services	4,213,434	968,179	(3,175,804)	(3,175,804)
Civil defense	74,716	-	(74,716)	(74,716)
Parks and recreation	3,005,796	1,499,298	(1,494,761)	(1,494,761)
Community and economic development	179,442	463,529	284,087	284,087
Municipal jail	446,596	196,375	(250,221)	(250,221)
Interest on Long-term debt	3,544,108	-	(3,544,108)	-
Total governmental activities	33,733,766	7,679,010	(24,640,973)	(24,640,973)
Business-type activities:				
Water	4,570,240	4,324,978	-	(245,262)
Sewer	3,996,396	4,704,234	-	707,838
Golf course	1,373,808	965,781	-	(408,027)
Total business-type activities	9,940,444	9,994,993	-	54,549
Total primary government	\$ 43,674,210	\$ 17,674,003	\$ (24,640,973)	\$ (24,586,424)
<b>General revenues:</b>				
Taxes:				
Property taxes, levied for general purposes			1,306,224	1,306,224
Property taxes, levied for specific purposes			2,504,867	2,504,867
Franchise taxes and other taxes			3,878,180	3,878,180
Sales taxes			7,537,088	7,537,088
Investment earnings			820,048	906,042
Miscellaneous			189,644	189,792
Special item - gain on sale of assets			113,562	-
Transfers			(640,178)	113,562
Total general revenues, special items, and transfers			15,709,455	16,435,775
Change in net assets			(8,931,518)	(8,150,649)
Net assets - beginning			34,808,854	50,119,108
Net assets - ending			\$ 25,877,336	\$ 41,968,459

See accompanying notes.

CITY OF BELTON, MISSOURI  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
MARCH 31, 2009

	General Fund	Park	Tax Increment Financing Special Allocation General	Street Department	Sales Tax Improvement
<b>ASSETS</b>					
Pooled cash and investments	\$ 3,248,729	\$ 107,574	\$ 51,264	\$ -	\$ 1,141,137
Cash and investments-restricted	96,551	-	3,281,315	-	3,968,414
Taxes receivable, net	636,776	36,516	82,185	168,269	102,606
Due from other funds	77,284	-	-	-	110,596
Due from other governments	36,709	-	-	-	-
Accrued interest	10,348	-	-	-	3,890
Accounts receivable	244,815	-	-	-	-
Delinquent property taxes receivable	52	-	-	-	-
Other receivables	128,659	8,906	-	-	-
Total assets	<u>\$ 4,479,923</u>	<u>\$ 152,996</u>	<u>\$ 3,414,764</u>	<u>\$ 168,269</u>	<u>\$ 5,326,643</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Accounts payable	\$ 634,596	\$ 72,180	\$ 133,537	\$ 24,227	\$ 747,626
Salaries and benefits payable	515,506	91,175	-	37,915	-
Due to other funds	-	-	-	77,284	-
Deferred revenue	326,941	36,516	-	85,500	-
Other liabilities	158,069	1,578	-	43,200	-
Total liabilities	<u>1,635,112</u>	<u>201,449</u>	<u>133,537</u>	<u>268,126</u>	<u>747,626</u>
<b>Fund balances:</b>					
Reserved for:					
Debt service	-	-	3,281,315	-	-
Other purposes	96,551	-	-	-	-
Unreserved:					
General fund	2,748,260	-	-	-	-
Special revenue funds	-	(48,453)	(88)	(99,857)	4,579,017
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>2,844,811</u>	<u>(48,453)</u>	<u>3,281,227</u>	<u>(99,857)</u>	<u>4,579,017</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,479,923</u>	<u>\$ 152,996</u>	<u>\$ 3,414,764</u>	<u>\$ 168,269</u>	<u>\$ 5,326,643</u>

See accompanying notes.

<u>Park Sales Tax Improvement</u>	<u>Major Road Construction</u>	<u>Parks and Community</u>	<u>Stormwater</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 198,093	\$ 993,948	\$ 6,271,554	\$ 4,556,637	\$ 16,568,936
1,139,269	-	-	-	-	8,485,549
102,606	22,162	-	-	104,791	1,255,911
-	-	-	-	240,381	428,261
-	-	-	-	-	36,709
-	-	-	20,771	15,808	50,817
-	-	-	-	-	244,815
-	-	-	-	29,255	29,307
-	-	-	-	23,833	161,398
<u>\$ 1,241,875</u>	<u>\$ 220,255</u>	<u>\$ 993,948</u>	<u>\$ 6,292,325</u>	<u>\$ 4,970,705</u>	<u>\$ 27,261,703</u>
\$ -	\$ 83,107	\$ 726,393	\$ 37,512	\$ 60,909	\$ 2,520,087
-	-	-	-	-	644,596
110,596	240,381	-	-	-	428,261
-	-	-	-	124,455	573,412
-	-	-	-	-	202,847
<u>110,596</u>	<u>323,488</u>	<u>726,393</u>	<u>37,512</u>	<u>185,364</u>	<u>4,369,203</u>
1,139,269	-	-	-	-	4,420,584
-	-	-	-	-	96,551
-	-	-	-	-	2,748,260
(7,990)	-	-	-	270	4,422,899
-	(103,233)	267,555	6,254,813	3,402,660	9,821,795
-	-	-	-	1,382,411	1,382,411
<u>1,131,279</u>	<u>(103,233)</u>	<u>267,555</u>	<u>6,254,813</u>	<u>4,785,341</u>	<u>22,892,500</u>
<u>\$ 1,241,875</u>	<u>\$ 220,255</u>	<u>\$ 993,948</u>	<u>\$ 6,292,325</u>	<u>\$ 4,970,705</u>	<u>\$ 27,261,703</u>

See accompanying notes.

CITY OF BELTON, MISSOURI  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
MARCH 31, 2009

Fund balances - total governmental funds	\$	22,892,500
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.		75,255,434
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.		727,969
Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		(303,015)
Long-term liabilities 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.		
Bonds and capital leases		(70,499,707)
Compensated absences		(395,741)
Development obligations		<u>(1,800,104)</u>
Net Assets of Governmental Activities in the Statement of Net Assets	\$	<u>25,877,336</u>

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, 2009

	General Fund	Park	Tax Increment Financing Special Allocation General	Street Department	Sales Tax Improvement
<b>REVENUES</b>					
Taxes	\$ 8,142,812	\$ 543,546	\$ 1,115,985	\$ 1,116,224	\$ 1,116,224
Special assessments	4,900	-	-	-	-
Licenses and permits	233,460	-	-	275	-
Intergovernmental	325,336	11,737	-	921,435	-
Charges for services	1,817,376	1,499,298	-	-	-
Fees and fines	1,074,381	-	-	-	-
Investment earnings	108,675	-	48,564	328	141,796
Other	220,635	9,060	-	59,828	1,400
Interfund charges for support services in lieu of taxes	2,344,184	-	-	-	-
	-	-	463,529	-	-
<b>Total revenues</b>	<u>14,271,759</u>	<u>2,063,641</u>	<u>1,628,078</u>	<u>2,098,090</u>	<u>1,259,420</u>
<b>EXPENDITURES</b>					
Current expenditures:					
General government	3,156,330	-	-	-	-
Public safety	4,637,900	-	-	-	-
Public works	594,717	-	-	1,880,337	-
Fire and emergency services	3,836,648	-	-	-	-
Civil defense	64,370	-	-	-	-
Parks and recreation	-	2,571,640	-	-	-
Community and economic development	273,159	-	79,787	-	-
Municipal jail	442,732	-	-	-	-
Capital outlay	459,102	137,211	-	742,633	5,876,309
Debt service:					
Principal	28,005	-	440,000	7,783	410,000
Interest and other charges	12,014	-	1,113,172	2,297	1,163,988
<b>Total expenditures</b>	<u>13,504,977</u>	<u>2,708,851</u>	<u>1,632,959</u>	<u>2,633,050</u>	<u>7,450,297</u>
Excess (deficiency) of revenues over expenditures	<u>766,782</u>	<u>(645,210)</u>	<u>(4,881)</u>	<u>(534,960)</u>	<u>(6,190,877)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of long-term debt	-	-	-	87,677	10,324,375
Transfers in	115,000	197,800	-	119,228	212,852
Transfers out	(498,806)	-	-	-	-
<b>Total other financing sources and uses</b>	<u>(383,806)</u>	<u>197,800</u>	<u>-</u>	<u>206,905</u>	<u>10,537,227</u>
<b>Net change in fund balances</b>	<u>382,976</u>	<u>(447,410)</u>	<u>(4,881)</u>	<u>(328,055)</u>	<u>4,346,350</u>
Fund balances - beginning	<u>2,461,835</u>	<u>398,957</u>	<u>3,286,108</u>	<u>228,198</u>	<u>232,667</u>
Fund balances - ending	<u>\$ 2,844,811</u>	<u>\$ (48,453)</u>	<u>\$ 3,281,227</u>	<u>\$ (99,857)</u>	<u>\$ 4,579,017</u>

See accompanying notes.

Park Sales Tax Improvement	Major Road Construction	Parks and Community	Stormwater	Other Governmental Funds	Total Governmental Funds
\$ 1,116,224	\$ 88,851	\$ -	\$ -	\$ 1,986,493	\$ 15,226,359
-	-	-	-	-	4,900
-	-	-	-	644,421	878,156
-	-	-	168,700	-	1,427,208
-	-	-	-	-	3,316,674
-	-	-	-	-	1,074,381
30,298	38,097	32,428	241,848	178,014	820,048
-	-	-	-	-	290,923
-	-	-	-	-	2,344,184
-	-	-	-	58,218	521,747
<u>1,146,522</u>	<u>126,948</u>	<u>32,428</u>	<u>410,548</u>	<u>2,867,146</u>	<u>25,904,580</u>
-	-	-	-	-	3,156,330
-	-	-	-	-	4,637,900
-	-	-	-	2,095	2,477,149
-	-	-	-	-	3,836,648
-	-	-	-	-	64,370
-	-	-	-	-	2,571,640
-	-	-	-	172,241	525,187
-	-	-	-	-	442,732
-	9,731,127	5,720,065	992,558	310,262	23,969,267
472,100	-	-	-	675,000	2,032,888
<u>705,448</u>	<u>32,008</u>	<u>7,797</u>	<u>-</u>	<u>971,493</u>	<u>4,008,217</u>
<u>1,177,548</u>	<u>9,763,135</u>	<u>5,727,862</u>	<u>992,558</u>	<u>2,131,091</u>	<u>47,722,328</u>
<u>(31,026)</u>	<u>(9,636,187)</u>	<u>(5,695,434)</u>	<u>(582,010)</u>	<u>736,055</u>	<u>(21,817,748)</u>
151,407	7,955,002	1,313,593	-	-	19,832,054
-	-	-	-	546,173	1,191,053
<u>(197,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,134,625)</u>	<u>(1,831,231)</u>
<u>(46,393)</u>	<u>7,955,002</u>	<u>1,313,593</u>	<u>-</u>	<u>(588,452)</u>	<u>19,191,876</u>
(77,419)	(1,681,185)	(4,381,841)	(582,010)	147,603	(2,625,872)
<u>1,208,698</u>	<u>1,577,952</u>	<u>4,649,396</u>	<u>6,836,823</u>	<u>4,637,738</u>	<u>25,518,372</u>
\$ 1,131,279	\$ (103,233)	\$ 267,555	\$ 6,254,813	\$ 4,785,341	\$ 22,892,500

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, 2009**

Net change in fund balances - total governmental funds: \$ (2,625,872)

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 threshold, exceeded depreciation in the current period.

Capital outlay	13,541,341
Gain on sale of assets	113,582
Proceeds from sales of capital assets	(134,793)
Depreciation expense	<u>(2,751,943)</u>
	10,768,187

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.

Other financing sources-issuance of debt	(19,832,054)
Repayment of principal	<u>2,032,888</u>
	(17,799,166)

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.

Premiums/discounts	467,124
Amortization of premiums/discounts	<u>(42,539)</u>
	424,585

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:

Development obligations	399,896
Accrued interest not reflected on governmental funds	(3,015)
Net pension obligation	(65,286)
Compensated absences	<u>(30,847)</u>
	300,748

Change in net assets of governmental activities \$ (8,931,518)

See accompanying notes.

