

**REPORT OF**  
**CITY OF MARSHALL, MISSOURI**  
**YEAR ENDED SEPTEMBER 30, 2023**

CITY OF MARSHALL, MISSOURI

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the City Council  
City of Marshall, Missouri

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Boonville, MO 65233  
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### Report on the Audit of the Financial Statements

#### *Opinions*

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 Marshall, Missouri (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general and park funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Change in Accounting Principle*

As described in Note I to the financial statements, in 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

#### *Prior Period Adjustment*

As described in Note I to the financial statements, in 2023, the City recorded a prior period adjustment in the Statement of Net Position. Our opinion is not modified with respect to this matter.

#### PARTNERS

Joseph E. Chitwood  
Travis W. Hundley  
Jeffrey A. Chitwood  
Amy L. Watson  
Benjamin E. Carrier

#### PARTNERS EMERITI

Robert A. Gerding  
Fred W. Korte, Jr.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of contributions, notes to schedule of contributions, and schedule of changes in net pension liability and related ratios on pages 4-11 and 71-75 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and detailed general fund and park fund financial schedules, are presented for purposes of additional analysis and are not a required part of basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the detailed general fund and park fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Gerding, Korte & Chitwood, P.C.*

December 20, 2023

Gerding, Korte & Chitwood, P.C.  
Certified Public Accountants  
Boonville, Missouri

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

As management of the City of Marshall, Missouri (the “City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. As discussed in footnote I-A, Statement 34 allows for certain transition treatments in regards to infrastructure. The City elected to capitalize its infrastructure utilizing the transition treatments of Statement 34.

**Financial Highlights**

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$114,405,471 (net position). Of this amount, \$48,413,837 (unrestricted net position) may be used to meet the City’s ongoing obligations to citizens and creditors in accordance with the City’s fund designation and fiscal policies.
- The City’s total net position increased by \$1,409,921. Capital grants and contributions from developers amounted to \$867,416.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$9,217,539. Over 6.20% of this total amount or \$571,638 is unassigned and available for use within the City’s designation and policies.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,297,578 or 18.53% of the total general fund expenditures.
- The City’s special assessment debt decreased \$14,000 due to scheduled payments.
- The City’s lease debt decreased \$116,724 due to scheduled payments.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements** - The government-wide financial statements are designed to provide readers with the broad overview of the City’s finances, in a manner similar to private-sector business.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, transportation, cultural, parks and recreation and community development. The business-type activities of the City include electric, water, wastewater and sanitation operations. The government-wide financial statements can be found on pages 12-15 of this report.

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

The City maintains 19 governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General and Park Funds, which is considered to be a major fund. Data from the other 17 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 16-21.

**Proprietary Funds** - The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, wastewater and sanitation operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water and wastewater funds since they are considered to be major funds of the City. Because the sanitation fund is the only remaining enterprise fund, it is being presented as a major fund even though it does not meet the criteria of a major fund established in Government Accounting Standards Board (GASB) Statement No. 34. The basic proprietary fund financial statements can be found on pages 22-26 of this report.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-70.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 71-75 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 76-88 of this report.

**Governmental-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City of Marshall, assets and deferred outflows exceeded liabilities and deferred inflows by \$114,405,471 as of September 30, 2023.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

The largest portion of the City's net position (51.80%) reflects its net investment in capital assets (e.g., land, building, equipment, improvements and construction in progress). The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its 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.

**Net Position**

The following table provides a summary of the City's net position at September 30, 2023, with comparative figures for September 30, 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current assets	\$ 8,450,062	\$ 6,458,756	\$ 17,646,341	\$ 22,323,056	\$ 26,096,403	\$ 28,781,812
Restricted assets	-	-	13,779,272	11,731,449	13,779,272	11,731,449
Other assets	3,939,905	4,595,896	2,880,909	4,429,405	6,820,814	9,025,301
Capital assets	21,655,753	21,294,547	50,781,442	48,988,803	72,437,195	70,283,350
Total Assets	<u>34,045,720</u>	<u>32,349,199</u>	<u>85,087,964</u>	<u>87,472,713</u>	<u>119,133,684</u>	<u>119,821,912</u>
Deferred outflows	<u>609,154</u>	<u>351,445</u>	<u>1,088,232</u>	<u>705,744</u>	<u>1,697,386</u>	<u>1,057,189</u>
Current liabilities	682,003	499,170	3,495,040	4,142,483	4,177,043	4,641,653
Long-term liabilities	739,267	795,827	579,045	5,553	1,318,312	801,380
Total Liabilities	<u>1,421,270</u>	<u>1,294,997</u>	<u>4,074,085</u>	<u>4,148,036</u>	<u>5,495,355</u>	<u>5,443,033</u>
Deferred inflows	<u>518,933</u>	<u>1,110,900</u>	<u>411,311</u>	<u>1,363,590</u>	<u>930,244</u>	<u>2,474,490</u>
Net position						
Net investment in capital asset:	21,559,753	21,093,747	37,707,014	40,311,502	59,266,767	61,405,249
Restricted	3,172,874	3,147,787	3,551,993	3,764,165	6,724,867	6,911,952
Unrestricted	7,982,044	6,053,213	40,431,793	38,591,164	48,413,837	44,644,377
Total Net Position	<u>\$ 32,714,671</u>	<u>\$ 30,294,747</u>	<u>\$ 81,690,800</u>	<u>\$ 82,666,831</u>	<u>\$ 114,405,471</u>	<u>\$ 112,961,578</u>

As of September 30, 2023 and September 30, 2022 the City is able to report positive balances in all three categories of net position for the government as a whole.

**Analysis of the City's Operations** - Overall the City had an increase in net position of \$1,409,921.

Governmental Activities: Governmental activities increased the net position by \$2,385,952.

Business-Type Activities: Net Position from business-type activities decreased by \$976,031 or 1.18% from \$82,666,831 to \$81,690,800. This decrease was primarily due to a decrease in net operating income.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

**Changes in Net Position**

The following table provides a summary of the City's operations for the year ended September 30, 2023, with comparative figures for the year ended September 30, 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Fees, fines and charges for services	\$ 933,137	\$ 935,518	\$ 30,316,582	\$ 31,502,024	\$ 31,249,719	\$ 32,437,542
Operating grants and contributions	799,473	29,580	867,416	-	1,666,889	29,580
Capital grants and contributions	-	1,343,463	-	256,220	-	1,599,683
<b>General Revenues:</b>						
Property taxes	1,964,169	1,895,816	-	-	1,964,169	1,895,816
Franchise taxes	2,172,978	2,094,588	-	-	2,172,978	2,094,588
Sales and use taxes	4,519,994	4,396,365	-	-	4,519,994	4,396,365
Motor vehicle and fuel taxes	692,384	587,076	-	-	692,384	587,076
Other taxes	297,191	240,264	-	-	297,191	240,264
Interest investment earnings	342,776	101,517	1,086,852	82,470	1,429,628	183,987
Other	232,927	922,363	-	-	232,927	922,363
Gain/(loss) on disposition of property	604,833	9,560	62,434	-	667,267	9,560
<b>Total Revenues</b>	<u>12,559,862</u>	<u>12,556,110</u>	<u>32,333,284</u>	<u>31,840,714</u>	<u>44,893,146</u>	<u>44,396,824</u>
<b>Expenses:</b>						
General government	1,340,165	1,671,066	-	-	1,340,165	1,671,066
Public safety	4,865,156	4,404,136	-	-	4,865,156	4,404,136
Transportation	2,428,666	2,383,453	-	-	2,428,666	2,383,453
Parks and recreation	2,325,719	1,958,563	-	-	2,325,719	1,958,563
Community/economic development	211,039	169,075	-	-	211,039	169,075
Debt service	3,165	25,985	-	-	3,165	25,985
Electric	-	-	20,962,825	20,345,607	20,962,825	20,345,607
Water	-	-	4,559,287	3,807,575	4,559,287	3,807,575
Wastewater	-	-	3,297,560	2,590,303	3,297,560	2,590,303
IT & Broadband	-	-	1,935,650	1,522,036	1,935,650	1,522,036
Sanitation	-	-	1,553,993	1,501,632	1,553,993	1,501,632
<b>Total Expenses</b>	<u>11,173,910</u>	<u>10,612,278</u>	<u>32,309,315</u>	<u>29,767,153</u>	<u>43,483,225</u>	<u>40,379,431</u>
<b>Other</b>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in net position</b>	<u>2,385,952</u>	<u>1,943,832</u>	<u>(976,031)</u>	<u>2,073,561</u>	<u>1,409,921</u>	<u>4,017,393</u>
<b>Net Position - Beginning of Year</b>	<u>30,294,747</u>	<u>28,350,915</u>	<u>82,666,831</u>	<u>80,593,270</u>	<u>112,961,578</u>	<u>108,944,185</u>
<b>Prior Period Adjustment</b>	<u>33,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,972</u>	<u>108,944,185</u>
<b>Net Position - End of Year</b>	<u>\$ 32,714,671</u>	<u>\$ 30,294,747</u>	<u>\$ 81,690,800</u>	<u>\$ 82,666,831</u>	<u>\$ 114,405,471</u>	<u>\$ 112,961,578</u>

**Financial Analysis of the Government's Funds**

**Governmental Funds** - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirement. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,217,539. Approximately 6.20% of this total amount \$571,638 constitutes unassigned fund balance. The remainder of the fund balance is nonspendable or assigned.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

In the general fund, the City budgeted for an increase in the fund balance of \$176,640, which was primarily resulting from more revenue. Due to actual revenues being more than budgeted, the actual fund balance increase for fiscal year 2023 was \$506,355. Debt service fund balance increased in 2023 by \$5,750.

**Proprietary Fund** - The City’s proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective proprietary funds are electric - \$28,669,634, water - \$2,912,542, wastewater - \$4,387,763, sanitation and IT & broadband - \$4,461,854. All funds except wastewater had a net position decrease in 2023.

**General Fund Budgetary Highlights** - The City made revisions to the original appropriations approved by the City Council. In the general fund these changes resulted in an increase in budgeted expenditures from the original budget of \$493,053.

**Capital Assets**

The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2023 amounts to \$72,437,195 (net of accumulated depreciation). This investment in capital assets includes land, building, equipment, improvements and construction in progress. The following table provides a summary of the City’s capital assets at September 30, 2023, with comparative figures for September 30, 2022:

CAPITAL ASSETS AT YEAR-END  
NET OF ACCUMULATED DEPRECIATION

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Property, plant and equipment:						
Land	\$ 2,617,059	\$ 1,990,135	\$ 2,037,722	\$ 2,037,722	\$ 4,654,781	\$ 4,027,857
Structures, improvements and plant equipment	3,567,556	3,351,407	15,013,614	14,886,621	18,581,170	18,238,028
Improvements	7,060,328	7,365,447	-	-	7,060,328	7,365,447
Distribution system	-	-	20,216,837	19,504,963	20,216,837	19,504,963
Street lighting and hydrants	-	-	639,917	680,891	639,917	680,891
Office structures and improvement and furniture and fixtures	-	-	-	-	-	-
Machinery and equipment	896,451	913,902	1,988,285	2,506,919	2,884,736	3,420,821
Construction in progress	-	-	10,711,016	9,192,995	10,711,016	9,192,995
Infrastructure	7,514,359	7,673,656	-	-	7,514,359	7,673,656
Net Capital Assets	<u>\$ 21,655,753</u>	<u>\$ 21,294,547</u>	<u>\$ 50,781,442</u>	<u>\$ 48,988,803</u>	<u>\$ 72,437,195</u>	<u>\$ 70,283,350</u>

Additional information on the City’s capital assets can be found in Note III-G and III-H on pages 45-50 of this report.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

**Debt Administration**

At the end of the current fiscal year, the City of Marshall had special assessment debt and lease payable of \$996,586. Of this amount, \$96,000 comprises bonded debt backed by the full faith and credit of the government; and \$900,586 represents lease obligations that are expected to be paid so long as the City appropriates funds for payment.