CITY OF BELTON, MISSOURI  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
MARCH 31, 2009

	Sewer Fund	Water Fund	Golf Course Fund	Total
<b>ASSETS:</b>				
Current assets:				
Pooled cash and investments	\$ 655,202	\$ 596,539	\$ 1,100	\$ 1,252,841
Cash and investments-restricted	580,059	-	282,318	862,377
Receivables:				
Billed	224,733	194,409	-	419,142
Unbilled	169,149	141,593	-	310,742
Accrued interest	3,420	2,449	-	5,869
Other	20,317	2,765	-	23,082
Deferred charges, net of amortization	49,355	-	94,530	143,885
Due from other funds	-	143,796	-	143,796
Inventories	-	-	48,839	48,839
Total current assets	<u>1,702,235</u>	<u>1,081,551</u>	<u>426,787</u>	<u>3,210,573</u>
Non-current assets:				
Capital assets:				
Construction in progress	145,382	256,372	-	401,754
Land and improvements	25,452	19,665	330,000	375,117
Improvements other than buildings	8,898,103	11,751,150	2,875,041	23,524,294
Sewer plant	10,015,126	-	-	10,015,126
Buildings	1,521,239	77,205	885,612	2,484,056
Equipment and furniture	978,835	1,569,212	769,139	3,317,186
Total capital assets at cost	21,584,137	13,673,604	4,859,792	40,117,533
Less accumulated depreciation	<u>(11,801,922)</u>	<u>(6,053,044)</u>	<u>(1,960,575)</u>	<u>(19,815,541)</u>
Capital assets, net	<u>9,782,215</u>	<u>7,620,560</u>	<u>2,899,217</u>	<u>20,301,992</u>
	<u>11,484,450</u>	<u>8,702,111</u>	<u>3,326,004</u>	<u>23,512,565</u>
<b>LIABILITIES:</b>				
Current liabilities:				
Accounts payable	84,480	136,097	37,758	258,335
Salaries and benefits payable	31,062	28,794	15,734	75,590
Accrued interest payable	31,745	21,801	34,514	88,060
Due to other funds	-	-	143,796	143,796
Customer deposits	-	405,496	-	405,496
Other payables	10,396	10,494	6,985	27,875
Capital lease obligation	-	95,365	63,293	158,658
Bonds, notes, and loans payable	<u>520,000</u>	<u>-</u>	<u>105,200</u>	<u>625,200</u>
Total current liabilities	677,683	698,047	407,280	1,783,010
Non-current liabilities:				
Capital lease obligation	-	790,264	134,818	925,082
Bonds, notes, and loans payable	<u>1,790,000</u>	<u>-</u>	<u>2,923,350</u>	<u>4,713,350</u>
Total non-current liabilities	<u>1,790,000</u>	<u>790,264</u>	<u>3,058,168</u>	<u>5,638,432</u>
	<u>2,467,683</u>	<u>1,488,311</u>	<u>3,465,448</u>	<u>7,421,442</u>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	7,472,215	6,734,931	(327,444)	13,879,702
Restricted for debt service	580,059	-	282,318	862,377
Unrestricted	<u>964,493</u>	<u>478,869</u>	<u>(94,318)</u>	<u>1,349,044</u>
	<u>\$ 9,016,767</u>	<u>\$ 7,213,800</u>	<u>\$ (139,444)</u>	<u>\$ 16,091,123</u>

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, 2009

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<b>REVENUES,</b>				
Charges for services	\$ 4,704,234	\$ 4,324,978	\$ 965,781	\$ 9,994,993
	<u>4,704,234</u>	<u>4,324,978</u>	<u>965,781</u>	<u>9,994,993</u>
<b>OPERATING EXPENSES:</b>				
Personnel services	683,631	644,660	489,253	1,817,544
Contractual services	151,613	33,596	49,335	234,544
Materials and supplies	23,471	87,195	160,504	271,170
Maintenance and repairs	476,637	199,246	59,261	735,144
Fuel and lubricants	25,784	22,371	15,766	63,921
Utilities	133,130	65,139	112,504	310,773
Water supply	566,942	1,202,350	-	1,769,292
Water supply for City facilities	-	229,453	-	229,453
Interfund charges for support services	701,700	1,201,541	48,062	1,951,303
Depreciation and amortization	611,257	414,027	250,774	1,276,058
Bad debts expense	26,275	24,473	-	50,748
Miscellaneous	78,886	88,243	27,089	194,218
	<u>3,479,326</u>	<u>4,212,294</u>	<u>1,212,548</u>	<u>8,904,168</u>
Operating income (loss)	<u>1,224,908</u>	<u>112,684</u>	<u>(246,767)</u>	<u>1,090,825</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Franchise tax	(363,544)	(318,964)	-	(682,508)
Interest income	48,500	28,200	9,294	85,994
Miscellaneous expense	-	-	148	148
Interest expense	(153,526)	(38,982)	(161,260)	(353,768)
	<u>(468,570)</u>	<u>(329,746)</u>	<u>(151,818)</u>	<u>(950,134)</u>
Net income (loss) before transfers	<u>756,338</u>	<u>(217,062)</u>	<u>(398,585)</u>	<u>140,691</u>
Transfers in	-	256,372	498,806	755,178
Transfers out	(50,000)	(65,000)	-	(115,000)
	<u>(50,000)</u>	<u>191,372</u>	<u>498,806</u>	<u>640,178</u>
Increase (decrease) in net assets	<u>706,338</u>	<u>(25,690)</u>	<u>100,221</u>	<u>780,869</u>
Total net assets - beginning	<u>8,310,429</u>	<u>7,239,490</u>	<u>(239,665)</u>	<u>15,310,254</u>
Total net assets - ending	<u>\$ 9,016,767</u>	<u>\$ 7,213,800</u>	<u>\$ (139,444)</u>	<u>\$ 16,091,123</u>

See accompanying notes.

CITY OF BELTON, MISSOURI  
STATEMENT OF CASH FLOWS -- PROPRIETARY FUNDS  
FOR THE YEAR ENDED MARCH 31, 2009

	Sewer Fund	Water Fund	Golf Course Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Received from customers	\$ 4,638,830	\$ 4,315,950	\$ 965,781	\$ 9,920,561
Payments to employees and fringe benefits	(682,321)	(639,271)	(487,419)	(1,809,011)
Payments for operations	(2,517,152)	(3,401,694)	(659,644)	(6,578,490)
Other receipts (used)	-	-	148	148
Net cash provided by operating activities	<u>1,439,357</u>	<u>274,985</u>	<u>(181,134)</u>	<u>1,533,208</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating transfers to (from) other funds	(50,000)	191,372	498,806	640,178
Cash disbursements from interfund receivables	-	(143,796)	-	(143,796)
Net cash used by noncapital financing activities	<u>(50,000)</u>	<u>47,576</u>	<u>498,806</u>	<u>496,382</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	(199,073)	(303,199)	-	(502,272)
Principal paid on capital debt and leases	(485,000)	(91,503)	(163,598)	(740,101)
Interest paid on capital debt and leases	(160,179)	(38,982)	(162,349)	(361,510)
Net cash used by capital and related financing activities	<u>(844,252)</u>	<u>(433,684)</u>	<u>(325,947)</u>	<u>(1,603,883)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment income	49,431	30,763	9,294	89,488
Net increase (decrease) in cash and cash equivalents	594,536	(80,360)	1,019	515,195
Cash and cash equivalents, beginning of year	640,725	676,899	282,399	1,600,023
Cash and cash equivalents, end of year	<u>\$ 1,235,261</u>	<u>\$ 596,539</u>	<u>\$ 283,418</u>	<u>\$ 2,115,218</u>
Reconciliation of operating income (loss) to net cash provided by operating activities.				
Operating income (loss)	<u>\$ 1,224,908</u>	<u>\$ 112,684</u>	<u>\$ (246,767)</u>	<u>\$ 1,090,825</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	611,257	414,027	250,774	1,276,058
Miscellaneous nonoperating income	-	-	148	148
Cash payments for franchise tax	(363,544)	(318,964)	-	(682,508)
Changes in assets and liabilities:				
Receivables, net	(65,404)	(9,028)	-	(74,432)
Inventories	-	-	8,403	8,403
Accounts payable and accrued liabilities	32,140	44,989	6,961	84,090
Due to other funds	-	-	(200,653)	(200,653)
Customer deposits	-	31,277	-	31,277
Total adjustments	<u>214,449</u>	<u>162,301</u>	<u>65,633</u>	<u>442,383</u>
Net cash provided (used) by operating activities	<u>\$ 1,439,357</u>	<u>\$ 274,985</u>	<u>\$ (181,134)</u>	<u>\$ 1,533,208</u>

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.

## CITY OF BELTON, MISSOURI

### NOTES TO 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 charter city and operates under the Mayor/Council/Manager form of government. The City Manager 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 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.

CITY OF BELTON, MISSOURI  
NOTES TO FINANCIAL STATEMENTS

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.

CITY OF BELTON, MISSOURI  
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Charges for sales and services (other than utility) and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received.

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 Tax Increment Financing Special Allocation General Fund accounts for the collection of sales tax monies for the tax increment financing district and the payments of debt related to the district.

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, and debt proceeds for specific 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, and debt proceeds for major road projects.

The Parks and Community Fund accounts for the construction and renovation of the community and aquatic center.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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

The Storm Water Fund accounts for collection of property tax collected for storm water improvements.

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.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

D. Budgets: The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. 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 City Council 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 Manager submits to the City Council 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 Manager 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 Council. 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, 2009, the City's cash was deposited in demand accounts, certificates of deposit, Federal Home Loan Bank Notes, Federal National Mortgage Notes, Federal Home Loan Mortgage Corporation Notes, and U.S. Treasury Obligations. Investments with maturities of less than one year are stated at cost, which approximates fair value. All investments are stated at cost, which approximates 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.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 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, 2009. Accounts receivable in the General Fund represents charges for the mowing of weeds, ambulance service, fire protection, and court fines and fees. All accounts receivable are stated net of allowances.
- 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.
- 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.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

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 and sick 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 and sick 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. 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**2. DEPOSITS AND INVESTMENTS:**

At March 31, 2009, the carrying amount of the City's demand deposits and certificates of deposit in financial institutions was \$1,526,106 and \$10,080,949, respectively. 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, 2009, the City's investments consist of the following:

	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Investment Rating</u>
Fidelity Treasury Money Market	\$ 31,980	\$ 28,170	NA
MOSIP Money Market	44,619	-	NA
Federal Home Loan Mortgage Corporation	825,910	825,910	AAA
Federal Home Loan Banks	4,372,376	4,372,376	AAA
Federal National Mortgage Association	5,543,307	5,562,249	AAA
AIGFMC Investment Agreement	13,144	13,144	AA
United States Treasury Notes	300,000	301,899	NA
Financial Square Trust Treasury	57,875	57,875	NA
Societe General Contract	262,531	262,531	AA1
Stewart Title Company	4	4	NA
Chicago Title Insurance Company	1	1	NA
MBIA	1	1	NA
Federated Treasury Obligation Fund	<u>4,110,900</u>	<u>4,086,480</u>	AAA
	<u>\$ 15,562,648</u>	<u>\$ 15,510,640</u>	

Interest Rate Risk

Interest rate risk is the risk that changes interest rates that 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.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

2. DEPOSITS AND INVESTMENTS (Continued):

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.

At March 31, 2009, 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	\$ 31,980	\$ 31,980	\$ -	\$ -
MOSIP Money Market Fund	44,619	44,619	-	-
Federal Home Loan Mortgage Corp	825,910	-	309,627	516,283
Federal Home Loan Banks	4,372,376	2,646,601	1,725,775	-
Federal National Mortgage Association	5,543,307	5,292,682	250,625	-
AIGFMC Investment Agreement	13,144	-	-	13,144
United States Treasury Notes	300,000	300,000	-	-
Financial Square Trust Treasury	57,875	57,875	-	-
Societe General Contract	262,531	-	-	262,531
Stewart Title Company	4	4	-	-
Chicago Title Insurance Co	1	1	-	-
MBIA	1	1	-	-
Federated Treasury Obligation Fund	4,110,900	4,110,900	-	-
	<u>\$ 15,562,648</u>	<u>\$ 12,484,663</u>	<u>\$ 2,286,027</u>	<u>\$ 791,958</u>

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.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

2. DEPOSITS AND INVESTMENTS (Continued):

Missouri State Statutes authorize the City, with certain restrictions, to deposit funds in open accounts, time deposits, and certificates of deposit. Statutes also require that collateral pledged have a fair market value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the City or a disinterested third party and must be of the kind prescribed by statutes and approved by the State. The City may purchase any investments allowed by the State Treasurer. These include (a) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (b) repurchase agreements maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law.

The City's general credit risk policy is to apply to prudent person rule: Investments shall be made with the exercise of that judgment and care, under circumstances then prevailing, which individuals of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probability safety of their capital, as well as the probable income to be derived.

At March 31, 2009, the carrying value of deposits and investments are summarized as follows:

Investments:	
Treasury money market	\$ 76,599
U.S. government securities	300,000
U.S. agency securities	14,852,493
Other	<u>333,556</u>
Total investments	<u>15,562,648</u>
Certificates of deposit	10,080,949
Deposits	<u>1,526,106</u>
	<u>11,607,055</u>
Total	<u>\$ 27,169,703</u>

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

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	\$ 17,821,777
Restricted cash	<u>9,347,926</u>
Total	<u>\$ 27,169,703</u>

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 \$174,783 in the Water Fund and \$105,631 in the Sewer Fund.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

4. CAPITAL ASSETS:

A. Capital asset activity for the year ended March 31, 2009, consisted of the following:

	Balance <u>4/1/2008</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>3/31/2009</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,547,890	\$ -	\$ -	\$ 1,547,890
Construction in progress	<u>6,401,756</u>	<u>11,018,545</u>	<u>8,323,184</u>	<u>9,097,117</u>
Total capital assets not being depreciated	<u>7,949,646</u>	<u>11,018,545</u>	<u>8,323,184</u>	<u>10,645,007</u>
Capital assets being depreciated:				
Buildings	17,593,547	10,048,917	-	27,642,464
Improvements	6,532,554	142,983	-	6,675,537
Furniture and equipment	9,909,702	654,080	538,855	10,024,927
Infrastructure	<u>48,040,332</u>	<u>-</u>	<u>-</u>	<u>48,040,332</u>
Total capital assets being depreciated	<u>82,076,135</u>	<u>10,845,980</u>	<u>538,855</u>	<u>92,383,260</u>
Less accumulated depreciation:				
Buildings	3,515,671	516,017	-	4,031,688
Improvements	1,358,543	197,837	-	1,556,380
Furniture and equipment	6,836,449	614,753	517,644	6,933,558
Infrastructure	<u>13,827,871</u>	<u>1,423,336</u>	<u>-</u>	<u>15,251,207</u>
Total accumulated depreciation	<u>25,538,534</u>	<u>2,751,943</u>	<u>517,644</u>	<u>27,772,833</u>
Total capital assets being depreciated, net	<u>56,537,601</u>	<u>8,094,037</u>	<u>21,211</u>	<u>64,610,427</u>
Governmental activities capital assets, net	<u>\$64,487,247</u>	<u>\$19,112,582</u>	<u>\$ 8,344,395</u>	<u>\$75,255,434</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

4. CAPITAL ASSETS (Continued):

A. Capital asset activity for the year ended March 31, 2009, consisted of the following (Continued):

	Balance <u>4/1/2008</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>3/31/2009</u>
Business-type activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 375,117	\$ -	\$ -	\$ 375,117
Construction in progress	-	<u>401,754</u>	-	<u>401,754</u>
Total capital assets not being depreciated	<u>375,117</u>	<u>401,754</u>	-	<u>776,871</u>
Capital assets being depreciated:				
Buildings	2,484,056	-	-	2,484,056
Improvements	23,524,294	-	-	23,524,294
Sewer plant	10,015,126	-	-	10,015,126
Equipment	<u>3,231,663</u>	<u>100,518</u>	<u>14,995</u>	<u>3,317,186</u>
Total capital assets being depreciated	<u>39,255,139</u>	<u>100,518</u>	<u>14,995</u>	<u>39,340,662</u>
Less accumulated depreciation:				
Buildings	1,592,824	98,925	-	1,691,749
Improvements	10,187,457	576,767	-	10,764,224
Sewer plant	4,333,878	333,838	-	4,667,716
Equipment	<u>2,467,068</u>	<u>239,779</u>	<u>14,995</u>	<u>2,691,852</u>
Total accumulated depreciation	<u>18,581,227</u>	<u>1,249,309</u>	<u>14,995</u>	<u>19,815,541</u>
Total capital assets being depreciated, net	<u>20,673,912</u>	<u>(1,148,791)</u>	-	<u>19,525,121</u>
Business-type activities capital assets, net	<u>\$21,049,029</u>	<u>\$ (747,037)</u>	<u>\$ -</u>	<u>\$20,301,992</u>

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

4. CAPITAL ASSETS (Continued):

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

Government activities:

General government	\$	209,355
Civil defense		10,346
Emergency services		16,487
Fire		363,490
Municipal jail		3,415
Public safety		150,489
Public works		1,549,103
Parks		<u>449,258</u>

Total depreciation expense, governmental \$ 2,751,943

Business-type activities:

Sewer	\$	589,027
Water		414,027
Golf Course		<u>246,255</u>

Total depreciation expense, business-type \$ 1,249,309

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 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 9.2% (general), 8.7% (police), and 9.2% (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 2008, the political subdivision's annual pension cost of \$829,014 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2006, and/or February 28, 2007, 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 29, 2008, was 15 years.

CITY OF BELTON, MISSOURI  
NOTES TO FINANCIAL STATEMENTS

5. PENSION PLAN (Continued):

B. Funding Policy (Continued):

Trend Information			
Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
6/30/06	\$ 639,170	100%	\$ -
6/30/07	\$ 743,346	100%	\$ -
6/30/08	\$ 829,014	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)
02/29/08	\$ 17,532,070	\$ 16,088,932	\$ (1,443,138)
Actuarial Valuation Date	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percent of Covered Payroll
02/29/08	109%	\$ 9,052,188	-

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT:**

Changes in long-term debt of the City for the year ended March 31, 2009, consisted of the following:

Governmental Activities					
	Balance April 1, 2008	Additions	Retirements	Balance March 31, 2009	Amounts Due Within One Year
Notes payable	\$ 76,991	\$ 2,654,377	\$ 8,005	\$ 2,723,363	\$ 150,667
Sales tax revenue bonds	19,180,000	-	440,000	18,740,000	555,000
General obligation bonds	19,835,000	-	675,000	19,160,000	770,000
Certificates of participation	13,608,550	17,090,000	902,100	29,796,450	974,800
Capital leases	-	87,677	7,783	79,894	16,183
	<u>52,700,541</u>	<u>19,832,054</u>	<u>2,032,888</u>	<u>70,499,707</u>	<u>2,466,650</u>
Total loans and notes payable					
Other liabilities, Compensated absences	299,608	30,847	-	330,455	18,200
	<u>\$ 53,000,149</u>	<u>\$ 19,862,901</u>	<u>\$ 2,032,888</u>	<u>\$ 70,830,162</u>	<u>\$ 2,484,850</u>

Business-Type Activities					
	Balance April 1, 2008	Additions	Retirements	Balance March 31, 2009	Amounts Due Within One Year
Revenue bonds	\$ 2,795,000	\$ -	\$ 485,000	\$ 2,310,000	\$ 520,000
Certificates of participation	3,131,450	-	102,900	3,028,550	105,200
Capital leases	1,235,941	-	152,201	1,083,740	158,658
	<u>\$ 7,162,391</u>	<u>\$ -</u>	<u>\$ 740,101</u>	<u>\$ 6,422,290</u>	<u>\$ 783,858</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

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, which leaves 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.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

Total City debt at March 31, 2009, 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%	\$ 3,690,000
\$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%	8,895,000
\$6,775,000, Series 2007 general obligation bonds, issued for storm water improvements, due in annual installments of \$100,000 to \$925,000, through March 1, 2023; interest at 3.5% to 4.125%	<u>6,575,000</u>
Total general obligation bonds	<u>19,160,000</u>

Governmental fund revenue bonds:

\$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%	12,070,000
\$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%	<u>6,670,000</u>
Total governmental revenue bonds	<u>18,740,000</u>

Governmental fund certificates of participation:

\$17,090,000, Series 2008 tax-exempt certificates of participation, issued for the aquatic center, police building, city hall annex, and the Highway Y/71 interchange, due in annual installments of \$450,000 to \$2,465,000, through March 1, 2029; interest at 3% to 5.25%	16,640,000
\$5,656,000, Series 2007 tax-exempt certificates of participation, issued for the community center, due in annual installments of \$142,450 to \$812,700, through March 1, 2027; interest at 4% to 5%	5,336,450
\$8,080,000, Series 2007 tax-exempt certificates of participation, issued for the aquatic center, due in annual installments of \$220,000 to \$1,160,000, through March 1, 2028; interest at 4% to 5%	<u>7,820,000</u>
Total governmental certificates of participation	<u>29,796,450</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

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%	\$ 72,145
\$52,015, DNR note payable, issued for heating, air conditioning, and lighting, due in semi-annual installments of \$2,219, through August 1, 2024; interest at 4%	48,856
\$2,602,362, MTFC note payable, used for the Highway Y/71 interchange, due in annual installments of \$268,912 to \$395,682, through December 2018; interest at 4.86%	<u>2,602,362</u>
	<u>2,723,363</u>

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%	2,140,000
\$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%	<u>170,000</u>
Total proprietary revenue bonds	<u>2,310,000</u>

Proprietary fund certificates of participation:

\$1,839,000, Series 2007 tax-exempt certificates of participation, issued for the golf course, due in annual installments of \$47,550 to \$267,300, through March 1, 2027; interest at 4% to 5%	1,733,550
\$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%	<u>1,295,000</u>
Total proprietary fund certificates of participation	<u>3,028,550</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

At March 31, 2009, the constitutionally imposed total general obligation debt limit was \$45,307,666 which, after reduction for outstanding general obligation bonds of \$19,160,000 and considering the \$1,382,411 available in the Debt Service Funds, provides a general obligation debt margin of \$27,530,077.

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

Years ending March 31,	Principal	Interest	General Obligation Bonds
2010	\$ 770,000	\$ 849,793	\$ 1,619,793
2011	820,000	818,869	1,638,869
2012	930,000	785,393	1,715,393
2013	1,000,000	747,263	1,747,263
2014	1,100,000	706,263	1,806,263
2015-2019	4,880,000	2,882,179	7,762,179
2020-2024	7,200,000	1,584,544	8,784,544
2025-2026	<u>2,460,000</u>	<u>177,810</u>	<u>2,637,810</u>
	<u>\$ 19,160,000</u>	<u>\$ 8,552,114</u>	<u>\$ 27,712,114</u>

Years ending March 31,	Principal	Interest	Certificates of Participation
2010	\$ 1,080,000	\$ 1,532,476	\$ 2,612,476
2011	1,120,000	1,491,552	2,611,552
2012	1,160,000	1,447,663	2,607,663
2013	1,215,000	1,400,889	2,615,889
2014	1,265,000	1,345,883	2,610,883
2015-2019	7,090,000	5,883,947	12,973,947
2020-2024	8,780,000	4,105,589	12,885,589
2025-2029	<u>11,115,000</u>	<u>1,678,496</u>	<u>12,793,496</u>
	<u>\$ 32,825,000</u>	<u>\$ 18,886,495</u>	<u>\$ 51,711,495</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

Years ending March 31,	Principal	Interest	Proprietary Revenue Bonds
2010	\$ 520,000	\$ 104,430	\$ 624,430
2011	555,000	97,684	652,684
2012	595,000	39,654	634,654
2013	640,000	4,324	644,324
	<u>\$ 2,310,000</u>	<u>\$ 246,092</u>	<u>\$ 2,556,092</u>
			Sales Tax Revenue Bonds
Years ending March 31,	Principal	Interest	Sales Tax Revenue Bonds
2010	\$ 555,000	\$ 1,088,213	\$ 1,643,213
2011	610,000	1,060,938	1,670,938
2012	680,000	1,029,950	1,709,950
2013	745,000	994,300	1,739,300
2014	825,000	954,650	1,779,650
2015-2019	5,210,000	3,989,538	9,199,538
2020-2024	8,865,000	2,168,532	11,033,532
2025	1,250,000	70,309	1,320,309
	<u>\$ 18,740,000</u>	<u>\$ 11,356,430</u>	<u>\$ 30,096,430</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

Years ending March 31,	Principal	Interest	Note Payable
2010	\$ 150,667	\$ 130,370	\$ 281,037
2011	176,982	123,815	300,797
2012	203,308	115,292	318,600
2013	229,647	105,594	335,241
2014	255,997	94,522	350,519
2015-2019	1,675,382	261,506	1,936,888
2020-2024	30,700	2,896	33,596
2025	<u>680</u>	<u>14</u>	<u>694</u>
	<u>\$ 2,723,363</u>	<u>\$ 834,009</u>	<u>\$ 3,557,372</u>

Bond Reserve Accounts:

Under the Series 2004 Tax Increment Financing Bonds, the City is required to deposit funds into a reserve account equal to \$1,386,500. In addition, \$1,000,000 is to be maintained in a business interruption account.

At March 31, 2009, the City was in compliance with this requirement.

Under the Series 2006 Tax Increment Financing Bonds, the City is required to deposit funds into a reserve account equal to \$667,000.

At March 31, 2009, the City was in compliance with this requirement.

Under the Series 2007 Certificates of Participation Indentures, the City is required to deposit funds into a reserve account equal to \$1,176,869.

At March 31, 2009, the City was not in compliance with this requirement.

Under the Series 2008 Certificates of Participation Indentures, the City is required to deposit funds into a reserve account equal to \$1,300,644.

At March 31, 2009, the City was in compliance with this requirement.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

6. LONG-TERM DEBT (Continued):

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. 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, 2009, the City was not in compliance with these requirements. They were short \$3,335.

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, 2009, the City was in compliance with these requirements.

Rates and fees established and charged were sufficient to satisfy bond covenant responsibilities for the sewer fund for the year ended March 31, 2009.

7. CAPITAL LEASES:

The City has entered into lease agreements for financing capital equipment. The lease agreements qualify as capital leases for accounting purposes, therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

<u>Asset</u>	
Golf equipment	\$ 317,019
Backhoe	87,677
Radio read meters	<u>1,094,475</u>
Total assets acquired	<u>\$ 1,499,171</u>

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

7. CAPITAL LEASES (Continued):

The future minimum lease payments and the present value of the remaining minimum lease payments as of December 31, 2009, are as follows:

<u>Years Ending March 31,</u>	<u>Proprietary Fund</u>	<u>General Fund</u>
2010	\$ 203,750	\$ 20,160
2011	323,267	20,160
2012	203,749	20,160
2013	132,738	20,161
2014	132,738	10,079
2015-2017	<u>398,215</u>	<u>-</u>
	1,394,457	90,720
Less: amount representing interest	<u>310,717</u>	<u>10,826</u>
Present value of future minimum lease payments	<u>\$ 1,083,740</u>	<u>\$ 79,894</u>

CITY OF BELTON, MISSOURI  
NOTES TO FINANCIAL STATEMENTS

8. RESTRICTED CASH:

Restricted cash and investments at March 31, 2009, consisted of the following:

Account	General Fund	Special Revenue Fund	Total
Court bonds	\$ 64,461	\$ -	\$ 64,461
Jail	4,144	-	4,144
CID Unit	23,128	-	23,128
Donations	1,612	-	1,612
Reserve for debt service	<u>3,206</u>	<u>8,388,998</u>	<u>8,392,204</u>
	<u>\$ 96,551</u>	<u>\$ 8,388,998</u>	<u>\$ 8,485,549</u>

Proprietary Funds

General Account	Sewer Fund	Golf Fund	Total
Reserve for debt service	\$ 217,309	\$ -	\$ 217,309
Reserve for certificates of participation	-	282,318	282,318
Reserve for depreciation and replacement	<u>362,750</u>	<u>-</u>	<u>362,750</u>
	<u>\$ 580,059</u>	<u>\$ 282,318</u>	<u>\$ 862,377</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

9. 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.

10. TAX REVENUES:

The tax revenue, including interest and penalties collected thereon, for the year ended March 31, 2009, is as follows:

<u>Type</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>
Property	\$ 1,222,439	\$ 543,546	\$ 1,872,470	\$ -
Railroad	73,316	-	-	-
Franchise	3,878,180	-	-	-
Cigarette	169,411	-	-	-
City Sales	2,788,997	2,346,232	-	-
Park Sales	-	1,116,224	-	-
Transportation Sales	-	1,116,224	-	-
Financial Institution	10,469	-	-	-
Other	-	-	-	88,851
	<u>\$ 8,142,812</u>	<u>\$ 5,122,226</u>	<u>\$ 1,872,470</u>	<u>\$ 88,851</u>

The assessed valuation of the tangible property for the purpose of local taxation as of May 31, 2008, was as follows:

Real estate	\$ 181,404,494
Personal property	<u>45,133,840</u>
	<u>\$ 226,538,334</u>

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

10. TAX REVENUES (Continued):

The tax levy per \$100 of assessed valuation of tangible real and personal property for the calendar year 2008 was as follows:

General Fund	\$	0.52
Park and Recreation Fund		0.23
Debt Service Funds		<u>0.80</u>
	\$	<u>1.55</u>

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.