**Outstanding Debt at Year End  
Special Assessment Debt and Capital Lease**

The following table provides a summary of the City’s outstanding debt at September 30, 2023, with comparative figures for September 30, 2022:

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Special assessment debt	\$ 96,000	\$ 110,000	\$ -	\$ -
Leases	895,033	739,056	5,553	7,003
Total	\$ 991,033	\$ 849,056	\$ 5,553	\$ 7,003

During the fiscal year, the City’s total debt increased by \$140,527. The increase was due to the addition of leases. Additional information on the City’s long-term debt can be found in footnote III-I on pages 51-60 of this report.

**Economic Outlook**

The FY24 budget continues to remain strong. It is a budget that presents a combination of conservative revenue projections mandated by real estate and personal property tax. On the other hand, it is a budget that works to maintain a healthy general fund balance. The FY24 budget provides a slight cost of living increase for all employees. Of course, the economy will determine if the cost-of-living increase will be possible in future years.

The large unknown factors impacting this budget and every municipal budget in Missouri are the state, federal and regional economies. Another related unknown factor is legislation coming out of the Missouri legislature that may negatively impact municipal budgets. It is important that we monitor these developments. Even with some of these unknowns the City is able to fulfill some of the capital project requests from each department. These include new air pacs for the fire department, a new arm mower for the sanitation department, and a new snowplow for the street department. Also, with ARPA funding assistance, the street department will continue much needed street repairs and the City will make improvements to city department buildings.

**CITY OF MARSHALL, MISSOURI  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2023  
(UNAUDITED)**

It also is important that we monitor city revenues and expenditures. Another budget goal is to continue to monitor sales tax revenues, a major source of city income, and possibly work with the Missouri Municipal League, other cities, and the federal and state legislatures to address the worrisome problem of declining sales tax revenues due to more internet sales and fewer sales at brick-and-mortar stores. The City began to address this problem with the public approval of the use tax in 2013. Due to this flattening of the trend line of the largest revenue source, the City must pay particular attention to corresponding trends in expenditures. In the meantime, although it is wise to be financially conservative and cautious, the City must move forward with our budgetary efforts to strengthen community services and infrastructure. This Fiscal Year 2024 budget attempts to reach both of those goals.

**Request for Information**

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City’s finances. If you have questions about this report or need any additional information, contact the City of Marshall, Missouri, Attn: Aimee Klinge, Finance Officer, at 214 N. Lafayette, Marshall, Missouri 65340, or call (660) 886-2226.

**CITY OF MARSHALL, MISSOURI**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

<b>ASSETS</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Current Assets:</b>			
Cash, including time deposits	\$ 6,725,575	\$ 8,678,796	\$ 15,404,371
Investments	151,054	-	151,054
Interest receivable	3,707	83,343	87,050
Accounts receivable (net)	490,328	3,969,562	4,459,890
Taxes receivable - net of allowance for uncollectible - \$8,328	45,794	-	45,794
Due from other governmental agencies	1,420,356	-	1,420,356
Franchise taxes receivable	539,243	-	539,243
Internal account	(1,387,515)	1,387,515	-
Inventory	96,073	3,059,087	3,155,160
Prepaid expenses	365,447	468,038	833,485
Total Current Assets	<u>8,450,062</u>	<u>17,646,341</u>	<u>26,096,403</u>
<b>Noncurrent Assets:</b>			
<b>Restricted assets:</b>			
Cash, including time deposits	-	8,666,980	8,666,980
Investment securities	-	5,112,292	5,112,292
Total Restricted Assets	<u>-</u>	<u>13,779,272</u>	<u>13,779,272</u>
Net pension asset	3,003,673	2,875,072	5,878,745
Lease asset	1,175,847	7,783	1,183,630
Accumulated amortization, lease asset	(292,929)	(1,946)	(294,875)
Net lease asset	<u>882,918</u>	<u>5,837</u>	<u>888,755</u>
Subscription asset	93,300	-	93,300
Accumulated amortization, subscription asset	(39,986)	-	(39,986)
Net subscription asset	<u>53,314</u>	<u>-</u>	<u>53,314</u>
<b>Capital Assets:</b>			
<b>Capital assets not being depreciated:</b>			
Land and land improvements	13,763,406	2,037,722	15,801,128
Construction in progress	-	10,711,021	10,711,021
Total capital assets not being depreciated	<u>13,763,406</u>	<u>12,748,743</u>	<u>26,512,149</u>
<b>Capital assets being depreciated:</b>			
Structures, improvements and plant equipment	9,724,985	50,303,840	60,028,825
Distribution system	-	54,346,370	54,346,370
Office structure, improvements furniture and fixtures	-	615,053	615,053
Equipment	5,594,404	9,125,173	14,719,577
Infrastructure	32,688,767	-	32,688,767
Accumulated depreciation	(40,115,809)	(76,357,737)	(116,473,546)
Net capital assets being depreciated	<u>7,892,347</u>	<u>38,032,699</u>	<u>45,925,046</u>
Total Capital Assets, net of accumulated depreciation	<u>21,655,753</u>	<u>50,781,442</u>	<u>72,437,195</u>
Total Noncurrent Assets	<u>25,595,658</u>	<u>67,441,623</u>	<u>93,037,281</u>
Total Assets	<u>34,045,720</u>	<u>85,087,964</u>	<u>119,133,684</u>
<b>Deferred Outflows:</b>			
Deferred outflows related to pension	609,154	1,088,232	1,697,386
Total Deferred Outflows	<u>609,154</u>	<u>1,088,232</u>	<u>1,697,386</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION (CONT'D)**  
**SEPTEMBER 30, 2023**

<b>LIABILITIES</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	14,491	2,102,892	2,117,383
Accrued expenses	355,138	711,890	1,067,028
Debt due within one year	312,374	1,508	313,882
Payable from segregated funds			
Customer's deposits	-	678,750	678,750
Total Current Liabilities	<u>682,003</u>	<u>3,495,040</u>	<u>4,177,043</u>
Noncurrent Liabilities:			
Special assessment debt	82,000	-	82,000
Lease payable	568,917	4,045	572,962
Subscription payable	56,902	-	56,902
Note payable	-	575,000	575,000
Accrued compensated absences	31,448	-	31,448
Total Noncurrent Liabilities	<u>739,267</u>	<u>579,045</u>	<u>1,318,312</u>
Total Liabilities	<u>1,421,270</u>	<u>4,074,085</u>	<u>5,495,355</u>
<b>DEFERRED INFLOWS</b>			
Deferred inflows related to pension	518,933	411,311	930,244
Total Deferred Inflows	<u>518,933</u>	<u>411,311</u>	<u>930,244</u>
<b>NET POSITION</b>			
Net investment in capital assets	21,559,753	37,707,014	59,266,767
Restricted, but expendable for:			
Debt service	78,980	-	78,980
Pension	3,093,894	3,551,993	6,645,887
Unrestricted	7,982,044	40,431,793	48,413,837
Total Net Position	<u>\$ 32,714,671</u>	<u>\$ 81,690,800</u>	<u>\$ 114,405,471</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Primary Government	Business-type Activities	
					Governmental Activities	Business-type Activities	
Governmental Activities:							
General Government:							
General and administration	\$ 1,102,584	\$ 168,769	\$ 133,891	\$ -	\$ (799,924)	\$ -	\$ (799,924)
Executive	237,581	-	-	-	(237,581)	-	(237,581)
Total General Government	1,340,165	168,769	133,891	-	(1,037,505)	-	(1,037,505)
Public Safety:							
Police	2,882,178	64,106	-	-	(2,818,072)	-	(2,818,072)
Fire	1,858,007	-	-	-	(1,858,007)	-	(1,858,007)
Court	124,971	-	-	-	(124,971)	-	(124,971)
Total Public Safety	4,865,156	64,106	-	-	(4,801,050)	-	(4,801,050)
Transportation:							
Airport	291,658	142,749	-	-	(148,909)	-	(148,909)
Streets	2,137,008	14,091	132,165	-	(1,990,752)	-	(1,990,752)
Total Transportation	2,428,666	156,840	132,165	-	(2,139,661)	-	(2,139,661)
Cultural, Parks and Recreation:							
Library	342,173	2,101	38,077	-	(301,995)	-	(301,995)
Parks	1,783,114	465,370	495,340	-	(822,404)	-	(822,404)
Band	19,499	-	-	-	(19,499)	-	(19,499)
Community center	180,933	-	-	-	(180,933)	-	(180,933)
Total Cultural, Parks and Recreation	2,325,719	467,471	533,417	-	(1,324,831)	-	(1,324,831)
Community/Economic Development:							
Planning, building and economic	211,039	75,951	-	-	(135,088)	-	(135,088)
Total Community/Economic Development	211,039	75,951	-	-	(135,088)	-	(135,088)
Debt Service:							
Interest	3,165	-	-	-	(3,165)	-	(3,165)
Total Debt Service	3,165	-	-	-	(3,165)	-	(3,165)
Total Governmental Activities	11,173,910	933,137	799,473	-	(9,441,300)	-	(9,441,300)
Business-type Activities:							
Electric	20,962,825	18,848,337	-	52,567	-	(2,061,921)	(2,061,921)
Water	4,559,287	4,473,124	-	-	-	(86,163)	(86,163)
Wastewater	3,297,560	3,672,197	-	162,280	-	536,917	536,917
Internet	1,935,650	1,911,621	-	652,569	-	628,540	628,540
Sanitation	1,553,993	1,411,303	-	-	-	(142,690)	(142,690)
Total Business-type Activities	32,309,315	30,316,582	-	867,416	-	(1,125,317)	(1,125,317)
Total	\$ 43,483,225	\$ 31,249,719	\$ 799,473	\$ 867,416	\$ (9,441,300)	\$ (1,125,317)	\$ (10,566,617)

**CITY OF MARSHALL, MISSOURI**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (CONT'D)**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Net (Expense) Revenue</u> <u>and Changes in Net Position</u>		
	<u>Primary Government</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purposes	1,955,931	-	1,955,931
Property taxes, levied for debt service	8,238	-	8,238
Franchise taxes	2,172,978	-	2,172,978
Sales and use taxes	4,519,994	-	4,519,994
Motor vehicle and fuel taxes	692,384	-	692,384
Cigarette taxes	41,329	-	41,329
Tourism taxes	62,710	-	62,710
Economic development taxes	178,535	-	178,535
Other taxes	14,617	-	14,617
Unrestricted investment earnings	342,776	1,086,852	1,429,628
Miscellaneous	232,927	-	232,927
Gain (loss) on disposition of property	604,833	62,434	667,267
Interfund transfers	1,000,000	(1,000,000)	-
Total general revenues	<u>11,827,252</u>	<u>149,286</u>	<u>11,976,538</u>
Change in net position	<u>2,385,952</u>	<u>(976,031)</u>	<u>1,409,921</u>
Net position - beginning of year	30,294,747	82,666,831	112,961,578
Prior Period Adjustment (Note 1)	33,972	-	33,972
Net position - beginning of year, restated	<u>30,328,719</u>	<u>82,666,831</u>	<u>112,995,550</u>
Net position - end of year	<u>\$ 32,714,671</u>	<u>\$ 81,690,800</u>	<u>\$ 114,405,471</u>