11. INTERFUND TRANSACTIONS:

Interfund receivable and payable balances at March 31, 2009, were as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 77,284	\$ -
Special Revenue Funds:		
Street Fund		77,284
Capital Improvements	110,596	
Park Sales Tax		110,596
Capital Projects Funds:		
Capital Improvements	240,381	
Major Road Construction	-	240,381
Proprietary Funds:		
Water	143,796	-
Golf	<u>-</u>	<u>143,796</u>
	<u>\$ 572,057</u>	<u>\$ 572,057</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

11. INTERFUND TRANSACTIONS (Continued):

Transfers during the year ended March 31, 2009, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 115,000	\$ 498,806
Special Revenue Funds:		
Impact Fees	-	546,173
Park	197,800	-
Street	119,228	-
Sales Tax Improvement	212,852	-
Park Sales Tax	-	197,800
Capital Projects Funds:		
Water Impact Fee	-	256,372
North Scott Construction	-	56,054
Capital Improvements	546,173	-
Fire Station Construction	-	276,026
Proprietary Funds:		
Sewer	-	50,000
Water	256,372	65,000
Golf	<u>498,806</u>	<u>-</u>
	<u>\$ 1,946,231</u>	<u>\$ 1,946,231</u>

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.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

12. INTERGOVERNMENTAL REVENUE:

Intergovernmental revenue during the year ended March 31, 2009, consisted of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Federal:		
Federal Emergency Management Agency, Emergency Management Assistance	\$ 12,108	\$ -
US Department of Justice, High Intensity Drug Trafficking Area	121,074	-
US Department of Homeland Security, S.A.F.E.R.	55,751	-
US Environmental Protection Agency, Storm Water Management Improvements	-	168,700
US Department of Public Safety, Victims Advocate	24,915	-
State:		
Department of Revenue:		
Motor Vehicle Sales Tax	-	118,509
Motor Vehicle Fuel Tax	-	606,696
Motor Vehicle Fees	-	95,998
Department of Public Safety:		
Victim Assistance Grant	10,148	-
Drug Seizures	7,145	-
Highway Safety Grant	52,362	-
Department of Natural Resources,		
Land and water conservation	-	11,737
County,		
Road and Bridge Property Taxes	-	100,232
City,		
Vehicle Servicing	<u>41,833</u>	<u>-</u>
	<u>\$ 325,336</u>	<u>\$ 1,101,872</u>

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 13. 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.

#### 14. 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, 2009.

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

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

15. 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 2009 was \$95,866.

16. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

For the year ended March 31, 2009, in violation of Missouri state statutes and the City's budgetary process, the City had a fund balance deficit in the following funds:

Capital Projects Fund,	
Major Road Construction	\$ <u>103,223</u>
Special Revenue Funds:	
Park	\$ 48,453
Street	<u>99,857</u>
	<u>\$ 148,310</u>
Proprietary Fund,	
Golf Course	<u>\$ 139,444</u>

For the year ended March 31, 2009, in violation of Missouri state statutes and the City's budgetary process, the City had actual expenditures in excess of budget in the following funds:

Capital Projects Fund,	
North Scott Construction	\$ <u>2,095</u>
Special Revenue Funds:	
Park	\$ 7,535
Park Sales Tax Improvement	<u>105,580</u>
	<u>\$ 113,115</u>

No budget was passed for the Sewer Impact Fee Fund.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

16. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued):

For the year ended March 31, 2009, in violation of Missouri state statutes and the City's budgetary process, the City had budgeted a deficit without adequate fund balance in the following funds:

Capital Projects Funds:	
Major Road Construction	\$ 308,099
Parks and Community	2,713,554
North Scott Construction	790
Fire Station Construction	<u>2,602,989</u>
	<u>\$ 5,625,432</u>
Special Revenue Funds,	
Street	<u>\$ 131,511</u>

17. COMMITMENTS:

The City had approximately \$2,107,168 of construction commitments at March 31, 2009.

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	\$ 75,255,434
Total debt	(70,499,707)
Debt related to assets not owned by City	27,157,362
Unspent bond proceeds	<u>12,876,611</u>
Invested in capital assets, net of related debt	<u>\$ 44,789,700</u>

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 18. NET ASSETS (Continued):

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.

#### 19. PLEDGED REVENUES:

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$13,865,000 in Tax Increment Revenue Bonds issued July 2004. The outstanding principal on these bonds as of March 31, 2009, was \$12,070,000. The bonds were used to finance Phases I, II, III, and IV of the Belton Town Centre Redevelopment Plan as well as providing some funding for road projects specified in the redevelopment plan. The bonds are payable solely from the incremental property and sales taxes generated by the development in the TIF district. Incremental PILOTS and EATS were projected to produce \$45,207,562 of revenue which would be available for the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$19,432,637, with the final maturity scheduled for December 31, 2024. For the current year, principal and interest paid from PILOTS and EATS revenues were \$440,000 and \$745,288, respectively.

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$6,670,000 in Tax Increment Revenue Bonds issued May 2006. The outstanding principal on these bonds as of March 31, 2009, was \$6,670,000. The bonds were used to provide additional funding for road projects specified in the Belton Town Centre Redevelopment Plan. The bonds are payable solely from the incremental property and sales taxes generated by the development in the Belton Town Centre TIF district. Total principal and interest remaining on the bonds is \$10,663,793, with the final maturity scheduled for March 1, 2025. For the current year, no principal payment was due or paid. Interest paid from PILOTS and EATS revenue was \$363,275.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay two debt issues totaling \$7,225,000. The Series1991A bonds were issued in the amount of \$6,825,000. The series 1992 bonds were issued in the amount of \$430,000. Proceeds from the bonds were used to fund the infrastructure for the sewer system. The bonds are payable from the sewer fund net revenues and are payable through 2013. The total interest and principal remaining to be paid on the bonds is \$2,556,092. Principal and interest paid for the current year is \$621,938.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

20. COMMITMENTS:

In September 2008, the Cass County Transportation Development District issued \$3,305,000 in revenue bonds to construct North Cass Parkway Interchange on Highway 71. Cass County, Missouri, has agreed to make the debt service payments on these bonds. During the fiscal year, Cass County made a principal payment of \$720,000, leaving outstanding debt as of March 31, 2009, of \$2,585,000. In the event funds are not available at the County level, the City of Belton and the City of Raymore have agreed to make up the shortfall on a 50/50 basis.

21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS:

*Plan Description*

The City sponsors a single-employer, defined benefit healthcare plan that provides healthcare benefits to retirees and their dependents, including medical and dental coverage. Participants include retirees of the City.

The City requires the retirees to pay the carrier-charged premium. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45). The City has chosen to prospectively implement GASB Statement 45.

Retirees and their dependents have the same benefits as active employees. The retiree may continue coverage until death. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or 36 months after the death of the retiree dies under Cobra law.

*Funding Policy*

GASB Statement 45 does not require funding of the OPEB liability, and the City has chosen not to fund it. City policy dictates the payment of retiree claims as they become due.

CITY OF BELTON, MISSOURI

NOTES TO FINANCIAL STATEMENTS

21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued):

*Annual OPEB Cost and Net OPEB Obligation*

The City's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Normal cost	\$	41,275
Amortization of unfunded actuarial accrued liability		<u>38,837</u>
Annual required contribution (ARC)		80,112
Interest on net OPEB obligation		-
Adjustment to annual required contribution		<u>-</u>
		<u>-</u>
Annual OPEB cost		80,112
Contributions made, Net employer contributions		<u>7,500</u>
Net OPEB obligation, March 31, 2009	\$	<u><u>72,612</u></u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued):

The retirees annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the year ended March 31, 2009, is as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
March 31, 2009	\$ 80,112	9.4%	\$ 72,612

*Funded Status and Funding Progress*

As of April 1, 2008, the plan was not funded. The actuarial accrued liability for benefits was \$566,661, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (AAL) of \$566,661. The covered payroll (annual payroll of active employees covered by the plan) was \$8.7 million, and the ratio of AAL to the covered payroll was 6.5%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

22. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS:

The City implemented the following statements during the year ended March 31, 2008:

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, issued June 2004 establishes standards for the measurement, recognition and display of other postemployment benefits expenses and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports. The effect of the adoption of this Statement to the City was the addition of a note disclosure.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 22. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS (Continued):

GASB Statement No. 49, *Accounting for Financial Reporting for Pollution Remediation Obligations*, issued November 2006 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities, such as site assessments and cleanups. This standard requires the government to estimate the components of expected pollution remediation outlays and determine whether the outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired. The adoption of this statement had no effect on the City in the current year.

GASB Statement No. 50, *Pension Disclosures*, an amendment of GASB Statement Nos. 25 and 27, issued May 2007, more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to the financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. Adoption of this statement had no impact on the financial statements other than additional disclosures.

The GASB had issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, issued June 2007, will be effective for the City beginning with its year ending March 31, 2011. This Statement provides guidance regarding how to identify, account for, and report intangible assets. The new standard characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, issued June 2008, will be effective for the City beginning with its year ending March 31, 2011. This Statement provides guidance regarding how to report derivative instruments-financial arrangements used by governments to manage specific risks or make investments-in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. The guidance in this Statement also addresses hedge accounting requirements.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 23. DEVELOPMENT OBLIGATIONS:

On November 28, 2006, the City entered into an agreement with a developer for the implementation of the Belton Marketplace Tax Increment Financing Redevelopment Plan. This plan provides for the construction of certain redevelopment projects located in Belton, Missouri. The City has agreed to reimburse the developer \$2,000,000 for project costs, and to expend \$200,000 of City funds for project costs in the redevelopment area. During the current fiscal year, the City expended \$399,896 on these projects. Therefore, the City has recorded a \$1,800,104 liability on its Statement of Net Assets under "development obligations".

The development obligation will be paid from 75% of the annual PILOTS (payments in lieu of taxes), and 50% of the annual EATS (economic activity taxes) generated in the district. 25% of the annual PILOTS collected from the area will be returned pro-rata to the taxing districts. Additionally, the City may reimburse its project costs up to \$20,000 on an annual basis from the EATS generated in the district. The remaining EATS will be distributed to the taxing districts.

**REQUIRED SUPPLEMENTARY INFORMATION**

**OTHER THAN MD&A**

**CITY OF BELTON, MISSOURI**  
**REQUIRED SUPPLEMENTARY INFORMATION**

1. MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM:

Schedule of Funding Progress			
Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)
02/28/06	\$ 13,862,163	\$ 13,218,955	\$ (643,208)
02/28/07	\$ 15,416,588	\$ 14,571,711	\$ (844,877)
02/29/08	\$ 17,532,070	\$ 16,088,932	\$ (1,443,138)
Actuarial Valuation Date	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percent of Covered Payroll
02/28/06	105%	\$ 7,655,061	-
02/28/07	106%	\$ 8,243,846	-
02/29/08	109%	\$ 9,052,188	-

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.

2. BUDGETARY DATA:

The City's prepares its budget on the modified accrual basis of accounting, which is the same as generally accepted accounting principles.

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 GENERAL FUND  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 7,551,110	\$ 7,551,110	\$ 8,142,812	\$ 591,702
Special assessments	2,000	2,000	4,900	2,900
Licenses and permits	392,375	392,375	233,460	(158,915)
Intergovernmental	427,100	460,620	325,336	(135,284)
Charges for services	1,725,326	1,731,169	1,817,376	86,207
Fees and fines	835,500	835,500	1,074,381	238,881
Investment earnings	70,000	70,000	108,675	38,675
Other	226,400	328,300	220,635	(107,665)
Interfund charges for support services	2,382,633	2,382,633	2,344,184	(38,449)
	<u>13,612,444</u>	<u>13,753,707</u>	<u>14,271,759</u>	<u>518,052</u>
<b>EXPENDITURES:</b>				
General government	3,033,570	3,061,955	3,156,330	(94,375)
Public safety	4,890,421	4,982,996	4,637,900	345,096
Public works	671,818	671,818	594,717	77,101
Fire	3,845,469	3,845,469	3,836,648	8,821
Civil defense	84,892	84,892	64,370	20,522
Community and economic development	280,116	280,116	273,159	6,957
Municipal jail	469,630	487,630	442,732	44,898
Capital outlay	293,640	598,080	459,102	138,978
Debt service:				
Principal	24,845	24,845	28,005	(3,160)
Interest and other charges	13,905	13,905	12,014	1,891
	<u>13,608,306</u>	<u>14,051,706</u>	<u>13,504,977</u>	<u>546,729</u>
Excess (deficiency) of revenues over expenditures	<u>4,138</u>	<u>(297,999)</u>	<u>766,782</u>	<u>1,064,781</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	115,000	115,000	115,000	-
Transfers out	-	(498,806)	(498,806)	-
Total other financing sources and uses	<u>115,000</u>	<u>(383,806)</u>	<u>(383,806)</u>	<u>-</u>
Net change in fund balances	119,138	(681,805)	382,976	1,064,781
Fund balances - beginning	<u>2,461,835</u>	<u>2,461,835</u>	<u>2,461,835</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,580,973</u>	<u>\$ 1,780,030</u>	<u>\$ 2,844,811</u>	<u>\$ 1,064,781</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 PARK  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 546,671	\$ 546,671	\$ 543,546	\$ (3,125)
Intergovernmental	-	-	11,737	11,737
Charges for services	1,709,350	1,709,350	1,499,298	(210,052)
Investment earnings	17,000	17,000	-	(17,000)
Miscellaneous	16,000	16,000	9,060	(6,940)
	<u>2,289,021</u>	<u>2,289,021</u>	<u>2,063,641</u>	<u>(225,380)</u>
<b>EXPENDITURES:</b>				
Parks and recreation	2,447,996	2,571,316	2,571,640	(324)
Capital outlay	-	130,000	137,211	(7,211)
	<u>2,447,996</u>	<u>2,701,316</u>	<u>2,708,851</u>	<u>(7,535)</u>
Deficiency of revenues over expenditures	<u>(158,975)</u>	<u>(412,295)</u>	<u>(645,210)</u>	<u>(232,915)</u>
<b>OTHER FINANCING SOURCES,</b>				
Transfers in	197,800	197,800	197,800	-
Net change in fund balances	38,825	(214,495)	(447,410)	(232,915)
Fund balances - beginning	398,957	398,957	398,957	-
Fund balances - ending	<u>\$ 437,782</u>	<u>\$ 184,462</u>	<u>\$ (48,453)</u>	<u>\$ (232,915)</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 TAX INCREMENT FINANCING SPECIAL ALLOCATION GENERAL  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
		-		
<b>REVENUES:</b>				
Taxes	\$ -	\$ 1,600,000	\$ 1,115,985	\$ (484,015)
Investment earnings	-	55,000	48,564	(6,436)
In lieu of taxes	-	475,000	463,529	(11,471)
	-	2,130,000	1,628,078	(501,922)
<b>EXPENDITURES:</b>				
Community and economic development	95,000	95,000	79,787	15,213
Debt service:				
Principal	440,000	440,000	440,000	-
Interest and other charges	1,108,563	1,108,563	1,113,172	(4,609)
	1,643,563	1,643,563	1,632,959	10,604
Excess (deficiency) of revenues over expenditures	(1,643,563)	486,437	(4,881)	(491,318)
Net change in fund balances	(1,643,563)	486,437	(4,881)	(491,318)
Fund balances - beginning	3,286,108	3,286,108	3,286,108	-
Fund balances - ending	\$ 1,642,545	\$ 3,772,545	\$ 3,281,227	\$ (491,318)