**CITY OF MARSHALL, MISSOURI**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	<b>General Fund</b>	<b>Park Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 547,897	\$ 1,077,893	\$ 6,139,309	\$ 7,765,099
Investments	-	-	55,054	55,054
Taxes receivable - net of allowance for uncollectible - \$8,328	26,076	11,272	8,446	45,794
Franchise taxes receivable	539,243	-	-	539,243
Accrued interest receivable	3,707	-	-	3,707
Accounts receivable	291,011	-	199,317	490,328
Due from other governmental agencies	693,744	333,451	393,161	1,420,356
Due from other funds	226,148	-	101,554	327,702
Inventory	-	24,716	71,357	96,073
Prepaid expenses	186,073	79,392	99,982	365,447
Total Assets	<u>\$ 2,513,899</u>	<u>\$ 1,526,724</u>	<u>\$ 7,068,180</u>	<u>\$ 11,108,803</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 7,550	2,951	\$ 3,990	\$ 14,491
Accrued expenses	264,859	35,782	37,943	338,584
Pooled cash deficit	540,303	-	499,221	1,039,524
Due to other funds	194,743	-	263,894	458,637
Total Liabilities	<u>1,007,455</u>	<u>38,733</u>	<u>805,048</u>	<u>1,851,236</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned revenue - property taxes	22,793	9,853	7,382	40,028
<b>FUND EQUITY</b>				
Nonspendable				
Inventory	-	24,716	71,357	96,073
Prepaid expenses	186,073	79,392	99,982	365,447
Assigned for special revenue purposes	-	1,374,030	6,731,371	8,105,401
Assigned for debt service purposes	-	-	78,980	78,980
Unassigned (deficit)	1,297,578	-	(725,940)	571,638
Total Fund Equity	<u>1,483,651</u>	<u>1,478,138</u>	<u>6,255,750</u>	<u>9,217,539</u>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	<u>\$ 2,513,899</u>	<u>\$ 1,526,724</u>	<u>\$ 7,068,180</u>	<u>\$ 11,108,803</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023**

Total fund balance - total governmental funds	\$ 9,217,539
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$40,115,809	21,655,753
Lease assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated amortization of \$292,929	882,918
Subscription assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated amortization of \$39,986	53,314
The net pension asset and deferred outflows related to pension are not available resources and, therefore, are not reported in the funds.	3,612,827
The net pension liability and deferred inflows related to pension are not payable from available resources and, therefore, are not reported in the funds.	(518,933)
Unavailable property tax revenue accounts are used by management to report revenues earned but not collected within 60 days of the fiscal year-end as deferred inflows of resources of the individual funds. Such amounts are considered revenues of the government-wide statements when earned.	40,028
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Interfund loan	(1,256,580)
Accrued compensated absences	(31,448)
Accrued interest payable	(16,554)
Debt due in less than one year	(298,374)
Debt due in more than one year	<u>(625,819)</u>
Net position of governmental activities	<u>\$ 32,714,671</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<b>General Fund</b>	<b>Park Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>REVENUES</b>				
Taxes	\$ 6,315,148	\$ 1,486,910	\$ 1,841,064	\$ 9,643,122
Licenses and permits	158,689	-	-	158,689
Intergovernmental	129,976	472,273	169,760	772,009
Charges for services	10,080	460,600	234,892	705,572
Fines and penalties	64,106	-	-	64,106
Miscellaneous	831,418	84,553	303,145	1,219,116
Total Revenues	<u>7,509,417</u>	<u>2,504,336</u>	<u>2,548,861</u>	<u>12,562,614</u>
<b>EXPENDITURES</b>				
General and administrative	1,599,844	-	-	1,599,844
Executive	225,145	-	-	225,145
Fire	2,055,962	-	-	2,055,962
Police	2,793,147	-	-	2,793,147
Court	124,915	-	-	124,915
Planning, building and economic development	204,049	-	-	204,049
Street	-	-	1,362,931	1,362,931
Band	-	-	79,400	79,400
Park	-	1,535,035	230,315	1,765,350
Community center	-	-	393,882	393,882
Airport operating	-	-	270,980	270,980
Library	-	-	480,960	480,960
Capital outlay	-	-	465,095	465,095
Debt service				
Interest and fees	-	-	2,488	2,488
Total Expenditures	<u>7,003,062</u>	<u>1,535,035</u>	<u>3,286,051</u>	<u>11,824,148</u>
Excess (Deficit) of Revenues over Expenditures	<u>506,355</u>	<u>969,301</u>	<u>(737,190)</u>	<u>738,466</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Right of use asset	-	(272,701)	-	(272,701)
Lease proceeds	-	272,701	-	272,701
Operating transfers in (out)	-	(322,000)	1,322,000	1,000,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(322,000)</u>	<u>1,322,000</u>	<u>1,000,000</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	506,355	647,301	584,810	1,738,466
Fund Balance, beginning of year	<u>977,296</u>	<u>830,837</u>	<u>5,670,940</u>	<u>7,479,073</u>
Fund Balance, end of year	<u>\$ 1,483,651</u>	<u>\$ 1,478,138</u>	<u>\$ 6,255,750</u>	<u>\$ 9,217,539</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds \$ 1,738,466

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	1,783,615
Capital asset dispositions	(6,348)
Depreciation expense	<u>(1,359,233)</u>
	<u>418,034</u>

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Interfund loan principal payments	212,951
Lease/subscription obligation principal payments	<u>180,864</u>
	<u>393,815</u>

The accrual of interest and recording of amortization expense to be in compliance with GASB 87 and GASB 96 is an expense in the Statement of Activities but is not recorded in the governmental funds:

Interest expense	(450)
Amortization expense	<u>(191,653)</u>
	<u>(192,103)</u>

Revenues in the statement activities that do not provide current financial resources are not reported as revenues in the funds:

Unavailable revenues - property taxes	<u>3,594</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Accrued compensated absences	4,809
Net pension expenses	<u>19,337</u>
	<u>24,146</u>

Change in Net Position of Governmental Activities	<u><u>\$ 2,385,952</u></u>
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See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 5,785,909	\$ 6,109,087	\$ 6,315,148	\$ 206,061
Licenses and permits	156,859	158,428	158,689	261
Intergovernmental	10,000	115,400	129,976	14,576
Charges for services	3,500	10,090	10,080	(10)
Fines and penalties	76,000	64,710	64,106	(604)
Miscellaneous	119,000	314,315	831,418	517,103
Total Revenues	<u>6,151,268</u>	<u>6,772,030</u>	<u>7,509,417</u>	<u>737,387</u>
<b>EXPENDITURES</b>				
General and administrative	857,690	1,010,425	1,599,844	(589,419)
Executive	226,300	225,150	225,145	5
Fire	2,024,313	2,070,258	2,055,962	14,296
Police	2,680,903	2,957,173	2,793,147	164,026
Court	126,563	126,029	124,915	1,114
Planning, building and economic development	<u>186,568</u>	<u>206,355</u>	<u>204,049</u>	<u>2,306</u>
Total Expenditures	<u>6,102,337</u>	<u>6,595,390</u>	<u>7,003,062</u>	<u>(407,672)</u>
Excess (Deficit) of Revenues over Expenditures	48,931	176,640	506,355	<u>\$ 329,715</u>
Fund Balance, beginning of year	<u>977,296</u>	<u>977,296</u>	<u>977,296</u>	
Fund Balance, end of year	<u>\$ 1,026,227</u>	<u>\$ 1,153,936</u>	<u>\$ 1,483,651</u>	

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**PARK FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 1,316,839	\$ 1,489,559	\$ 1,486,910	\$ (2,649)
Intergovernmental	-	383,430	472,273	88,843
Charges for services	315,500	463,286	460,600	(2,686)
Miscellaneous	91,000	78,975	84,553	5,578
Total Revenues	<u>1,723,339</u>	<u>2,415,250</u>	<u>2,504,336</u>	<u>89,086</u>
<b>EXPENDITURES</b>				
Park	<u>1,709,998</u>	<u>1,557,912</u>	<u>1,535,035</u>	<u>22,877</u>
Total Expenditures	<u>1,709,998</u>	<u>1,557,912</u>	<u>1,535,035</u>	<u>22,877</u>
Excess (Deficit) of Revenues over Expenditures	<u>13,341</u>	<u>857,338</u>	<u>969,301</u>	<u>111,963</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in (out)	-	(322,000)	(322,000)	-
Lease proceeds	-	-	272,701	272,701
Right of use asset	-	-	(272,701)	(272,701)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(322,000)</u>	<u>(322,000)</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	<u>13,341</u>	<u>535,338</u>	<u>647,301</u>	<u>\$ 111,963</u>
Fund Balance, beginning of year	<u>830,837</u>	<u>830,837</u>	<u>830,837</u>	
Fund Balance, end of year	<u>\$ 844,178</u>	<u>\$ 1,366,175</u>	<u>\$ 1,478,138</u>	

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total</b>
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Non-Major Enterprise Funds</b>	
<b>ASSETS</b>					
Operating Funds:					
Cash and cash equivalents	\$ 4,039,906	\$ -	\$ 354,668	\$ 4,505,119	\$ 8,899,693
Accounts receivable:					
Consumers	2,166,380	432,923	400,346	911,520	3,911,169
Other	3,624	16,215	38,439	115	58,393
Accrued interest	83,125	-	218	-	83,343
Due from other funds	1,780,000	-	-	(1,649,065)	130,935
Inventories:					
Fuel	644,934	-	-	-	644,934
Operating and maintenance supplies, at average cost	1,314,524	226,886	31,016	841,727	2,414,153
Current portion of interfund note receivable	1,051,170	-	-	-	1,051,170
Prepaid expenses	295,874	66,618	50,438	55,108	468,038
	<u>11,379,537</u>	<u>742,642</u>	<u>875,125</u>	<u>4,664,524</u>	<u>17,661,828</u>
<b>SEGREGATED FUNDS</b>					
Cash and cash equivalents	2,494,423	2,748,019	3,424,538	-	8,666,980
U.S. Gov't Securities - at amortized cost	4,867,292	-	245,000	-	5,112,292
	<u>7,361,715</u>	<u>2,748,019</u>	<u>3,669,538</u>	<u>-</u>	<u>13,779,272</u>
Total Current Assets (Including Segregated Funds)	<u>18,741,252</u>	<u>3,490,661</u>	<u>4,544,663</u>	<u>4,664,524</u>	<u>31,441,100</u>
<b>Noncurrent Assets</b>					
Noncurrent portion of interfund note receivable	12,704,838	-	-	-	12,704,838
Net pension asset	1,498,905	673,118	371,769	331,280	2,875,072
Lease asset	7,783	-	-	-	7,783
Accumulated amortization	(1,946)	-	-	-	(1,946)
<b>Capital Assets</b>					
Land and land improvements	1,621,462	94,398	118,398	203,464	2,037,722
Structures, improvements and plant equipment	14,579,514	11,655,423	24,052,477	16,426	50,303,840
Distribution system	30,147,582	9,513,203	9,293,006	5,392,579	54,346,370
Office structures, improvements, furniture and fixtures	599,593	15,460	-	-	615,053
Equipment	4,458,879	1,109,596	1,643,753	1,912,945	9,125,173
Construction in progress	128,074	1,077,646	8,789,298	716,003	10,711,021
Accumulated depreciation	(35,043,285)	(12,600,644)	(24,829,021)	(3,884,787)	(76,357,737)
Total Capital Assets, net of accumulated depreciation	<u>16,491,819</u>	<u>10,865,082</u>	<u>19,067,911</u>	<u>4,356,630</u>	<u>50,781,442</u>
Total Noncurrent Assets	<u>30,701,399</u>	<u>11,538,200</u>	<u>19,439,680</u>	<u>4,687,910</u>	<u>66,367,189</u>
Total Assets	<u>49,442,651</u>	<u>15,028,861</u>	<u>23,984,343</u>	<u>9,352,434</u>	<u>97,808,289</u>
<b>Deferred Outflows</b>					
Deferred outflows related to pension	614,612	239,648	145,346	88,626	1,088,232
Total Deferred Outflows	<u>614,612</u>	<u>239,648</u>	<u>145,346</u>	<u>88,626</u>	<u>1,088,232</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF NET POSITION (CONT'D)**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total</b>
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Non-Major Enterprise Funds</b>	
<b>LIABILITIES</b>					
<b>Operating Funds:</b>					
Accounts payable - trade/other	1,255,679	174,824	54,868	94,276	1,579,647
Gross revenue levy payable	466,945	56,300	-	-	523,245
Pooled cash overdraft	-	220,897	-	-	220,897
Accrued benefits payable	327,040	102,420	90,926	88,741	609,127
Accrued payroll	48,326	23,678	11,106	19,653	102,763
Current portion of lease payable	1,508	-	-	-	1,508
Current portion of interfund note payable	-	289,873	344,466	199,648	833,987
	<u>2,099,498</u>	<u>867,992</u>	<u>501,366</u>	<u>402,318</u>	<u>3,871,174</u>
<b>Segregated Funds:</b>					
Consumer's deposits	678,750	-	-	-	678,750
	<u>678,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>678,750</u>
<b>Total Current Liabilities (Including Segregated Funds)</b>	<u>2,778,248</u>	<u>867,992</u>	<u>501,366</u>	<u>402,318</u>	<u>4,549,924</u>
<b>Long-Term Debt:</b>					
Long-term portion of note payable	-	-	-	575,000	575,000
Long-term portion of lease payable	4,045	-	-	-	4,045
Long-term portion of interfund note payable	-	481,764	9,013,701	2,169,976	11,665,441
<b>Total Noncurrent Liabilities</b>	<u>4,045</u>	<u>481,764</u>	<u>9,013,701</u>	<u>2,744,976</u>	<u>12,244,486</u>
<b>Total Liabilities</b>	<u>\$ 2,782,293</u>	<u>\$ 1,349,756</u>	<u>\$ 9,515,067</u>	<u>\$ 3,147,294</u>	<u>\$ 16,794,410</u>
<b>Deferred Inflows:</b>					
Deferred inflows related to pension	\$ 146,494	\$ 164,148	\$ 42,707	\$ 57,962	\$ 411,311
<b>Total Deferred Inflows</b>	<u>\$ 146,494</u>	<u>\$ 164,148</u>	<u>\$ 42,707</u>	<u>\$ 57,962</u>	<u>\$ 411,311</u>
<b>NET POSITION</b>					
Net investment in capital assets	\$ 16,491,819	\$ 10,093,445	\$ 9,709,744	\$ 1,412,006	\$ 37,707,014
Restricted but expendable for pension	1,967,023	748,618	474,408	361,944	3,551,993
Unrestricted	28,669,634	2,912,542	4,387,763	4,461,854	40,431,793
<b>Total Net Position</b>	<u>\$ 47,128,476</u>	<u>\$ 13,754,605</u>	<u>\$ 14,571,915</u>	<u>\$ 6,235,804</u>	<u>\$ 81,690,800</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF OPERATING REVENUES, OPERATING EXPENSES**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Business- Type Activities - Enterprise Funds</u>				<u>Total</u>
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Non-Major Enterprise Funds</u>	
Operating Revenues:					
Charges for services	\$ 18,655,087	\$ 4,410,206	\$ 3,637,835	\$ 3,277,489	\$ 29,980,617
Miscellaneous	193,250	62,918	34,362	45,435	335,965
Total Operating Revenues	<u>18,848,337</u>	<u>4,473,124</u>	<u>3,672,197</u>	<u>3,322,924</u>	<u>30,316,582</u>
Operating Expenses:					
Production and plant maintenance	12,020,662	1,063,891	882,308	452,227	14,419,088
Transmission and distribution	701,647	285,448	693,448	1,837,608	3,518,151
Personnel services	4,549,286	1,892,192	862,875	499,568	7,803,921
Insurance	399,081	88,252	69,775	35,250	592,358
Payments and/or services in lieu of taxes	1,575,936	257,475	11,437	12,222	1,857,070
Other general expense	441,226	264,061	146,483	37,963	889,733
Depreciation and amortization	1,274,987	668,340	631,234	523,549	3,098,110
Total Operating Expenses	<u>20,962,825</u>	<u>4,519,659</u>	<u>3,297,560</u>	<u>3,398,387</u>	<u>32,178,431</u>
Net Operating Income	<u>(2,114,488)</u>	<u>(46,535)</u>	<u>374,637</u>	<u>(75,463)</u>	<u>(1,861,849)</u>
Non-Operating Revenues (Expenses):					
Interest & investment earnings	802,410	3,587	108,362	172,493	1,086,852
Interest expense	-	(39,628)	-	(91,256)	(130,884)
Gain/(Loss) on sale of property	-	51,850	19,600	(9,016)	62,434
Net Non-Operating Revenues (Expenses)	<u>802,410</u>	<u>15,809</u>	<u>127,962</u>	<u>72,221</u>	<u>1,018,402</u>
Income before capital grants and contributions	(1,312,078)	(30,726)	502,599	(3,242)	(843,447)
Transfers In/(Out)	-	-	-	(1,000,000)	(1,000,000)
Capital grants and contributions	<u>52,567</u>	<u>-</u>	<u>162,280</u>	<u>652,569</u>	<u>867,416</u>
Change in Net Position	(1,259,511)	(30,726)	664,879	(350,673)	(976,031)
Net Position, beginning of year	<u>48,387,987</u>	<u>13,785,331</u>	<u>13,907,036</u>	<u>6,586,477</u>	<u>82,666,831</u>
Net Position, end of year	<u>\$ 47,128,476</u>	<u>\$ 13,754,605</u>	<u>\$ 14,571,915</u>	<u>\$ 6,235,804</u>	<u>\$ 81,690,800</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Total</b>
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Non-Major Enterprise Funds</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 18,776,370	\$ 4,506,629	\$ 3,681,793	\$ 2,906,748	\$ 29,871,540
Cash paid to suppliers	(14,603,002)	(1,556,140)	(1,789,415)	(2,081,759)	(20,030,316)
Cash paid to employees	(4,595,167)	(1,892,192)	(865,875)	(1,087,894)	(8,441,128)
Cash paid for services in lieu of taxes	(1,575,936)	(229,100)	(11,437)	(12,222)	(1,828,695)
Net cash provided (used) by operating activities	(1,997,735)	829,197	1,015,066	(275,127)	(428,599)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital grants and contributions	52,567	-	162,280	652,569	867,416
Proceeds from sale of assets	-	51,850	19,600	771,513	842,963
Purchases of capital assets	(739,629)	(976,161)	(2,891,296)	(1,062,634)	(5,669,720)
Interfund transfers out	-	-	-	(1,000,000)	(1,000,000)
Principal paid on lease payable	(1,450)	-	-	-	(1,450)
Note proceeds	-	-	-	575,000	575,000
Proceeds from interfund loan	-	-	2,065,049	2,500,000	4,565,049
Principal payments on interfund loan	-	(279,914)	(332,632)	(250,377)	(862,923)
Interest paid on debt	-	(39,628)	-	(91,256)	(130,884)
Net cash provided (used) by capital and related financing activities	(688,512)	(1,243,853)	(976,999)	2,094,815	(814,549)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	89,483	-	-	-	89,483
Purchase of investments	-	-	-	-	-
Principal advances on interfund loan	(4,565,049)	-	-	-	(4,565,049)
Principal payments received on interfund loan	1,075,873	-	-	-	1,075,873
Interest and dividends	802,410	3,587	108,362	172,493	1,086,852
Net cash provided (used) by investing activities	(2,597,283)	3,587	108,362	172,493	(2,312,841)
Net increase (decrease) in cash and cash equivalents	(5,283,530)	(411,069)	146,429	1,992,181	(3,555,989)
Balances - beginning of year	11,817,859	2,938,191	3,632,777	2,512,938	20,901,765
Balances - end of year	\$ 6,534,329	\$ 2,527,122	\$ 3,779,206	\$ 4,505,119	\$ 17,345,776
Reported on the Statement of Net Position as:					
Cash and cash equivalents/(pooled cash overdrafts)	\$ 4,039,906	\$ (220,897)	\$ 354,668	\$ 4,505,119	\$ 8,678,796
Segregated cash and cash equivalents	2,494,423	2,748,019	3,424,538	-	8,666,980
	\$ 6,534,329	\$ 2,527,122	\$ 3,779,206	\$ 4,505,119	\$ 17,345,776

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF CASH FLOWS (CONT'D)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Business Type Activities - Enterprise Funds</u>				<u>Total</u>
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Non-Major Enterprise Funds</u>	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>					
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ (2,114,488)	\$ (46,535)	\$ 374,637	\$ (75,463)	\$ (1,861,849)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:					
Depreciation expense	1,273,430	668,340	631,234	523,549	3,096,553
Changes in assets, deferred outflows, liabilities and deferred inflows:					
Receivables - net of allowances	(71,967)	33,505	9,596	(416,176)	(445,042)
Inventory	(411,810)	(12,183)	4,082	(419,915)	(839,826)
Prepaid expenses	20,793	18,639	1,897	15,565	56,894
Accounts and other payables	(647,812)	139,056	(3,380)	56,143	(455,993)
Deferred outflows	(198,327)	(80,275)	(61,387)	(42,499)	(382,488)
Deferred inflows	(538,675)	(199,861)	(152,835)	(60,908)	(952,279)
Net pension asset	802,117	324,666	248,275	171,881	1,546,939
Other accrued liabilities	(110,996)	(16,155)	(37,053)	(27,304)	(191,508)
Net cash provided by operating activities	<u>\$ (1,997,735)</u>	<u>\$ 829,197</u>	<u>\$ 1,015,066</u>	<u>\$ (275,127)</u>	<u>\$ (428,599)</u>

See Notes to Financial Statements

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General Statement**

The City complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

**B. Financial Reporting Entity**

The City of Marshall, Missouri is a municipal corporation governed by an elected mayor and eight-member council. The City is the basic level of government which has financial accountability and control over all activities related to the City. The City receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the City is not included in any other governmental “reporting entity” as defined by the GASB pronouncement, since councilmembers are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The City’s basic financial statements include the accounts of all City operations.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and so data from these units are combined with data of the primary government.