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 STREET DEPARTMENT  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 1,236,500	\$ 1,236,500	\$ 1,116,224	\$ (120,276)
Licenses and permits	1,150	1,150	275	(875)
Intergovernmental	1,035,030	1,035,030	921,435	(113,595)
Investment earnings	10,000	10,000	328	(9,672)
Miscellaneous	-	19,233	59,828	40,595
	<u>2,282,680</u>	<u>2,301,913</u>	<u>2,098,090</u>	<u>(203,823)</u>
<b>EXPENDITURES:</b>				
Public works	2,027,357	2,043,863	1,880,337	163,526
Capital outlay	817,500	854,622	742,633	111,989
Debt service:				
Principal	29,600	29,600	7,783	21,817
Interest and other charges	3,650	3,650	2,297	1,353
	<u>2,878,107</u>	<u>2,931,735</u>	<u>2,633,050</u>	<u>298,685</u>
Excess (deficiency) of revenues over expenditures	<u>(595,427)</u>	<u>(629,822)</u>	<u>(534,960)</u>	<u>94,862</u>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from capital leases	148,000	148,000	87,677	60,323
Transfers in	58,939	122,113	119,228	2,885
Total other financing sources	<u>206,939</u>	<u>270,113</u>	<u>206,905</u>	<u>63,208</u>
Net change in fund balances	(388,488)	(359,709)	(328,055)	31,654
Fund balances - beginning	<u>228,198</u>	<u>228,198</u>	<u>228,198</u>	<u>-</u>
Fund balances - ending	<u>\$ (160,290)</u>	<u>\$ (131,511)</u>	<u>\$ (99,857)</u>	<u>\$ 31,654</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 SALES TAX IMPROVEMENT  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
		Original		
<b>REVENUES:</b>				
Taxes	\$ 1,236,500	\$ 1,236,500	\$ 1,116,224	\$ (120,276)
Investment earnings	11,250	11,250	141,796	130,546
Miscellaneous	-	-	1,400	1,400
	<u>1,247,750</u>	<u>1,247,750</u>	<u>1,259,420</u>	<u>11,670</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	295,000	295,000	410,000	(115,000)
Interest and other charges	1,075,500	1,075,500	1,163,988	(88,488)
Capital outlay	<u>8,859,526</u>	<u>8,859,526</u>	<u>5,876,309</u>	<u>2,983,217</u>
	<u>10,230,026</u>	<u>10,230,026</u>	<u>7,450,297</u>	<u>2,779,729</u>
Deficiency of revenues over expenditures	<u>(8,982,276)</u>	<u>(8,982,276)</u>	<u>(6,190,877)</u>	<u>2,791,399</u>
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from long-term debt	9,200,000	9,200,000	10,324,375	(1,124,375)
Transfers in	-	212,852	212,852	-
Total other financing sources	<u>9,200,000</u>	<u>9,412,852</u>	<u>10,537,227</u>	<u>(1,124,375)</u>
Net change in fund balances	217,724	430,576	4,346,350	3,915,774
Fund balances - beginning	<u>232,667</u>	<u>232,667</u>	<u>232,667</u>	<u>-</u>
Fund balances - ending	<u>\$ 450,391</u>	<u>\$ 663,243</u>	<u>\$ 4,579,017</u>	<u>\$ 3,915,774</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 PARK SALES TAX IMPROVEMENT  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes	\$ 1,236,500	\$ 1,236,500	\$ 1,116,224	\$ (120,276)
Investment earnings	50,000	50,000	30,298	(19,702)
	1,286,500	1,286,500	1,146,522	(139,978)
<b>EXPENDITURES:</b>				
Debt service:				
Principal	432,100	432,100	472,100	(40,000)
Interest and other charges	599,868	639,868	705,448	(65,580)
	1,031,968	1,071,968	1,177,548	(105,580)
Excess (deficiency) of revenues over expenditures	254,532	214,532	(31,026)	(245,558)
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from long-term debt	-	-	151,407	(151,407)
Transfers out	(197,800)	(197,800)	(197,800)	-
Total other financing sources and uses	(197,800)	(197,800)	(46,393)	(151,407)
Net change in fund balances	56,732	16,732	(77,419)	(94,151)
Fund balances - beginning	1,208,698	1,208,698	1,208,698	-
Fund balances - ending	\$ 1,265,430	\$ 1,225,430	\$ 1,131,279	\$ (94,151)

## 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.

**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.

**Belton Marketplace TIF** – accounts for the collection of PILOTS and EATS to finance various improvements within the redevelopment district.

#### DEBT SERVICE FUNDS

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

**Debt Service-General Obligation Bonds** – receives money to pay principal and interest on 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 Capital Improvements, North Scott Construction, Fire Station Construction, Sewer Impact Fee, 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, 2009

		Belton	Debt Service - General	Capital
	Impact Fees	Marketplace TIF	Obligation Bonds	Improvements
<b>ASSETS:</b>				
Pooled cash and investments	\$ -	\$ 24,138	\$ 1,354,093	\$ 1,755,197
Taxes receivable, net	-	9,591	95,200	-
Due from other funds	-	-	-	240,381
Accrued interest	270	-	4,485	6,340
Delinquent property taxes receivable	-	-	29,255	-
Other receivables	-	-	23,833	-
	<u>270</u>	<u>33,729</u>	<u>1,506,866</u>	<u>2,001,918</u>
Total assets	<u>\$ 270</u>	<u>\$ 33,729</u>	<u>\$ 1,506,866</u>	<u>\$ 2,001,918</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Accounts payable	\$ -	\$ 33,729	\$ -	\$ 27,180
Deferred revenue	-	-	124,455	-
	<u>-</u>	<u>33,729</u>	<u>124,455</u>	<u>27,180</u>
Total liabilities	<u>-</u>	<u>33,729</u>	<u>124,455</u>	<u>27,180</u>
Fund balances:				
Undesignated, reported as:				
Special revenue	270	-	-	-
Debt service	-	-	1,382,411	-
Capital projects	-	-	-	1,974,738
Total fund balances	<u>270</u>	<u>-</u>	<u>1,382,411</u>	<u>1,974,738</u>
Total liabilities and fund balances	<u>\$ 270</u>	<u>\$ 33,729</u>	<u>\$ 1,506,866</u>	<u>\$ 2,001,918</u>

<u>North Scott Construction</u>	<u>Fire Station Construction</u>	<u>Sewer Impact Fee</u>	<u>Water Impact Fee</u>	<u>Total Governmental Funds</u>
\$ -	\$ 672,155	\$ 4,914	\$ 746,140	\$ 4,556,637
-	-	-	-	104,791
-	-	-	-	240,381
-	2,226	16	2,471	15,808
-	-	-	-	29,255
-	-	-	-	23,833
<u>\$ -</u>	<u>\$ 674,381</u>	<u>\$ 4,930</u>	<u>\$ 748,611</u>	<u>\$ 4,970,705</u>
\$ -	\$ -	\$ -	\$ -	\$ 60,909
-	-	-	-	124,455
-	-	-	-	185,364
-	-	-	-	270
-	-	-	-	1,382,411
-	674,381	4,930	748,611	3,402,660
-	674,381	4,930	748,611	4,785,341
<u>\$ -</u>	<u>\$ 674,381</u>	<u>\$ 4,930</u>	<u>\$ 748,611</u>	<u>\$ 4,970,705</u>

CITY OF BELTON, MISSOURI  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE -- GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED MARCH 31, 2009

	Impact Fees	Belton Marketplace TIF	Debt Service - General Obligation Bonds	Capital Improvements
<b>REVENUES:</b>				
Taxes	\$ -	\$ 114,023	\$ 1,872,470	\$ -
Licenses and permits	542,495	-	-	-
Investment earnings	3,374	-	45,936	68,752
In lieu of taxes	-	58,218	-	-
	<u>545,869</u>	<u>172,241</u>	<u>1,918,406</u>	<u>68,752</u>
<b>EXPENDITURES:</b>				
Public works	-	-	-	-
Community and economic development	-	172,241	-	-
Capital outlay	-	-	-	81,689
Debt service:				
Principal	-	-	675,000	-
Interest and fiscal charges	-	-	970,718	-
	<u>-</u>	<u>172,241</u>	<u>1,645,718</u>	<u>81,689</u>
Excess (deficiency) of revenues over expenditures	<u>545,869</u>	<u>-</u>	<u>272,688</u>	<u>(12,937)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	546,173
Transfers out	<u>(546,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>(546,173)</u>	<u>-</u>	<u>-</u>	<u>546,173</u>
Net change in fund balances	(304)	-	272,688	533,236
Fund balances - beginning	<u>574</u>	<u>-</u>	<u>1,109,723</u>	<u>1,441,502</u>
Fund balances - ending	<u>\$ 270</u>	<u>\$ -</u>	<u>\$ 1,382,411</u>	<u>\$ 1,974,738</u>

<u>North Scott Construction</u>	<u>Fire Station Construction</u>	<u>Sewer Impact Fee</u>	<u>Water Impact Fee</u>	<u>Total-Other Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,986,493
-	-	4,900	97,026	644,421
-	29,493	30	30,429	178,014
-	-	-	-	58,218
-	29,493	4,930	127,455	2,867,146
2,095	-	-	-	2,095
-	-	-	-	172,241
-	228,573	-	-	310,262
-	-	-	-	675,000
-	775	-	-	971,493
2,095	229,348	-	-	2,131,091
(2,095)	(199,855)	4,930	127,455	736,055
-	-	-	-	546,173
(56,054)	(276,026)	-	(256,372)	(1,134,625)
(56,054)	(276,026)	-	(256,372)	(588,452)
(58,149)	(475,881)	4,930	(128,917)	147,603
58,149	1,150,262	-	877,528	4,637,738
\$ -	\$ 674,381	\$ 4,930	\$ 748,611	\$ 4,785,341

**CITY OF BELTON, MISSOURI  
SCHEDULE OF EXPENDITURES BY DEPARTMENT  
BUDGET AND ACTUAL -- GENERAL FUND  
FOR THE YEAR ENDED MARCH 31, 2009**

	GENERAL FUND		
	Budget	Actual	Actual Over (Under) Budget
General government:			
Legislation	\$ 646,008	\$ 885,158	\$ 239,150
Administration	571,180	506,394	(64,786)
City clerk	155,821	150,246	(5,575)
Municipal court	291,136	290,774	(362)
Finance	587,383	620,474	33,091
Inspection	386,297	309,105	(77,192)
Animal control	222,245	219,837	(2,408)
Garage operations	201,885	174,342	(27,543)
Total general government	<u>3,061,955</u>	<u>3,156,330</u>	<u>94,375</u>
Public safety	4,982,996	4,637,900	(345,096)
Public works	671,818	594,717	(77,101)
Fire	3,845,469	3,836,648	(8,821)
Civil defense	84,892	64,370	(20,522)
Community and economic development	280,116	273,159	(6,957)
Municipal jail	487,630	442,732	(44,898)
Capital outlay	598,080	459,102	(138,978)
Principal retirement	24,845	28,005	3,160
Interest and fiscal charges	13,905	12,014	(1,891)
	<u>\$ 14,051,706</u>	<u>\$ 13,504,977</u>	<u>\$ (546,729)</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 MAJOR ROAD CONSTRUCTION  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 75,000	\$ 75,000	\$ 88,851	\$ 13,851
Investment earnings	-	-	38,097	38,097
	<u>75,000</u>	<u>75,000</u>	<u>126,948</u>	<u>51,948</u>
<b>EXPENDITURES,</b>				
Capital outlay	6,000,000	9,763,413	9,731,127	32,286
Debt service, Interest and other charges	-	-	32,008	(32,008)
	<u>6,000,000</u>	<u>9,763,413</u>	<u>9,763,135</u>	<u>278</u>
Deficiency of revenues over expenditures	<u>(5,925,000)</u>	<u>(9,688,413)</u>	<u>(9,636,187)</u>	<u>52,226</u>
<b>OTHER FINANCING SOURCES,</b>				
Proceeds from long-term debt	<u>5,200,000</u>	<u>7,802,362</u>	<u>7,955,002</u>	<u>(152,640)</u>
Net change in fund balances	(725,000)	(1,886,051)	(1,681,185)	204,866
Fund balances - beginning	<u>1,577,952</u>	<u>1,577,952</u>	<u>1,577,952</u>	<u>-</u>
Fund balances - ending	<u>\$ 852,952</u>	<u>\$ (308,099)</u>	<u>\$ (103,233)</u>	<u>\$ 204,866</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 PARKS AND COMMUNITY  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES,</b>				
Investment earnings	\$ 500	\$ 500	\$ 32,428	\$ 31,928
	<u>500</u>	<u>500</u>	<u>32,428</u>	<u>31,928</u>
<b>EXPENDITURES:</b>				
Debt service,				
Interest and other charges	-	-	7,797	(7,797)
Capital outlay	8,563,450	8,563,450	5,720,065	2,843,385
	<u>8,563,450</u>	<u>8,563,450</u>	<u>5,727,862</u>	<u>2,835,588</u>
Deficiency of revenues over expenditures	(8,562,950)	(8,562,950)	(5,695,434)	2,867,516
<b>OTHER FINANCING SOURCES,</b>				
Proceeds from long-term debt	1,200,000	1,200,000	1,313,593	(113,593)
Net change in fund balances	(7,362,950)	(7,362,950)	(4,381,841)	2,981,109
Fund balances - beginning	4,649,396	4,649,396	4,649,396	-
Fund balances - ending	\$ (2,713,554)	\$ (2,713,554)	\$ 267,555	\$ 2,981,109