Blended Component Unit

Marshall Municipal Utilities was established by ordinance of the City of Marshall. The City holds the corporate powers of the department. Marshall Municipal Utilities has a September 30 year-end.

Complete financial statements for the individual component unit may be obtained at the City’s administrative offices.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation**

*Government-Wide Financial Statements:*

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City's net position is reported in three parts –net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (police, fire, utilities, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, transportation, cultural, parks and recreation, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The City distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the City's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.). The City does not allocate indirect costs.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Fund Financial Statements:*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditure/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

**Governmental Funds**

*General Fund*

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

*Special Revenue Funds*

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for certain purposes.

*Debt Service Funds*

The Debt Service Funds account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the City's judgment.

**Proprietary Fund**

*Enterprise Funds*

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the Electric, Water, Wastewater, IT and Broadband, and Sanitation Funds.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Major and Nonmajor Funds**

The funds are further classified as major or nonmajor as follows:

<b><u>Fund</u></b>	<b><u>Brief Description</u></b>
<b>Major:</b>	
General	See above for description
Park	Accounts for revenues and expenditures of the park.
Proprietary Fund: Electric, Water and Wastewater	Accounts for activities of the public trust in providing electric, water and wastewater services to the public.
<b>Nonmajor:</b>	
Special Revenue Funds:	
Airport	Accounts for revenues and expenditures of the municipal airport.
Street	Accounts for revenues and expenditures of street maintenance and repair.
Band	Accounts for revenues and expenditures of community band.
HAB Center	Accounts for revenues and expenditures of HAB Center.
Tourism	Accounts for revenues and expenditures for tourism tax.
Library	Accounts for revenues and expenditures of the library.
Park Improvement	Accounts for revenues and expenditures of park improvements.
Community Center	Accounts for revenues and expenditures of the community center.
Equipment Replacement	Accounts for revenues and expenditures of equipment replacement.
Park Improvement Donation	Accounts for donations for park improvements.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

City Office/Revitalization	Accounts for activities relating to improvements and revitalization of city offices/property.
Economic Development	Accounts for activities related to economic development of the City.
Street/Sidewalk Repair	Accounts for activities related to street and sidewalk repair.
ARPA	Accounts for ARPA funding and expenditures.
Debt Service Funds	See above for description.
Proprietary Fund: Sanitation	Accounts for activities of the public trust in providing sanitation service to the public.
IT and Broadband	Accounts for activities of the public trust in providing internet services to the public.

**D. Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurement made, regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds used fund balance as their measure of available spendable financial resources at the end of the period.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**E. Assets, Liabilities and Equity**

**Cash and Investments**

Cash of all funds, except Electric, Water and Wastewater, are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund’s pooled cash and cash investments are available upon demand and are considered to be “cash equivalents” when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of ninety days or less are also considered to be “cash equivalents”.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

For the purpose of the Statement of Net Position, “cash, including time deposits” includes all demand, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Note III-A.

State statutes authorize the City to invest in obligations of the U.S. Treasury commercial pages, corporate bonds, repurchase agreements and the State Treasurer’s Investment Pool.

**Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Notes III-F and III-L for details of interfund transactions, including receivables and payables at year-end.

**Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and ambulance fees. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions, collectible but not available, are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Prepaid Items**

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year.

**Inventory**

Operating and maintenance supplies, including fuel, are stated at average cost.

**Fixed Assets**

The accounting treatment over property, plant and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements*

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. An expenditure is considered a capital asset, per the City's policy, if the unit cost is greater than \$5,000 and the useful life is greater than one year.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40-50 years
Improvements	40-50 years
Machinery and Equipment	3-20 years
Utility System	25-75 years

*Fund Financial Statements*

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Restricted Assets**

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to revenue bond trustee accounts and utility meter deposits.

**Long-term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of certificates of participation, special assessment debt, capital leases payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

**Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in proprietary funds and reported as fund liability. Vacation pay 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.

Employees may accumulate up to \$5,000 of sick leave and 104 hours of vacation. Employees hired after April, 1986 can only accrue up to \$1,000 of sick leave. Unpaid holidays must be used by December 31. Employees are paid 100% of accrued sick leave, holidays and vacation pay when they terminate their employment for any reason limited to the amounts above.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Leases**

Lessee accounting

The City is a lessee in certain lease agreements. Lease agreements convey control of the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The lessee accounting treatment of lease agreements depends on whether the lease agreement is related to assets used on governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements*

At the commencement of a lease agreement, the City recognizes a lease liability and a lease asset, unless the lease is a short-term lease or the lease agreement transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term, less any lease incentives. The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Subsequently, the lease liability is reduced as payments are made and recognized as an outflow of resources for interest on the liability. The lease asset is amortized on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Short-term leases are defined as leases that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months or less. Short-term lease payments are recognized as outflows of resources.

*Proprietary Funds*

The accounting for proprietary funds is the same in the fund statements as in the government-wide statements.

*Governmental Funds*

Except for short-term leases and lease agreements that transfer ownership of the underlying asset, at commencement of a lease agreement, the City recognizes an expenditure and other financing source using the same measurement criteria as the government-wide statements. Subsequently, payments of principal and interest are reported as expenditures.

Short-term leases are accounted for in the same manner as the proprietary fund and government-wide statements.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Adoption of GASB 96 – Subscription-Based Information Technology Arrangements/Prior Period Adjustment**

The City has adopted Statement No. 96 of the Governmental Accounting Standards Board – Subscription-Based Information Technology Arrangements (“GASB 96”) as of the beginning of the earliest period presented. The adoption required a prior period adjustment of \$33,972 in the governmental activities, increasing the net position of the governmental activities as of September 30, 2022 from \$30,294,747 to \$30,328,719.

**Equity Classifications**

*Government-Wide Statements*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

**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, the 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 MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Revenues, Expenditures, and Expenses**

**Operating Revenues and Expenses**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. Nonoperating revenues and expenses include all revenue and expenses related to capital and related financing, noncapital financing, or investing activities.

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Function

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

**G. Natural Gas Department**

On December 15, 2004, the Municipal Utilities received approval from the Board of Public Works to establish a Natural Gas Department to provide natural gas services to residents of the City and beyond. The Electric Fund transferred fixed assets and cash to the Natural Gas Department. For financial statement purposes, the assets and liabilities, and revenues and expenses of the Natural Gas Department have been included with the Electric Fund. As of September 30, 2023, the Natural Gas Department had total assets of \$3,095,280 and total liabilities of \$2,446. For the year ended September 30, 2023, the Natural Gas Department had revenues of \$310,241 and expenses of \$333,215.

**H. Interfund Transfers**

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Fund Equity – Fund Financial Statements**

Governmental fund equity is classified as fund balance. Beginning with FY 2011, the City implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has determined that \$461,520 should be considered nonspendable as detailed in Note III-K.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources because they are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.

Management has determined there are no amounts that should be considered restricted.

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the City's board of directors, which is the City's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City did not have any committed resources as of year-end.
- **Assigned:** This classification includes spendable amounts that are reported in governmental funds *other than the General Fund*, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by either the City's board of directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes. The City's management assigned funds during the year as detailed in Note III-K.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the City would use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, it reserves the right to selectively spend unassigned resources first and to defer to the use of the other classified funds.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deposits and Investment Laws and Regulations**

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Missouri or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note III-A, all deposits were fully insured or collateralized at September 30, 2023.

**B. Budget Basis of Accounting**

The City of Marshall prepares its annual budget on a basis (budget basis), which agrees with generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual to provide a meaningful comparison of actual results with the budget. By state law, expenditures may not exceed budgeted amounts on a fund-by-fund basis.

The City approved the budget on September 29, 2022 and amended the budget on September 28, 2023. Ending negative fund balances were budgeted in the HAB Center, Community Center, and Saltfork Project Funds.

Additionally, actual expenditures exceeded final budgeted expenditures in the Airport Operating, Tourism Tax and General Funds.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS**

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, net position, revenues, and expenditures/expenses.

**A. Deposits and Investments**

The City of Marshall is governed by the deposit and investment limitations of state law. The deposits and investments held at September 30, 2023 are shown below:

	Maturities	Carrying Value
Deposits:		
Demand deposits		\$ 23,628,609
Cash on hand		1,675
Time deposit	11/10/23	44,061
Time deposit	11/24/23	5,578
Time deposit	12/17/23	245,000
Time deposit	01/08/24	536,906
Time deposit	08/17/24	5,576
		24,467,405
Investments:		
U.S. Treasury Bills		4,867,292
		4,867,292
Total deposits and investments		\$ 29,334,697
Reconciliation of Statement of Net Position:		
Current:		
Cash, including time deposits		\$ 15,404,371
Investments		151,054
Total Current		15,555,425
Noncurrent:		
Cash, including time deposits		8,666,980
Investments		5,112,292
Total Noncurrent		13,779,272
Total		\$ 29,334,697

***Custodial credit risk.*** Deposits in financial institutions, reported as components of cash and investments had a bank balance of \$29,659,624 at September 30, 2023, which was fully insured by depository insurance or secured with collateral held by the City's agent in its name. All investments are registered in the name of the name of the City.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

***Investment interest rate risk.*** The City has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held at September 30, 2023, are provided in the previous schedule.

***Investment credit risk.*** The City maintains cash deposits and investments which are authorized by Board of Public Works resolutions and City ordinances related to the long-term debt issuances. The Council has given the City Administrator and Finance Director the authority to invest idle funds of the City in low-risk investments such as United States government securities or collateralized certificates of deposit.

***Concentration of investment credit risk.*** The City places no limit on the amount it may invest in any one issuer. At September 30, 2023, the City had no concentration of credit risk.

**B. Fair Value of Investments**

The Utilities categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Utilities has the following recurring fair value measurements as of September 30, 2023 and September 30, 2022:

2023

- U.S. Treasury securities of \$4,867,292 are valued using quoted prices in an active market for identical assets (Level 1 inputs).
- Certificates of deposit \$245,000 are valued at quoted prices in an active market for identical assets (Level 1 inputs).

2022

- U.S. Treasury securities of \$4,972,592 are valued using quoted prices in an active market for identical assets (Level 1 inputs).
- Certificates of deposit \$245,000 are valued at quoted prices in an active market for identical assets (Level 1 inputs).

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**C. Segregated Assets**

Segregated assets (including restricted funds, board designated funds and excess funds on account) as of September 30, 2023 were designated as follows:

	Designated Balances	Segregated Funds Requirements
Electric Fund:		
Consumers' deposit fund	\$ 830,528	\$ 830,528
Insurance reserve fund	5,288,952	5,000,000
Equipment fund	-	-
	\$ 6,119,480	\$ 5,830,528
Water Fund:		
Insurance reserve fund	500,000	500,000
Equipment fund	-	-
	\$ 500,000	\$ 500,000
Wastewater Fund:		
Insurance reserve fund	500,000	500,000
Equipment fund	-	-
Main replacement fund	-	-
	\$ 500,000	\$ 500,000

In accordance with Board of Public Works resolutions, payments to segregated funds and restrictions on their use are as follows:

**Electric Consumers' Deposit Fund** - Funds are to offset liabilities for consumers' guaranty deposits and are generally intended to match or exceed the liability for outstanding deposits.

**Electric, Water and Wastewater Insurance Reserve Funds** - A balance of not less than \$5,000,000 must be maintained for the Electric Fund, \$500,000 for the Water Fund and \$500,000 for the Wastewater Fund representing self-insurance reserves for the Municipal Utilities.

**Electric, Water and Wastewater Equipment Funds** - These funds are to be used for the replacement of property, plant and equipment if no other funds are available. No minimum balance is required for the Electric, Water and Wastewater Equipment Funds.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**Water Treatment Improvement Fund** - This fund is to be used for major capital improvements at the water treatment plant. No minimum balance is required.

**Wastewater Main Replacement Fund** - This fund is to be used for the replacement of major sewer lines and the construction of new major sewer lines if no other funds are available. No minimum balance is required.

**D. Accounts Receivable**

Accounts receivable of the business-type activities consist of utilities receivable. Accounts receivable of the governmental activities consist of miscellaneous receivables. Receivables detail at September 30, 2023 was as follows:

	Governmental Activities	Business-Type Activities	Total
Accounts receivable	\$ 490,328	\$ 3,969,562	\$ 4,459,890
Allowance for doubtful accounts	-	-	-
Net Accounts Receivable	<u>\$ 490,328</u>	<u>\$ 3,969,562</u>	<u>\$ 4,459,890</u>

**E. Taxes Receivable**

Taxes receivable of the governmental activities consist of property tax receivable. Receivables detail at September 30, 2023 was as follows:

	Governmental Activities	Business-Type Activities	Total
Taxes receivable	\$ 54,122	\$ -	\$ 54,122
Allowance for doubtful accounts	(8,328)	-	(8,328)
Net Taxes Receivable	<u>\$ 45,794</u>	<u>\$ -</u>	<u>\$ 45,794</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**F. Interfund Receivables and Payables**

The composition of interfund balances as of September 30, 2023 is as follows:

	Interfund Receivables	Interfund Payables
General Fund (Major)	\$ 226,148	\$ 194,743
Street Fund (Major)	73,496	6,571
Band Fund (Non-Major)	-	8,035
Airport Fund (Non-Major)	-	20,116
Library Fund (Non-Major)	28,058	2,944
Park Improvement Fund (Non-Major)	-	80
Saltfork Project Fund (Non-Major)	-	226,148
Sanitation Fund (Non-Major)	130,935	-
	\$ 458,637	\$ 458,637

The interfund amounts are due to interfund advances and/or borrowings. A portion of these amounts is expected to be paid within the next twelve months.

**G. Capital Assets - Governmental Activities**

Capital asset activity for the year ended September 30, 2023, was as follows:

	Balance at September 30, 2022	Additions	GASB 96 Adjustment	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:					
Land	\$ 1,990,135	\$ 626,924	\$ -	\$ -	\$ 2,617,059
Land improvements	10,742,025	404,769	-	(447)	11,146,347
Subtotal	12,732,160	1,031,693	-	(447)	13,763,406
Capital assets being depreciated:					
Buildings	9,283,005	441,980	-	-	9,724,985
Machinery and equipment	5,532,184	291,077	(121,775)	(107,082)	5,594,404
Infrastructure	32,669,902	18,865	-	-	32,688,767
Subtotal	47,485,091	751,922	(121,775)	(107,082)	48,008,156
Totals at historical cost	60,217,251	1,783,615	(121,775)	(107,529)	61,771,562
Less accumulated depreciation					
Buildings	(5,931,598)	(225,831)	-	-	(6,157,429)
Improvements	(3,376,578)	(709,441)	-	-	(4,086,019)
Machinery and equipment	(4,618,282)	(245,799)	64,947	101,181	(4,697,953)
Infrastructure	(24,996,246)	(178,162)	-	-	(25,174,408)
Total accumulated depreciation	(38,922,704)	(1,359,233)	64,947	101,181	(40,115,809)
Net capital assets being depreciated	8,562,387	(607,311)	(56,828)	(5,901)	7,892,347
Net capital assets	\$ 21,294,547	\$ 424,382	\$ (56,828)	\$ (6,348)	\$ 21,655,753

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**H. Capital Assets - Business-Type Activities**

Capital assets of the Electric, Water, and Wastewater Funds are stated at cost if purchased, or fair market value on the date of contribution (appraised value) if donated, adjusted for the cost of subsequent additions and disposals or retirements. The Municipal Utilities capital asset activity for the year ended September 30, 2023 was as follows:

**Electric**

	Balance at September 30, 2022	Additions	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:				
Land	\$ 1,621,462	\$ -	\$ -	\$ 1,621,462
Construction in progress	1,503,693	509,551	(1,885,174)	128,070
	<u>3,125,155</u>	<u>509,551</u>	<u>(1,885,174)</u>	<u>1,749,532</u>
Capital assets being depreciated:				
Structures, improvements and plant equipment	16,779,079	56,556	-	16,835,635
Distribution system	26,941,569	1,843,176	-	28,784,745
Street lighting and hydrants	684,285	-	-	684,285
Office structures and improvement and furniture and fixtures	599,593	-	-	599,593
Transportation equipment	2,093,188	215,524	(23,318)	2,285,394
Tools and shop equipment	459,974	-	(6,500)	453,474
Radio equipment	142,447	-	-	142,447
	<u>47,700,135</u>	<u>2,115,256</u>	<u>(29,818)</u>	<u>49,785,573</u>
Total capital assets at historical costs	<u>50,825,290</u>	<u>2,624,807</u>	<u>(1,914,992)</u>	<u>51,535,105</u>
Less accumulated depreciation:				
Structures, improvements and plant equipment	(14,497,514)	(108,839)	-	(14,606,353)
Distribution system	(16,532,943)	(985,653)	-	(17,518,596)
Street lighting and hydrants	(164,041)	(34,211)	-	(198,252)
Office structures and improvement and furniture and fixtures	(420,929)	(14,270)	-	(435,199)
Transportation equipment	(1,849,309)	(73,526)	23,318	(1,899,517)
Laboratory equipment	-	-	-	-
Tools and shop equipment	(330,617)	(28,159)	6,500	(352,276)
Radio equipment	(4,317)	(28,776)	-	(33,093)
Total accumulated depreciation	<u>(33,799,670)</u>	<u>(1,273,434)</u>	<u>29,818</u>	<u>(35,043,286)</u>
Net capital assets being depreciated	<u>13,900,465</u>	<u>841,822</u>	<u>-</u>	<u>14,742,287</u>
Net capital assets	<u>\$ 17,025,620</u>	<u>\$ 1,351,373</u>	<u>\$ (1,885,174)</u>	<u>\$ 16,491,819</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**Water**

	Balance at September 30, 2022	Additions	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:				
Land	\$ 94,398	\$ -	\$ -	\$ 94,398
Construction in progress	405,252	868,859	(196,465)	1,077,646
	<u>499,650</u>	<u>868,859</u>	<u>(196,465)</u>	<u>1,172,044</u>
Capital assets being depreciated:				
Structures, improvements and plant equipment	11,655,423	-	-	11,655,423
Distribution system	9,044,433	6,266	80,637	9,131,336
Street lighting and hydrants	381,867	-	-	381,867
Office structures and improvement and furniture and fixtures	5,471	9,989	-	15,460
Transportation equipment	1,042,238	91,046	(91,163)	1,042,121
Laboratory equipment	8,652	-	-	8,652
Tools and shop equipment	56,198	-	-	56,198
Radio equipment	2,625	-	-	2,625
	<u>22,196,907</u>	<u>107,301</u>	<u>(10,526)</u>	<u>22,293,682</u>
Total capital assets at historical costs	<u>22,696,557</u>	<u>976,160</u>	<u>(206,991)</u>	<u>23,465,726</u>
Less accumulated depreciation:				
Structures, improvements and plant equipment	(5,824,009)	(454,225)	-	(6,278,234)
Distribution system	(5,089,993)	(151,296)	-	(5,241,289)
Street lighting and hydrants	(221,221)	(6,762)	-	(227,983)
Office structures and improvement and furniture and fixtures	(5,442)	(361)	-	(5,803)
Transportation equipment	(968,144)	(46,111)	206,991	(807,264)
Laboratory equipment	(8,177)	(475)	-	(8,652)
Tools and shop equipment	(19,685)	(9,109)	-	(28,794)
Radio equipment	(2,625)	-	-	(2,625)
Total accumulated depreciation	<u>(12,139,296)</u>	<u>(668,339)</u>	<u>206,991</u>	<u>(12,600,644)</u>
Net capital assets being depreciated	<u>10,057,611</u>	<u>(561,038)</u>	<u>196,465</u>	<u>9,693,038</u>
Net capital assets	<u>\$ 10,557,261</u>	<u>\$ 307,821</u>	<u>\$ -</u>	<u>\$ 10,865,082</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**Wastewater**

	Balance at September 30, 2022	Additions	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:				
Land	\$ 118,398	\$ -	\$ -	\$ 118,398
Construction in progress	6,510,360	2,340,402	(61,464)	8,789,298
	<u>6,628,758</u>	<u>2,340,402</u>	<u>(61,464)</u>	<u>8,907,696</u>
Capital assets being depreciated:				
Structures, improvements and plant equipment	23,787,549	264,928	-	24,052,477
Distribution system	9,231,772	74	61,160	9,293,006
Office structures and improvement and furniture and fixtures	-	-	-	-
Transportation equipment	1,194,030	236,485	(48,860)	1,381,655
Laboratory equipment	4,537	-	-	4,537
Tools and shop equipment	207,399	49,709	-	257,108
Radio equipment	452	-	-	452
	<u>34,425,739</u>	<u>551,196</u>	<u>12,300</u>	<u>34,989,235</u>
Total capital assets at historical costs	<u>41,054,497</u>	<u>2,891,598</u>	<u>(49,164)</u>	<u>43,896,931</u>
Less accumulated depreciation:				
Structures, improvements and plant equipment	(19,072,186)	(403,109)	-	(19,475,295)
Distribution system	(4,089,875)	(142,490)	-	(4,232,365)
Office structures and improvement and furniture and fixtures	-	-	-	-
Transportation equipment	(919,152)	(72,733)	48,861	(943,024)
Laboratory equipment	(3,342)	(796)	-	(4,138)
Tools and shop equipment	(161,640)	(12,106)	-	(173,746)
Radio equipment	(452)	-	-	(452)
Total accumulated depreciation	<u>(24,246,647)</u>	<u>(631,234)</u>	<u>48,861</u>	<u>(24,829,020)</u>
Net capital assets being depreciated	<u>10,179,092</u>	<u>(80,038)</u>	<u>61,161</u>	<u>10,160,215</u>
Net capital assets	<u>\$ 16,807,850</u>	<u>\$ 2,260,364</u>	<u>\$ (303)</u>	<u>\$ 19,067,911</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**IT & Broadband**