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 STORMWATER  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 168,700	\$ 168,700
Investment earnings	450,000	450,000	241,848	(208,152)
	<u>450,000</u>	<u>450,000</u>	<u>410,548</u>	<u>(39,452)</u>
<b>EXPENDITURES,</b>				
Capital outlay	4,565,119	4,654,077	992,558	3,661,519
	<u>4,565,119</u>	<u>4,654,077</u>	<u>992,558</u>	<u>3,661,519</u>
Excess (deficiency) of revenues over expenditures	<u>(4,115,119)</u>	<u>(4,204,077)</u>	<u>(582,010)</u>	<u>3,622,067</u>
Net change in fund balances	(4,115,119)	(4,204,077)	(582,010)	3,622,067
Fund balances - beginning	<u>6,836,823</u>	<u>6,836,823</u>	<u>6,836,823</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,721,704</u>	<u>\$ 2,632,746</u>	<u>\$ 6,254,813</u>	<u>\$ 3,622,067</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 IMPACT FEES  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 560,000	\$ 560,000	\$ 542,495	\$ (17,505)
Investment earnings	15,000	15,000	3,374	(11,626)
	<u>575,000</u>	<u>575,000</u>	<u>545,869</u>	<u>(29,131)</u>
Excess (deficiency) of revenues over expenditures				
	<u>575,000</u>	<u>575,000</u>	<u>545,869</u>	<u>(29,131)</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	(575,000)	(575,000)	(546,173)	(28,827)
Net change in fund balances	-	-	(304)	(304)
Fund balances - beginning	<u>574</u>	<u>574</u>	<u>574</u>	<u>-</u>
Fund balances - ending	<u>\$ 574</u>	<u>\$ 574</u>	<u>\$ 270</u>	<u>\$ (304)</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 BELTON MARKETPLACE TIF  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Sales and miscellaneous taxes	\$ 218,223	\$ 218,223	\$ 114,023	\$ (104,200)
In lieu of taxes	<u>102,371</u>	<u>102,371</u>	<u>58,218</u>	<u>(44,153)</u>
	<u>320,594</u>	<u>320,594</u>	<u>172,241</u>	<u>(148,353)</u>
<b>EXPENDITURES,</b>				
Community and economic development	<u>317,000</u>	<u>317,000</u>	<u>172,241</u>	<u>144,759</u>
	<u>317,000</u>	<u>317,000</u>	<u>172,241</u>	<u>144,759</u>
Net change in fund balances	3,594	3,594	-	(3,594)
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ 3,594</u>	<u>\$ 3,594</u>	<u>\$ -</u>	<u>\$ (3,594)</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 DEBT SERVICE - GENERAL OBLIGATION BONDS  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 1,726,300	\$ 1,726,300	\$ 1,872,470	\$ 146,170
Investment earnings	25,000	25,000	45,936	20,936
	<u>1,751,300</u>	<u>1,751,300</u>	<u>1,918,406</u>	<u>167,106</u>
<b>EXPENDITURES:</b>				
Principal	225,000	675,000	675,000	-
Interest and other charges	708,874	972,794	970,718	2,076
	<u>933,874</u>	<u>1,647,794</u>	<u>1,645,718</u>	<u>2,076</u>
Excess of revenues over expenditures	<u>817,426</u>	<u>103,506</u>	<u>272,688</u>	<u>169,182</u>
Net change in fund balances	817,426	103,506	272,688	169,182
Fund balances - beginning	<u>1,109,723</u>	<u>1,109,723</u>	<u>1,109,723</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,927,149</u>	<u>\$ 1,213,229</u>	<u>\$ 1,382,411</u>	<u>\$ 169,182</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 CAPITAL IMPROVEMENTS  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES,</b>				
Investment earnings	\$ 30,000	\$ 30,000	\$ 68,752	\$ 38,752
	<u>30,000</u>	<u>30,000</u>	<u>68,752</u>	<u>38,752</u>
<b>EXPENDITURES,</b>				
Capital outlay	1,861,000	1,861,000	81,689	1,779,311
	<u>1,861,000</u>	<u>1,861,000</u>	<u>81,689</u>	<u>1,779,311</u>
Deficiency of revenues over expenditures	(1,831,000)	(1,831,000)	(12,937)	1,818,063
<b>OTHER FINANCING SOURCES,</b>				
Transfers in	575,000	575,000	546,173	28,827
Net change in fund balances	(1,256,000)	(1,256,000)	533,236	1,789,236
Fund balances - beginning	1,441,502	1,441,502	1,441,502	-
Fund balances - ending	<u>\$ 185,502</u>	<u>\$ 185,502</u>	<u>\$ 1,974,738</u>	<u>\$ 1,789,236</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 NORTH SCOTT CONSTRUCTION  
 FOR THE YEAR ENDED MARCH 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES,</b>				
Public works	\$ -	\$ -	\$ 2,095	\$ (2,095)
Total expenditures	-	-	2,095	(2,095)
Excess (deficiency) of revenues over expenditures	-	-	(2,095)	(2,095)
<b>OTHER FINANCING USES,</b>				
Transfers out	(58,939)	(58,939)	(56,054)	(2,885)
Net change in fund balances	(58,939)	(58,939)	(58,149)	790
Fund balances - beginning	58,149	58,149	58,149	-
Fund balances - ending	\$ (790)	\$ (790)	\$ -	\$ 790

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 FIRE STATION CONSTRUCTION  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 118,514	\$ -	\$ (118,514)
Investment earnings	1,000	1,000	29,493	28,493
	<u>1,000</u>	<u>119,514</u>	<u>29,493</u>	<u>(90,021)</u>
<b>EXPENDITURES:</b>				
Debt service,				
Interest and other charges	-	-	775	(775)
Capital outlay	40,000	3,596,739	228,573	3,368,166
	<u>40,000</u>	<u>3,596,739</u>	<u>229,348</u>	<u>3,367,391</u>
Excess (deficiency) of revenues over expenditures	<u>(39,000)</u>	<u>(3,477,225)</u>	<u>(199,855)</u>	<u>3,277,370</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	-	(276,026)	(276,026)	-
Net change in fund balances	(39,000)	(3,753,251)	(475,881)	3,277,370
Fund balances - beginning	<u>1,150,262</u>	<u>1,150,262</u>	<u>1,150,262</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,111,262</u>	<u>\$ (2,602,989)</u>	<u>\$ 674,381</u>	<u>\$ 3,277,370</u>

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 SEWER IMPACT FEE  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ -	\$ -	\$ 4,900	\$ 4,900
Investment earnings	-	-	30	30
	-	-	4,930	4,930
Net change in fund balances	-	-	4,930	4,930
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 4,930	\$ 4,930

CITY OF BELTON, MISSOURI  
 BUDGETARY COMPARISON SCHEDULE --  
 WATER IMPACT FEE  
 FOR THE YEAR ENDED MARCH 31, 2009

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 650,000	\$ 650,000	\$ 97,026	\$ (552,974)
Investment earnings	<u>25,000</u>	<u>25,000</u>	<u>30,429</u>	<u>5,429</u>
	<u>675,000</u>	<u>675,000</u>	<u>127,455</u>	<u>(547,545)</u>
<b>EXPENDITURES,</b>				
Capital outlay	<u>914,300</u>	<u>983,800</u>	<u>-</u>	<u>983,800</u>
	<u>914,300</u>	<u>983,800</u>	<u>-</u>	<u>983,800</u>
Excess (deficiency) of revenues over expenditures	<u>(239,300)</u>	<u>(308,800)</u>	<u>127,455</u>	<u>436,255</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	<u>-</u>	<u>(256,372)</u>	<u>(256,372)</u>	<u>-</u>
Net change in fund balances	(239,300)	(565,172)	(128,917)	436,255
Fund balances - beginning	<u>877,528</u>	<u>877,528</u>	<u>877,528</u>	<u>-</u>
Fund balances - ending	<u>\$ 638,228</u>	<u>\$ 312,356</u>	<u>\$ 748,611</u>	<u>\$ 436,255</u>

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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 12

**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.

13 through 17

**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.

18 through 19

**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.

20 through 22

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 SIX FISCAL YEARS**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:						
Invested in capital assets, net of related debt	\$ 7,432,997	\$ 13,740,405	\$ 17,204,864	\$ 40,425,839	\$ 45,860,242	\$ 44,789,700
Restricted	2,488,449	8,043,215	6,447,288	22,986,086	22,040,470	15,824,790
Unrestricted	<u>7,661,720</u>	<u>(9,469,007)</u>	<u>(9,162,738)</u>	<u>(27,955,481)</u>	<u>(33,091,858)</u>	<u>(34,537,154)</u>
Total governmental activities net assets	<u>\$ 17,583,166</u>	<u>\$ 12,314,613</u>	<u>\$ 14,489,214</u>	<u>\$ 35,456,443</u>	<u>\$ 34,808,854</u>	<u>\$ 25,877,336</u>
Business-type activities:						
Invested in capital assets, net of related debt	\$ 12,692,067	\$ 13,144,656	\$ 12,979,778	\$ 14,010,176	\$ 13,886,638	\$ 13,979,702
Restricted	-	824,881	1,629,482	1,075,861	713,910	862,377
Unrestricted	<u>3,124,259</u>	<u>1,282,244</u>	<u>343,594</u>	<u>(517,361)</u>	<u>709,706</u>	<u>1,349,044</u>
Total business-type activities net assets	<u>\$ 15,816,326</u>	<u>\$ 15,251,781</u>	<u>\$ 14,952,854</u>	<u>\$ 14,568,676</u>	<u>\$ 15,310,254</u>	<u>\$ 16,091,123</u>
Primary government:						
Invested in capital assets, net of related debt	\$ 20,125,084	\$ 26,885,061	\$ 30,184,442	\$ 54,436,015	\$ 59,746,880	\$ 58,669,402
Restricted	2,488,449	8,868,096	8,076,770	24,061,946	22,754,380	16,487,167
Unrestricted	<u>10,785,979</u>	<u>(8,186,763)</u>	<u>(8,819,144)</u>	<u>(28,472,842)</u>	<u>(32,382,152)</u>	<u>(33,188,110)</u>
Total primary government net assets	<u>\$ 33,399,492</u>	<u>\$ 27,566,394</u>	<u>\$ 29,442,068</u>	<u>\$ 50,025,119</u>	<u>\$ 50,119,108</u>	<u>\$ 41,968,459</u>

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

\* Net assets were restated for retroactive infrastructure reporting.

Table 2

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

	2004	2005	2006	2007	2008	2009
<b>Expenses:</b>						
Governmental activities						
General government	\$ 2,265,304	\$ 2,559,139	\$ 2,783,012	\$ 3,005,903	\$ 3,131,869	\$ 3,657,329
Public safety	3,383,055	3,610,873	3,921,266	4,193,069	4,905,470	4,951,838
Public works	2,312,234	2,223,050	3,002,343	6,896,887	3,671,068	13,660,507
Fire and emergency services	2,255,406	2,546,112	2,872,938	3,207,616	3,578,419	4,213,434
Civil defense	56,474	52,038	54,129	58,547	98,438	74,716
Parks and recreation	1,665,115	2,115,161	1,768,933	2,467,190	2,550,579	3,005,796
Community and economic development	2,095,956	7,888,254	661,781	173,443	2,620,822	179,442
Municipal jail	328,793	372,608	401,754	396,218	419,751	446,596
Interest on long-term debt	1,383,242	1,624,419	1,648,716	2,735,525	3,358,029	3,544,108
Total governmental activities expenses	<u>15,745,489</u>	<u>22,991,454</u>	<u>17,114,852</u>	<u>23,134,398</u>	<u>24,334,445</u>	<u>33,733,766</u>
Business-type activities						
Water	3,356,539	3,740,508	3,949,958	4,249,830	4,562,265	4,570,240
Sewer	3,111,216	3,638,249	3,622,717	3,651,381	3,635,451	3,996,396
Golf course	999,015	887,635	1,003,707	1,309,347	1,421,349	1,373,808
Total business-type activities expenses	<u>7,466,770</u>	<u>8,266,392</u>	<u>8,576,382</u>	<u>9,210,558</u>	<u>9,619,065</u>	<u>9,940,444</u>
Total primary government expenses	<u>\$ 23,212,259</u>	<u>\$ 31,257,846</u>	<u>\$ 25,691,234</u>	<u>\$ 32,344,956</u>	<u>\$ 33,953,510</u>	<u>\$ 43,674,210</u>
<b>Program Revenues:</b>						
Governmental activities						
Charges for services						
General government	\$ 2,296,611	\$ 2,536,155	\$ 2,687,202	\$ 2,870,366	\$ 3,018,341	\$ 3,349,177
Public safety	145,646	146,082	183,991	274,902	327,735	321,534
Public works	376,596	327,158	577,690	1,718,060	906,468	880,918
Fire and emergency services	637,519	484,803	578,786	739,790	827,509	968,179
Civil defense	-	-	-	-	-	-
Parks and recreation	489,626	525,360	584,592	749,393	845,974	1,499,298
Community and economic development	305,305	481,643	636,705	493,400	533,313	463,529
Municipal jail	100,020	97,548	75,447	57,725	93,684	196,375
Interest on long-term debt	-	-	-	-	-	-
Operating grants and contributions	1,520,749	1,516,916	1,323,239	1,285,878	1,334,595	1,408,883
Capital grants and contributions	10,161	22,251	11,926	14,844	67,030	4,900
Total governmental activities program revenues	<u>5,881,233</u>	<u>6,137,916</u>	<u>6,559,578</u>	<u>8,204,358</u>	<u>7,954,649</u>	<u>9,092,793</u>
Business-type activities						
Charges for services						
Water	3,903,947	3,668,824	3,946,226	4,164,095	4,339,297	4,324,978
Sewer	3,092,992	3,183,749	3,378,946	3,699,666	4,011,188	4,704,234
Golf	818,890	733,717	768,508	880,267	927,882	966,781
Operating grants and contributions	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-
Total business-type activities program revenues	<u>7,815,829</u>	<u>7,586,290</u>	<u>8,093,680</u>	<u>8,744,028</u>	<u>9,278,367</u>	<u>9,994,993</u>
Total primary government program revenues	<u>\$ 13,697,062</u>	<u>\$ 13,724,206</u>	<u>\$ 14,753,258</u>	<u>\$ 16,948,386</u>	<u>\$ 17,233,016</u>	<u>\$ 19,087,786</u>
<b>Net (Expense)/Revenue:</b>						
Governmental activities	\$ (9,864,256)	\$ (16,853,538)	\$ (10,455,274)	\$ (14,930,040)	\$ (16,379,796)	\$ (24,640,973)
Business-type activities	<u>349,959</u>	<u>(680,102)</u>	<u>(482,702)</u>	<u>(466,530)</u>	<u>(340,698)</u>	<u>54,549</u>
Total primary government net expense	<u>\$ (9,515,197)</u>	<u>\$ (17,533,640)</u>	<u>\$ (10,937,976)</u>	<u>\$ (15,396,570)</u>	<u>\$ (16,720,494)</u>	<u>\$ (24,586,424)</u>
<b>General Revenues and Other Changes in Net Assets:</b>						
Governmental activities						
Taxes						
Property taxes, levied for general purposes	\$ 1,156,496	\$ 1,059,970	\$ 1,177,913	\$ 1,225,553	\$ 1,252,226	\$ 1,306,224
Property taxes, levied for specific purposes	1,006,891	972,457	1,108,433	1,680,219	2,276,999	2,504,967
Franchise taxes and other taxes	2,115,455	2,306,913	2,377,285	2,488,383	3,476,835	3,878,180
Sales taxes	6,070,991	6,637,046	7,119,806	7,421,933	7,824,346	7,537,088
Investment earnings	162,114	212,303	361,841	1,004,725	1,464,814	820,048
Miscellaneous	201,886	281,306	369,597	406,626	230,292	189,644
Special item-gain on sale of assets	-	-	-	-	-	113,582
Transfers	115,000	115,000	115,000	115,000	(793,305)	(640,178)
Total governmental activities	<u>10,828,833</u>	<u>11,584,995</u>	<u>12,629,875</u>	<u>14,342,439</u>	<u>15,732,207</u>	<u>15,709,455</u>
Business-type activities						
Investment earnings	181,126	230,785	298,459	197,354	288,011	85,994
Miscellaneous	1,432	(229)	314	-	960	148
Transfers	(115,000)	(115,000)	(115,000)	(115,000)	793,305	640,178
Total business-type activities	<u>67,558</u>	<u>115,556</u>	<u>183,773</u>	<u>82,354</u>	<u>1,082,276</u>	<u>726,320</u>
Total primary government	<u>\$ 10,896,391</u>	<u>\$ 11,700,551</u>	<u>\$ 12,813,648</u>	<u>\$ 14,424,793</u>	<u>\$ 16,814,483</u>	<u>\$ 16,435,775</u>
<b>Change in Net Assets:</b>						
Governmental activities	\$ 964,577	\$ (5,268,543)	\$ 2,174,601	\$ (587,601)	\$ (647,589)	\$ (8,931,518)
Business-type activities	<u>416,617</u>	<u>(564,546)</u>	<u>(298,929)</u>	<u>(384,176)</u>	<u>741,578</u>	<u>780,869</u>
Total primary government	<u>\$ 1,381,194</u>	<u>\$ (5,833,089)</u>	<u>\$ 1,875,672</u>	<u>\$ (971,777)</u>	<u>\$ 93,989</u>	<u>\$ (8,150,649)</u>