	Balance at September 30, 2022	Additions	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:				
Construction in progress	\$ 773,688	\$ 986,758	\$ (1,044,444)	\$ 716,002
	<u>773,688</u>	<u>986,758</u>	<u>(1,044,444)</u>	<u>716,002</u>
Capital assets being depreciated:				
Structures, improvements and plant equipment	4,701,058	1,120,320	-	5,821,378
Transportation equipment	582,592	-	-	582,592
Tools and shop equipment	32,742	-	-	32,742
Radio equipment	23,187	-	-	23,187
	<u>5,339,579</u>	<u>1,120,320</u>	<u>-</u>	<u>6,459,899</u>
Total capital assets at historical costs	<u>6,113,267</u>	<u>2,107,078</u>	<u>(1,044,444)</u>	<u>7,175,901</u>
Less accumulated depreciation:				
Structures, improvements and plant equipment	(2,642,779)	(348,638)	-	(2,991,417)
Transportation equipment	(236,235)	(80,380)	-	(316,615)
Tools and shop equipment	(2,431)	(4,678)	-	(7,109)
Radio equipment	(386)	(4,637)	-	(5,023)
Total accumulated depreciation	<u>(2,881,831)</u>	<u>(438,333)</u>	<u>-</u>	<u>(3,320,164)</u>
Net capital assets being depreciated	<u>2,457,748</u>	<u>681,987</u>	<u>-</u>	<u>3,139,735</u>
Net capital assets	<u>\$ 3,231,436</u>	<u>\$ 1,668,745</u>	<u>\$ (1,044,444)</u>	<u>\$ 3,855,737</u>

**Sanitation**

	Balance at September 30, 2022	Additions	Disposals	Balance at September 30, 2023
Capital assets not being depreciated:				
Land	\$ 203,464	\$ -	\$ -	\$ 203,464
Subtotal	<u>203,464</u>	<u>-</u>	<u>-</u>	<u>203,464</u>
Capital assets being depreciated:				
Structures, improvements and plant equipment	16,426	-	-	16,426
Transportation equipment	2,503,509	-	(1,657,885)	845,624
Subtotal	<u>2,519,935</u>	<u>-</u>	<u>(1,657,885)</u>	<u>862,050</u>
Totals at historical cost	<u>2,723,399</u>	<u>-</u>	<u>(1,657,885)</u>	<u>1,065,514</u>
Less accumulated depreciation				
Structures, improvements and plant equipment	(16,426)	-	-	(16,426)
Transportation equipment	(1,340,336)	(85,215)	877,356	(548,195)
Total accumulated depreciation	<u>(1,356,762)</u>	<u>(85,215)</u>	<u>877,356</u>	<u>(564,621)</u>
Net capital assets being depreciated	<u>1,163,173</u>	<u>(85,215)</u>	<u>(780,529)</u>	<u>297,429</u>
Net capital assets	<u>\$ 1,366,637</u>	<u>\$ (85,215)</u>	<u>\$ (780,529)</u>	<u>\$ 500,893</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
General and administration	\$ 92,143
Executives	7,197
Total general government	<u>99,340</u>
Public safety:	
Police	61,273
Fire	11,622
Total public safety	<u>72,895</u>
Transportation:	
Airport	199,794
Streets	64,113
Total transportation	<u>263,907</u>
Cultural, parks and recreation:	
Library	5,931
Park	200,524
Band	1,911
Total cultural, parks and recreation	<u>208,366</u>
Community/economic development	<u>5,285</u>
Infrastructure	<u>709,440</u>
Total depreciation expense - Governmental activity	<u><u>\$ 1,359,233</u></u>
Business-type activities:	
Electric	\$ 1,273,434
Water	668,339
Wastewater	631,234
IT & Broadband	438,333
Sanitation	85,215
Total depreciation expense - Business-type activity	<u><u>\$ 3,096,555</u></u>

In fiscal year 2023, the City exchanged land with a private business. The cost of the land received and disposed of was \$600,000. Additionally, closing costs of \$26,924 were paid by the City on the transaction.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**I. Long-term Debt**

The following is a summary of changes in long-term debt transactions for the year ended September 30, 2023:

	Water	Wastewater	City (General Fund)	IT & Broadband
Balance, September 30, 2022	\$ 1,051,551	\$ 7,625,750	\$ 1,469,530	\$ -
Note issued	-	2,065,049	-	3,075,000
Note retired	(279,914)	(332,632)	(212,949)	(130,376)
Balance, September 30, 2023	<u>\$ 771,637</u>	<u>\$ 9,358,167</u>	<u>\$ 1,256,581</u>	<u>\$ 2,944,624</u>
Current Portion	<u>\$ 289,873</u>	<u>\$ 344,466</u>	<u>\$ 217,183</u>	<u>\$ 199,648</u>

On December 13, 2011, the Board authorized the transfer of funds from the Electric Department to the Wastewater Department on an as needed basis to pay for the costs incurred for the Wastewater disinfection and headworks projects. The interest rate is to be the six-month Treasury Bill rate established by the market on the sale date prior to January 1<sup>st</sup> and July 1<sup>st</sup> of each year (currently 5.77 percent).

Debt repayment requirements are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	344,466	18,732	363,198
2025	358,322	9,894	368,216
2026	214,176	1,563	215,739
	<u>\$ 916,964</u>	<u>\$ 30,189</u>	<u>\$ 947,153</u>

Additionally, the new loan amount of \$8,441,203, does not have a loan document executed as of year-end. The loan document was executed October 12, 2023 and requires 240 monthly payments, beginning October 15, 2023 and ending September 15, 2043. The interest rate is to be the six month treasury bill rate established by the market on the sale date prior to January 1 and July 1 of each year.

On November 13, 2014, the Board authorized the transfer of funds from the Electric Department to the Water Department on an as needed basis to pay for the costs incurred for the Water FHM/HAA project. The interest rate is to be the six-month Treasury Bill rate established by the market on the sale date prior to January 1<sup>st</sup> and July 1<sup>st</sup> of each year (currently 5.77 percent).

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

Debt repayment requirements are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 289,873	\$ 15,763	\$ 305,636
2025	301,533	8,326	309,859
2026	180,231	1,315	181,546
	<u>\$ 771,637</u>	<u>\$ 25,404</u>	<u>\$ 797,041</u>

On May 3, 2021, the Board entered into an intergovernmental loan agreement with the City of Marshall (General Fund) to advance funds for the purpose of demolishing certain structures. As of September 30, 2023 the Board had advanced \$1,680,856 and had received principal payments of \$424,275, leaving a balance of \$1,256,581 at September 30, 2023. This amount is currently due.

Debt repayment requirements are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 217,183	\$ 63,344	\$ 280,527
2025	229,366	51,161	280,527
2026	224,232	38,296	262,528
2027	255,819	24,708	280,527
2028	270,169	10,359	280,528
2029	59,812	191	60,003
	<u>\$ 1,256,581</u>	<u>\$ 188,059</u>	<u>\$ 1,444,640</u>

On January 15, 2023, the Board authorized the transfer of funds from the Electric Department to the IT & Broadband Department for \$2,500,000 to pay for projects. The interest rate is to be the six-month treasury bill rate established by the market on the sale date prior to January 1 and July 1 of each year (currently 5.47%).

Debt repayment requirements are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 199,648	\$ 124,662	\$ 324,310
2025	210,846	113,464	324,310
2026	222,673	101,637	324,310
2027	235,164	89,146	324,310
2028	248,355	75,956	324,311
2029-2033	1,252,937	157,796	1,410,733
	<u>\$ 2,369,623</u>	<u>\$ 662,661</u>	<u>\$ 3,032,284</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

In fiscal year 2023, USDA advanced the Utilities \$575,000. The full principal amount is due on November 30, 2028. The note proceeds were used for broadband expansion. Interest ranges from 3.2986% to 4.4002% and is due at maturity.

**Special Assessment Bonded Debt**

The following is a summary of changes in special assessment bond transactions for the year ended September 30, 2023:

	Governmental Activities
Balance, September 30, 2022	\$ 110,000
Bonds issued	-
Bonds retired	(14,000)
Balance, September 30, 2023	\$ 96,000

Special assessment bonded debt as of September 30, 2023 is as follows:

South Odell Sewer Neighborhood Improvement District limited general obligation bonds, series 2010-A, due in \$3,663 to \$18,000 annual installments to September 1, 2029; interest at 4.00%.

These bonds are in an eligible investment of the City and the governing body of the City has determined it is in the best interest of the City for the City to purchase the bonds.

\$ 96,000

\$ 96,000

Permanent special assessment bond debt service requirements to maturity are as follows:

Year Ended September 30,	Principal	Interest	Total
2024	\$ 14,000	\$ 3,840	\$ 17,840
2025	15,000	3,280	18,280
2026	16,000	2,680	18,680
2027	16,000	2,040	18,040
2028	17,000	1,400	18,400
2029	18,000	720	18,720
Total	\$ 96,000	\$ 13,960	\$ 109,960

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**Leases**

The following is a summary of changes in lease transactions for the year ended September 30, 2023:

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
Balance, September 30, 2022	\$ 7,003	\$ 739,056
Leases issued	-	272,701
Leases retired	(1,450)	(116,724)
Balance, September 30, 2023	<u>\$ 5,553</u>	<u>\$ 895,033</u>

**Leases – Business-Type Activities**

The Utilities is a lessee for a postage machine. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 20, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 20, 2023</u>
Leased assets	\$ 7,783	\$ -	\$ 7,783
Less accumulated amortization	(389)	(1,557)	(1,946)
Note retired	-	-	-
Leased assets, net of accumulated amortization	<u>\$ 7,394</u>	<u>\$ (1,557)</u>	<u>\$ 5,837</u>

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,508	\$ 200	\$ 1,708
2025	1,570	138	1,708
2026	1,634	75	1,709
2027	841	13	854
	<u>\$ 5,553</u>	<u>\$ 426</u>	<u>\$ 5,979</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**Leases – Governmental Activities**

The City is a lessee for a fire truck used in support of its fire operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	Balance at Sept. 30, 2022	Additions	Balance at Sept. 30, 2023
Leased assets	\$ 602,437	\$ -	\$ 602,437
Less accumulated amortization	(46,046)	(46,046)	(92,092)
Leased assets, net of accumulated amortization	<u>\$ 556,391</u>	<u>\$ (46,046)</u>	<u>\$ 510,345</u>

Principal and interest payments required are as follows:

Year Ended September 30,	Principal	Interest	Total
2024	\$ 39,827	\$ 18,012	\$ 57,839
2025	41,120	16,719	57,839
2026	42,415	15,425	57,840
2027	43,751	14,088	57,839
2028	45,095	12,745	57,840
2029-2033	247,870	41,326	289,196
2034	54,359	3,479	57,838
Total	<u>\$ 514,437</u>	<u>\$ 121,794</u>	<u>\$ 636,231</u>

The City is a lessee for park equipment used in support of its park operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	Balance at Sept. 30, 2022	Additions	Balance at Sept. 30, 2023
Leased assets	\$ 71,972	\$ -	\$ 71,972
Less accumulated amortization	(16,935)	(16,935)	(33,870)
Leased assets, net of accumulated amortization	<u>\$ 55,037</u>	<u>\$ (16,935)</u>	<u>\$ 38,102</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 17,724	\$ 1,726	\$ 19,450
2025	18,276	1,173	19,449
Total	<u>\$ 36,000</u>	<u>\$ 2,899</u>	<u>\$ 38,899</u>

The City is a lessee for golf carts used in support of its general operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2023</u>
Leased assets	\$ 69,925	\$ -	\$ 69,925
Less accumulated amortization	(32,906)	(32,906)	(65,812)
Leased assets, net of accumulated amortization	<u>\$ 37,019</u>	<u>\$ (32,906)</u>	<u>\$ 4,113</u>

The lease was paid in full in fiscal year 2023.