Note: GASB #34 was implemented in the 2004 fiscal year, so only six 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 SIX FISCAL YEARS

	2004	2005	2006	2007	2008	2009
General Fund:						
Reserved	\$ 219,660	\$ 211,854	\$ 210,235	\$ 57,693	\$ 100,704	\$ 96,551
Unreserved	2,715,524	2,536,500	2,019,157	2,221,868	2,361,131	2,748,260
Total general fund	\$ 2,935,184	\$ 2,748,354	\$ 2,229,392	\$ 2,279,561	\$ 2,461,835	\$ 2,844,811
All other governmental funds:						
Reserved	\$ -	\$ 1,951,844	\$ 2,255,331	\$ 3,089,550	\$ 4,336,373	\$ 4,420,584
Unreserved, reported in:						
Special revenue	5,031,716	1,390,247	1,809,350	5,472,510	1,018,829	4,422,899
Capital projects	971,884	2,108,751	234,140 *	18,952,578	16,591,612	9,821,795
Debt service	1,349,358	3,819,648	3,795,579	943,957	1,109,723	1,382,411
Total all other governmental funds	\$ 7,352,958	\$ 9,270,490	\$ 8,094,400	\$ 28,458,595	\$ 23,056,537	\$ 20,047,689

**Note:** GASB #34 was implemented in the 2004 fiscal year, so only six 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 storm water improvements.

Table 4

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues:</b>										
Taxes	\$ 8,017,176	\$ 8,313,936	\$ 8,517,783	\$ 9,184,724	\$ 10,349,833	\$ 10,976,386	\$ 11,763,437	\$ 12,816,068	\$ 14,830,406	\$ 15,226,359
Special assessments	49,271	39,005	40,010	-	10,161	22,251	11,926	14,844	765,598	4,900
Licenses and permits	145,383	98,748	252,650	314,750	272,527	300,003	450,958	1,465,684	1,485,728	878,156
Intergovernmental	1,162,244	1,455,752	2,044,184	1,334,431	1,373,924	1,398,586	1,296,818	1,342,552	1,427,208	1,477,208
Charges for services	841,360	1,232,915	1,286,027	1,399,750	1,580,688	1,464,414	1,731,723	2,113,951	2,435,519	3,316,674
Fees and fines	570,773	578,689	578,152	678,972	648,585	701,498	740,608	750,603	1,047,051	1,074,361
Investment earnings	1,083,245	810,103	637,373	403,265	162,114	212,303	361,841	1,004,725	1,464,814	820,048
Other	86,317	212,592	281,436	233,596	423,728	434,652	448,459	559,310	249,481	290,923
Interfund charges for support	1,570,691	1,564,508	1,562,573	1,943,269	1,943,269	2,110,035	2,207,357	2,424,516	2,150,106	2,807,713
In lieu of taxes	645,518	803,340	995,164	1,179,720	420,305	596,643	751,705	493,400	533,313	58,218
Total revenues	14,172,008	15,089,588	16,165,352	16,408,905	17,165,144	18,217,772	19,784,832	22,965,673	24,952,016	25,964,580
<b>Expenditures:</b>										
General government	1,589,035	1,551,483	1,634,919	1,974,021	2,103,519	2,395,076	2,620,330	2,848,691	3,001,427	3,156,330
Public safety	2,681,495	2,817,932	2,792,085	2,823,017	3,244,545	3,452,198	3,782,057	4,037,529	4,449,630	4,637,900
Public works	1,501,775	1,473,564	1,689,249	1,610,513	3,840,775	2,484,054	2,937,159	2,840,934	2,463,207	2,477,149
Fire and emergency services	1,585,752	1,617,193	1,703,231	1,760,830	2,031,027	2,343,386	2,676,487	3,015,461	3,421,884	3,836,648
Civil defense	89,280	49,868	42,113	42,229	52,869	48,088	50,078	55,646	56,876	64,370
Parks and recreation	640,252	859,849	1,191,657	1,185,410	1,335,200	1,775,890	1,416,497	2,088,676	2,107,416	2,571,640
Community and economic development	405,080	375,914	583,434	3,792,335	2,095,526	7,865,084	638,066	308,624	387,705	525,187
Municipal jail	228,071	286,027	250,266	328,329	368,228	397,790	392,565	417,902	442,732	442,732
Capital outlay	8,235,407	7,722,124	2,950,863	1,758,309	1,413,766	2,700,450	2,749,838	5,913,015	13,210,101	23,969,267
Debt service:										
Principal	1,345,000	1,440,000	1,867,001	2,203,515	1,438,687	4,925,000	2,579,743	1,429,498	10,547,118	2,032,868
Interest and other charges	1,369,359	1,328,042	1,564,821	1,652,834	1,245,259	2,084,604	1,631,850	2,641,125	3,301,029	4,008,217
Total expenditures	19,670,485	19,521,996	19,259,639	19,096,574	19,129,502	30,442,068	21,479,894	25,582,784	43,384,485	47,722,269
Excess of revenues over (under) expenditures	(5,498,478)	(4,422,408)	(64,287)	(2,680,769)	(1,944,358)	(12,224,296)	(1,695,062)	(2,587,111)	(18,452,479)	(21,817,748)
<b>Other Financing Sources (Uses):</b>										
Issuance of long-term debt	-	-	6,000,000	3,400,000	-	13,965,000	-	22,665,000	13,996,000	19,832,064
Bond refunding proceeds	-	-	1,615,000	(5,920,000)	-	-	-	-	-	-
Paid to escrow agent	-	-	(1,690,000)	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Premiums on bond issuances	5,026,565	5,297,914	2,958,656	1,254,453	1,154,498	1,286,927	1,621,600	231,479	1,570,318	1,191,063
Transfers in	(5,064,365)	(5,335,914)	(2,894,656)	(3,165,641)	(1,154,498)	(1,296,927)	(1,621,600)	(1,912,673)	(2,363,623)	(1,831,231)
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(38,000)	(39,000)	5,895,000	(4,431,188)	-	13,965,000	-	23,011,479	13,202,685	19,191,878
Net change in fund balances	(5,536,478)	(4,461,408)	5,794,713	(7,121,957)	(1,944,358)	1,730,704	(1,695,062)	20,414,368	(5,219,784)	(2,625,872)
Debt service as a percentage of noncapital expenditures	14.06%	14.39%	21.37%	20.50%	14.28%	23.31%	22.49%	20.69%	45.89%	17.67%

Table 5

CITY OF BELTON, MISSOURI  
 TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED MARCH 31,	PROPERTY	RAILROAD	FRANCHISE	CIGARETTE	SALES TAX	FINANCIAL INSTITUTION	OTHER	TOTAL
2000	\$ 2,027,055	\$ 40,923	\$ 1,611,063	\$ 151,066	\$ 4,181,042	\$ 6,007	-	\$ 8,017,176
2001	2,100,666	42,143	1,924,420	151,224	4,093,025	2,438	-	6,313,836
2002	1,923,388	-	1,917,309	165,036	4,509,660	2,390	-	8,517,783
2003	2,050,764	40,885	1,986,260	155,683	4,938,594	2,738	-	9,184,724
2004	2,106,532	53,973	2,115,455	161,348	5,909,642	2,882	-	10,349,833
2005	1,960,388	70,734	2,306,913	165,871	6,471,175	1,305	-	10,976,366
2006	2,229,838	55,447	2,370,257	170,661	6,996,173	1,061	-	11,783,437
2007	2,828,447	71,359	2,476,721	178,388	7,244,577	5,966	10,730	12,816,088
2008	3,452,782	76,443	3,326,259	172,112	7,652,234	4,503	146,073	14,830,406
2008	3,638,455	73,316	3,878,180	169,411	7,367,677	10,469	88,851	15,226,359
Change 2000-2009	79.49%	79.16%	140.72%	12.14%	76.22%	74.28%	0.00%	89.82%

Source: City records

Table 6

CITY OF BELTON, MISSOURI  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(IN PERCENT)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Direct Sales Tax Rate - City of Belton</b>										
General Fund	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Capital Improvement	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Parks and Recreation	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Fire District	-	-	-	-	-	-	-	-	-	-
Transportation	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
<b>Direct Sales Tax Rate</b>	<b>2.5000</b>	<b>2.7500</b>	<b>2.7500</b>	<b>2.7500</b>						
Transportation Development District	-	-	-	-	-	0.2500	0.2500	0.2500	0.2500	1.0000
<b>Total Direct Sales Tax Rate</b>	<b>2.5000</b>	<b>2.5000</b>	<b>2.5000</b>	<b>2.5000</b>	<b>2.5000</b>	<b>2.7500</b>	<b>2.7500</b>	<b>3.0000</b>	<b>3.0000</b>	<b>3.7500</b>
<b>Total Local Option Sales Tax Rate</b>										
State of Missouri	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000
Missouri State Conservation	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250
Missouri State Parks and Soil	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Cass County	1.0000	1.0000	1.0000	1.0000	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
City of Belton	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.7500	2.7500	2.7500
Transportation Development District	-	-	-	-	-	0.2500	0.2500	0.2500	0.2500	1.0000
<b>Total Direct and Overlapping Sales Tax Rate</b>	<b>7.7250</b>	<b>7.7250</b>	<b>7.7250</b>	<b>7.7250</b>	<b>7.9750</b>	<b>8.2250</b>	<b>8.2250</b>	<b>8.4750</b>	<b>8.4750</b>	<b>9.2250</b>

Source: Missouri Department of Revenue

Table 7

**CITY OF BELTON, MISSOURI  
TOTAL CITY TAXABLE SALES BY CATEGORY  
CURRENT YEAR AND THE PRIOR YEAR**

<u>Sales by Category</u>	<u>2008</u>	<u>2009</u>
Retail Grocers	\$ 47,254,117	\$ 43,323,934
Department Stores	45,661,282	48,607,718
Automotive Parts and Repairs	42,210,138	39,704,357
Eating and Drinking Establishments	36,900,687	40,427,647
Home Repair and Building Supplies	26,812,729	30,124,068
Hardware and Hand Tools	16,459,299	10,873,880
Telephone, Cellular, and Pager Communications	12,211,738	13,943,393
Convenience Stores	11,680,793	12,650,743
Furniture Stores	9,291,540	9,299,408
Utilities, Electrical, and Natural Gas	7,433,232	8,316,211
	<u>\$ 255,915,555</u>	<u>\$ 257,271,359</u>

**Source:** Monthly sales tax distribution reports.

**Note:** Sales tax detail information not available for years prior to 2008.

Table 8

**CITY OF BELTON, MISSOURI  
PRINCIPAL SALES TAX INDUSTRIES  
CURRENT YEAR AND THE PRIOR YEAR**

Industry	Percentage of Total City Sales Tax Revenues	
	2008	2009
Retail Grocers	17.80%	16.30%
Department Stores	17.20%	18.20%
Automotive Parts and Repairs	15.90%	14.90%
Eating and Drinking Establishments	13.90%	15.20%
Home Repair and Building Supplies	10.10%	11.30%
Hardware and Hand Tools	6.20%	4.10%
Telephone, Cellular, and Pager Communications	4.60%	5.20%
Convenience Stores	4.40%	4.70%
Furniture Stores	3.50%	3.50%
Utilities, Electrical, and Natural Gas	2.80%	2.80%
	96.40%	96.20%

**Source:** Monthly sales tax distribution reports.

**Note:** Sales tax detail information not available for years prior to 2008.

Table 9

**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
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
2008	137,518,750	40,927,538	292,910	178,739,198	1.55
2009	186,456,219	39,780,418	301,697	226,538,334	1.55

**Source:** Cass County Clerk's office

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

Table 10

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

FISCAL YEAR	City Direct Rates				Overlapping Rates (a)		
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	PARK	TOTAL DIRECT	CASS COUNTY AND OTHERS	BELTON SCHOOL DISTRICT	
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	
2008	0.52	0.80	0.23	1.55	1.31	5.24	
2009	0.52	0.80	0.23	1.55	0.78	5.25	

**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.

**Source:**

City tax billing records and county aggregate valuations.

Table 11

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

Taxpayer	2009			2000		
	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.	\$ 6,851,880	1	3.02%	\$ 2,245,060	1	2.26%
Research Belton Hospital	3,056,822	2	1.35%			
Carnegie Village	2,969,000	3	1.27%			
Target	2,244,900	4	0.99%			
Home Depot	1,801,000	5	0.80%			
Hy-Vee Food Store	1,610,330	6	0.71%	1,257,910	2	1.26%
Lakewood Terrace	1,410,990	8	0.62%			
Kohl's	1,393,650	7	0.62%			
MAP Belton (Belton Marketplace)	1,115,860	9	0.49%			
Missouri Gas Energy	1,054,450	10	0.47%			
Plexes Association				1,082,070	3	1.09%
Dickinson, Inc.				849,160	4	0.85%
North Cass Development				747,760	5	0.75%
Sun Communities				692,230	6	0.70%
Cottages of Belton				509,640	10	0.51%
Arc Spec LLC				615,250	8	0.62%
Georgetown Apartments				603,710	9	0.61%
S & S Real Estate-Real Estate Management				618,020	7	0.62%
	<u>\$ 23,408,882</u>		<u>10.34%</u>	<u>\$ 9,220,810</u>		<u>9.27%</u>

Source: City tax billing records

Table 12

CITY OF BELTON, MISSOURI  
PROPERTY 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
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%	77,682	2,815,583	103%
2008	3,339,883	3,337,529	99.93%	138,821	3,476,350	104%
2009	3,487,422	3,302,889	94.71%	-	3,302,889	95%

Source: City's tax billing records.

Table 13

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
	Capital Leases	Notes Payable	Tax Revenue Bonds	Sales Bonds	General Obligation Bonds	Certificates of Participation	Revenue Bonds	Certificates of Participation	Capital Leases	SRF Loan			
2000	\$ -	\$ -	\$ -	\$ 5,875,000	\$ 8,584,202	\$ 10,640,000	\$ 7,545,000	\$ 2,330,000	\$ -	\$ 2,779,429	\$ 37,763,631	9.89%	1,738
2001	-	-	-	5,625,000	8,044,202	10,000,000	6,755,000	2,300,000	-	-	32,724,202	8.89%	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	2,165,000	-	-	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	6.55%	1,254
2005	-	90,960	-	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	4,965,000	6,255,000	3,675,000	3,300,000	-	-	34,891,157	4.82%	1,450
2007	-	81,659	-	19,100,000	20,480,000	5,910,000	3,250,000	3,150,000	-	-	58,661,659	7.49%	2,286
2008	-	76,981	-	22,760,000	19,535,000	13,608,550	2,785,000	3,131,450	-	-	59,682,932	10.48%	2,394
2009	79,884	2,723,363	-	18,740,000	19,160,000	29,756,450	2,310,000	3,028,550	-	-	76,921,987	13.16%	3,036

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

Note 2: See Table 18 for personal income and population data for the City. These ratios are calculated using personal income and population for the prior calendar year.

Table 14

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

Fiscal Year Ended March 31,	<u>GENERAL BONDED DEBT OUSTANDING</u>		Percentage of Actual Taxable Value of Property	Per Capita
	<u>General Obligation Bonds</u>			
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
2008		19,835,000	11%	793.24
2009		19,160,000	8%	756.21

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

**Note 2:** See Table 9 for the City's property value data.

**Note 3:** City population can be found in Table 18.

**CITY OF BELTON, MISSOURI  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
March 31, 2009**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Belton School District	\$ 54,285,000	89.00%	\$ 48,313,650
Little Blue Valley Sewer District	90,705,000	3.99%	<u>3,619,130</u>
			51,932,780
City governmental activities direct debt			<u>19,160,000</u>
Total direct and overlapping debt			<u>\$ 71,092,780</u>

**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 born 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.

**Source:** Outstanding debt obtained from the Belton School District and the Little Blue Valley Sewer District .

**CITY OF BELTON, MISSOURI**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**March 31, 2009**

Assessed value, March 31, 2009 (3)	\$ 226,538,334
Constitutional debt limit	
Ordinary (1)	\$ 22,653,833
Additional (2)	22,653,833
	\$ 45,307,667
Less:	
General Obligation Bonds payable	\$ 19,160,000
Cash and securities available for retirement	1,382,411
	17,777,589
Legal debt margin	\$ 27,530,078

(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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 27,267,952	\$ 28,777,827	\$ 32,106,692	\$ 31,564,630	\$ 37,035,400	\$ 40,472,210	\$ 40,821,070	\$ 42,168,194	\$ 44,109,125	\$ 45,307,677
Total net debt applicable to limit	5,465,447	6,044,000	5,384,295	4,300,572	4,910,873	4,553,534	4,200,212	19,536,043	18,725,277	17,777,589
Legal debt margin	\$ 21,801,505	\$ 22,733,827	\$ 26,742,397	\$ 27,264,058	\$ 32,124,527	\$ 35,918,676	\$ 36,620,858	\$ 22,632,151	\$ 25,383,848	\$ 27,530,088
Total net debt applicable to the limit as a percentage of debt limit	20.05%	21.00%	16.71%	13.62%	13.26%	11.25%	10.29%	46.33%	42.45%	39.24%

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	Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Coverage
2000	\$ 3,366,870	\$ 2,673,148	\$ 693,722	\$ 380,000	13.31	\$ 2,409,392	\$ 2,246,336	\$ 163,056	\$ 325,000	50.16
2001	3,536,054	2,938,153	597,901	425,000	13.33	2,574,697	2,429,924	144,773	365,000	39.66
2002	3,698,633	2,744,369	954,264	445,000	12.66	2,795,866	2,497,545	298,351	390,000	76.49
2003	3,836,424	2,908,267	928,137	230,000	6.06	2,918,246	2,516,379	402,867	415,000	97.06
2004	-	-	-	-	-	3,092,992	2,619,472	473,520	475,000	98.83
2005	-	-	-	-	-	3,183,749	3,091,263	92,486	725,000	12.83
2006	-	-	-	-	-	3,378,946	3,164,153	214,793	775,000	27.71
2007	-	-	-	-	-	3,689,666	3,187,002	502,664	425,000	118.25
2008	-	-	-	-	-	4,011,188	3,119,521	893,667	465,000	192.19
2009	-	-	-	-	-	4,704,234	3,479,326	1,224,908	485,000	250.50

Note 1: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Operating expenses do not include interest, depreciation, or amortization expenses.

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

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
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%
2008	25,005	\$ 571,139,205	\$ 22,841	36.1	5,000	5.7%
2009	25,337	\$ 584,499,253	\$ 23,069	32.6	5,113	11.3%

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

**Note:** Population and median 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 19

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

Employer	2009			2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Belton School District	689	1	7.19%	600	2	4.00%
Quik 'N Tasty	634	2	6.61%	275	3	2.20%
City of Belton	359	3	3.74%	135	8	1.08%
Research Belton Hospital	233	4	2.43%	195	5	1.56%
Hy-Vee	230	5	2.40%	250	4	2.00%
Beautiful Savior Home	144	6	1.50%	136	7	1.09%
RDM	108	7	1.13%	100	9	0.80%
Kohl's	105	8	1.10%			
Home Depot	100	9	1.04%			
Target	98	10	1.02%			
Pnce Chopper	87		0.91%	185	6	1.48%
Crabtree-Harmon				1,564	1	12.52%
Adams Chevrolet				43	10	0.34%
	<u>2,787</u>		<u>29.07%</u>	<u>3,383</u>		<u>27.08%</u>

Source: City Economic Development Department

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Function/Program</b>										
General government	20	20	19	20	20	20	21	21	20	20
Public safety	44	51	51	51	51	51	70	55	64	62
Public works	19	19	19	18	19	22	22	23	22	24
Fire and emergency services	25	26	27	27	31	33	33	33	41	45
Civil defense	1	1	1	1	1	1	1	1	1	1
Parks and recreation	6	11	11	11	9	10	11	11	15	16
Community and economic development	1	1	1	1	2	3	3	3	3	3
Municipal jail	8	8	8	8	8	8	8	8	8	8
Water	9	9	9	9	10	11	11	11	11	11
Sewer	9	10	10	10	12	11	11	11	13	12
Golf course	-	-	-	-	-	3	3	10	5	5
<b>Total</b>	<b>142</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>163</b>	<b>173</b>	<b>194</b>	<b>187</b>	<b>203</b>	<b>207</b>

**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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government <sup>b</sup>										
Public safety <sup>a</sup>										
Arrests	3,016	3,413	2,482	2,652	3,486	3,527	3,661	3,511	3,246	3,660
Traffic citations	6,186	5,798	-	6,991	6,875	5,393	7,084	7,049	8,099	8,751
Public works <sup>a</sup>										
Asphalt overlay (miles)	-	-	-	-	-	-	-	0.75	-	5.54
Sidewalks (feet)	-	-	-	-	-	-	-	3,500	2,987	1,662
Curbs (feet)	-	-	-	-	-	-	-	660	1,376	1,346
Fire and emergency services <sup>a</sup>										
Fire and emergency services <sup>a</sup>	-	-	2,982	2,901	2,943	3,108	3,077	3,099	2,976	3,004
Fires	-	-	188	172	171	171	143	151	78	19
Inspections	-	-	191	331	275	163	187	382	408	588
Civil defense <sup>b</sup>										
Parks and recreation <sup>a</sup>										
Athletic fields	10	10	12	10	7	8	8	9	9	9
Baseball/softball diamonds	4	4	9	9	9	11	11	11	11	11
Football/soccer fields	3	7	7	7	7	7	7	7	7	7
Community Center admissions	-	-	74,999	65,717	64,044	73,438	84,394	110,729	124,690	164,422
Community and economic development <sup>a</sup>										
Code violations	-	-	-	-	2,504	2,501	2,709	3,415	2,694	2,136
Tickets issued	-	-	-	-	196	444	94	236	220	97
Commercial building permits	24	26	35	11	14	7	37	17	28	4
Residential building permits	197	241	137	57	139	152	172	186	64	14
Municipal jail, inmates	2,691	2,766	2,741	3,005	3,298	3,184	3,566	3,352	3,575	3,538
Water <sup>a</sup>										
Water main breaks	26	48	25	38	61	35	30	45	42	21
New connections	-	205	30	218	162	194	346	250	133	46
Average daily use	-	1,776,663	1,774,805	1,862,766	1,923,456	1,794,090	1,896,759	2,013,089	1,931,801	1,242,000
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	2,349,143	2,283,000
Capacity of water plant per day (gallons)	4,500,000	4,500,000	4,500,000	5,300,000	5,300,000	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 <sup>a</sup>										
Average daily flow (million gallons)	0.65	0.48	0.80	0.61	0.59	1.69	1.49	0.92	1.54	1.59
Treatment plant average load per day	1,300,000	1,300,000	1,300,000	1,700,000	1,700,000	1,700,000	1,500,000	1,500,000	1,729	1,449
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 <sup>a</sup> , Rounds	-	-	32,091	30,102	26,595	24,613	25,609	26,516	26,778	28,963

<sup>a</sup> Indicators were not available for all years  
<sup>b</sup> Indicators were not available for this function

Source: Various City departments

Table 21

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

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government <sup>a</sup>										
Public safety <sup>a</sup> :										
Arrests	3,016	3,413	2,482	2,652	3,486	3,527	3,681	3,511	3,246	3,660
Traffic citations	6,186	5,798	-	6,991	6,875	5,393	7,084	7,049	8,099	8,751
Public works <sup>a</sup> :										
Asphalt overlay (miles)	-	-	-	-	-	-	-	0.75	-	5.54
Sidewalks (feet)	-	-	-	-	-	-	-	3,500	2,987	1,662
Curbs (feet)	-	-	-	-	-	-	-	660	1,378	1,346
Fire and emergency services <sup>a</sup> :										
Emergency responses	-	-	2,982	2,901	2,943	3,108	3,077	3,099	2,978	3,004
Fires	-	-	188	172	171	171	143	151	78	19
Inspections	-	-	191	331	275	163	187	382	408	588
Civil defense <sup>b</sup>										
Parks and recreation <sup>a</sup> :										
Athletic fields	10	10	12	10	7	8	8	9	9	9
Baseball/softball diamonds	4	4	9	9	9	11	11	11	11	11
Football/soccer fields	3	7	7	7	7	7	7	7	7	7
Community Center admissions	-	-	74,999	65,717	64,044	73,438	84,394	110,729	124,690	164,422
Community and economic development <sup>a</sup> :										
Code violations	-	-	-	-	2,504	2,501	2,709	3,415	2,694	2,136
Tickets issued	-	-	-	-	196	444	94	236	220	97
Commercial building permits	24	26	35	11	14	7	37	17	28	4
Residential building permits	197	241	137	57	139	152	172	186	64	14
Municipal jail:										
Inmates	2,691	2,766	2,741	3,005	3,298	3,184	3,566	3,352	3,575	3,538
Water <sup>a</sup> :										
Water main breaks	26	48	25	38	61	35	30	45	42	21
New connections	-	205	30	218	162	194	346	250	133	46
Average daily use	-	1,776,663	1,774,805	1,862,766	1,923,456	1,794,090	1,896,759	2,013,089	1,931,801	1,242,000
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	2,349,143	2,283,000
Capacity of water plant per day (gallons)	4,500,000	4,500,000	4,500,000	5,300,000	5,300,000	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 <sup>a</sup> :										
Average daily flow (million gallons)	0.65	0.48	0.80	0.61	0.59	1.69	1.49	0.92	1.54	1.59
Treatment plant average load per day	1,300,000	1,300,000	1,300,000	1,700,000	1,700,000	1,700,000	1,500,000	1,500,000	1,729	1,449
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 <sup>a</sup> :										
Rounds	-	-	32,091	30,102	26,595	24,613	25,609	26,516	26,778	28,963

<sup>a</sup> Indicators were not available for all years

<sup>b</sup> Indicators were not available for this function

Source: Various City departments