The City is a lessee for golf carts used in support of its park operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2023</u>
Leased assets	\$ 90,141	\$ -	\$ 90,141
Less accumulated amortization	(30,047)	(30,047)	(60,094)
Leased assets, net of accumulated amortization	<u>\$ 60,094</u>	<u>\$ (30,047)</u>	<u>\$ 30,047</u>

The lease was paid in full in fiscal year 2023.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

The City is a lessee for printers/copiers used in support of its general operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	Balance at Sept. 30, 2022	Additions	Balance at Sept. 30, 2023
Leased assets	\$ 8,575	\$ -	\$ 8,575
Less accumulated amortization	-	(1,715)	(1,715)
Leased assets, net of accumulated amortization	<u>\$ 8,575</u>	<u>\$ (1,715)</u>	<u>\$ 6,860</u>

The lease agreement charges a variable fee for additional copies over a specified threshold. The potential additional fees are not included in the measurement of the lease liability.

Principal and interest payments required are as follows:

Year Ended September 30,	Principal	Interest	Total
2024	\$ 1,653	\$ 209	\$ 1,862
2025	1,709	163	1,872
2026	1,762	97	1,859
2027	1,848	38	1,886
Total	<u>\$ 6,972</u>	<u>\$ 507</u>	<u>\$ 7,479</u>

The City is a lessee for park equipment used in support of its park operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	Balance at Sept. 30, 2022	Additions	Balance at Sept. 30, 2023
Leased assets	\$ 44,401	\$ -	\$ 44,401
Less accumulated amortization	(12,248)	(12,248)	(24,496)
Leased assets, net of accumulated amortization	<u>\$ 32,153</u>	<u>\$ (12,248)</u>	<u>\$ 19,905</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 10,934	\$ 1,065	\$ 11,999
2025	11,276	724	12,000
Total	<u>\$ 22,210</u>	<u>\$ 1,789</u>	<u>\$ 23,999</u>

The City is a lessee for printers used in support of its general operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2023</u>
Leased assets	\$ 7,117	\$ -	\$ 7,117
Less accumulated amortization	(1,305)	(1,423)	(2,728)
Leased assets, net of accumulated amortization	<u>\$ 5,812</u>	<u>\$ (1,423)</u>	<u>\$ 4,389</u>

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,416	\$ 132	\$ 1,548
2025	1,464	84	1,548
2026	1,644	35	1,679
Total	<u>\$ 4,524</u>	<u>\$ 251</u>	<u>\$ 4,775</u>

The City is a lessee for printers used in support of its general operations. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2022</u>
Leased assets	\$ 8,578	\$ -	\$ 8,578
Less accumulated amortization	(1,775)	(1,775)	(3,550)
Leased assets, net of accumulated amortization	<u>\$ 6,803</u>	<u>\$ (1,775)</u>	<u>\$ 5,028</u>

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

The lease agreement charges a variable fee for additional copies over a specified threshold. The potential additional fees are not included in the measurement of the lease liability.

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,776	\$ 149	\$ 1,925
2025	1,836	89	1,925
2026	<u>1,578</u>	<u>28</u>	<u>1,606</u>
Total	<u>\$ 5,190</u>	<u>\$ 266</u>	<u>\$ 5,456</u>

The City is a lessee for golf carts. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2022</u>
Leased assets	\$ 218,560	\$ -	\$ 218,560
Less accumulated amortization	<u>-</u>	<u>-</u>	<u>-</u>
Leased assets, net of accumulated amortization	<u>\$ 218,560</u>	<u>\$ -</u>	<u>\$ 218,560</u>

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 47,024	\$ 2,204	\$ 49,228
2025	39,338	9,890	49,228
2026	41,627	7,601	49,228
2027	44,020	5,208	49,228
2028	<u>46,551</u>	<u>2,677</u>	<u>49,228</u>
Total	<u>\$ 218,560</u>	<u>\$ 27,580</u>	<u>\$ 246,140</u>

The City is a lessee for park equipment. The leased asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2022</u>
Leased assets	\$ 54,141	\$ -	\$ 54,141
Less accumulated amortization	<u>-</u>	<u>(8,572)</u>	<u>(8,572)</u>
Leased assets, net of accumulated amortization	<u>\$ 54,141</u>	<u>\$ (8,572)</u>	<u>\$ 45,569</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 9,654	\$ 2,419	\$ 12,073
2025	10,204	1,869	12,073
2026	10,795	1,277	12,072
2027	11,416	656	12,072
Total	<u>\$ 42,069</u>	<u>\$ 6,221</u>	<u>\$ 48,290</u>

**Subscription-Based Information Technology Arrangements**

The City subscribes to computer aided dispatch software. The subscription asset activity for fiscal year ended September 30, 2023 is as follows:

	<u>Balance at Sept. 30, 2022</u>	<u>Additions</u>	<u>Balance at Sept. 30, 2023</u>
Leased assets	\$ 93,300	\$ -	\$ 93,300
Less accumulated amortization	-	(39,986)	(39,986)
Leased assets, net of accumulated amortization	<u>\$ 93,300</u>	<u>\$ (39,986)</u>	<u>\$ 53,314</u>

Principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 17,327	\$ 3,415	\$ 20,742
2025	18,116	2,625	20,741
2026	18,957	1,784	20,741
2027	19,829	912	20,741
Total	<u>\$ 74,229</u>	<u>\$ 8,736</u>	<u>\$ 82,965</u>

**J. Pledged Revenues**

The NID Sewer Project Fund has pledged future revenues, net of specified operating expenses, to repay general obligation bonds that were issued for the purpose of city improvements. The bonds are payable from net revenues from the NID Sewer Project Fund and are payable through 2029. Annual principal and interest payments in 2023 required 100% of net revenues in the NID Sewer Project Fund. The total principal and interest remaining to be paid on the bonds is \$109,960. Principal and interest paid for the current year was \$18,400 in the NID Sewer Project Fund. Net revenues in the current year were \$8,238 for the NID Sewer Project Fund.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

The general and park funds have pledged future revenues, net of specified operating expenses to repay leases and subscriptions for the purchase of software and equipment. The leases and subscriptions are payable from general and park fund net revenues and are payable through 2034. Annual principal and interest payments in 2023 required 11% of net revenues in the general fund and the park fund. The total principal and interest remaining to be paid on the leases and subscriptions is \$1,094,234. Principal and interest paid for the current year was \$180,864. Net revenues in the current year were \$1,656,520.

The electric fund has pledged future revenues, net of specified operating expenses, to repay a lease that was issued for a postage machine. The lease is payable from electric net revenues and is payable through 2027. Annual principal and interest payments in 2023 required 100% of electric net revenues. The total principal and interest remaining to be paid on the lease is \$5,979. Principal and interest paid on the lease for the current year was \$1,708 and electric net revenues for the current year were \$(37,091).

**K. Fund Balance**

Classifications of fund balances at September 30, 2023 are as follows:

	<u>General Fund</u>	<u>Park Fund</u>	<u>Other Governmental Funds</u>
<b><u>Fund Balances:</u></b>			
Non Spendable			
Inventory	\$ -	\$ 24,716	\$ 71,357
Prepaid expenses	186,073	79,392	99,982
Assigned for special revenue purposes	-	1,374,030	6,731,371
Assigned for debt service purposes	-	-	78,980
Unassigned	1,297,578	-	(725,940)
Total	<u>\$ 1,483,651</u>	<u>\$ 1,478,138</u>	<u>\$ 6,255,750</u>

**L. Interfund Transfers**

Interfund transfers during the year ended September 30, 2023, were as follows:

<u>Fund</u>	<u>In</u>	<u>Out</u>
Sanitation (Non-Major Fund)	\$ -	\$ 1,000,000
Street (Non-Major Fund)	1,000,000	-
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

The above transfer was to pay for street expenses.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**III. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)**

**M. Deficit Fund Balance**

At September 30, 2023, the HAB Center Fund, Community Center Fund and Saltfork Project Fund had deficit fund balances of \$443,153, \$56,582, and \$226,148, respectively.

**IV. OTHER INFORMATION**

**A. Taxes**

The City's property tax is levied each June 30 on the assessed value of all property located in the City. Assessed values are established by the Saline County Assessor subject to review by the Board of Equalization. The assessed value for property located in the City on which the fiscal 2021 levy was based, was \$173,575,301. Taxes are payable by December 31 and attach as an enforceable lien on property as of January 1.

The City's property tax levies per \$100 assessed valuation for the year ended September 30, 2023 are as follows:

General Fund Levy	\$	.5901
Special Levies		
Park Fund		.2551
Band Fund		.0395
Library Fund		.1516
Total	<u>\$</u>	<u>1.0363</u>

**Legal Debt Limit:**

The State Constitution permits a City, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for “City purposes” not to exceed 10% of the assessed value of taxable tangible property. The State Constitution also permits a City, by vote of two-thirds of the voting electorate, to incur additional assessed value of taxable tangible property, for the purpose of acquiring right-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric or other light and plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation of taxable property.

At September 30, 2023, based on the total assessed valuation as of December 31, 2022 of \$173,575,301 the constitutional general obligation debt limit was \$34,715,060.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

**B. Employee Pension Plan**

**Summary of Significant Accounting Policies**

*Pensions.* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

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

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

	<u>2023 Valuation</u>
Benefit Multiplier:	1.75% for life
Final Average Salary:	5 years
Member Contributions:	0%

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

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

*Employees covered by benefit terms.* At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	167
Inactive employees entitled to but not yet receiving benefits	61
Active employees	167
	395
	395

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 12.3% (General), 7.0% (Police) and 10.5% (Fire) of annual covered payroll.

*Net Pension Liability.* The employer's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2023.

*Actuarial assumptions.* The total pension liability in the February 28, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage; 2.25% price
Salary Increase	2.75% to 6.75% including inflation (general) 2.75% to 7.15% including inflation (fire) 2.75% to 6.55% including inflation (police)
Investment rate of return	7.00%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of the General Group and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Alpha	15.00%	3.67%
Cash/Leverage	-25.00%	-0.29%

**Discount rate.** The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
<b>Balances at 9/30/22</b>	\$ 54,183,857	\$ 62,439,879	\$ (8,256,022)
<b>Changes for the year:</b>			
Service Cost	908,688	-	908,688
Interest	3,730,790	-	3,730,790
Difference between expected and actual experience	(152,254)	-	(152,254)
Contributions - employer	-	1,122,755	(1,122,755)
Change in Assumptions	-	-	-
Net investment income	-	2,157,492	(2,157,492)
Benefit payments, including refunds	(2,712,922)	(2,712,922)	-
Administrative expense	-	(57,080)	57,080
Other changes	-	(1,113,222)	1,113,222
<b>Net changes</b>	<u>1,774,302</u>	<u>(602,977)</u>	<u>2,377,279</u>
<b>Balances at 9/30/23</b>	<u>\$ 55,958,159</u>	<u>\$ 61,836,902</u>	<u>\$ (5,878,743)</u>

***Sensitivity of the net pension liability to changes in the discount rate.*** The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
Total Pension Liability	\$ 63,410,768	\$ 55,958,159	\$ 49,754,170
Plan Fiduciary Net Position	61,836,902	61,836,902	61,836,902
Net Position Liability (Asset)	<u>\$ 1,573,866</u>	<u>\$ (5,878,743)</u>	<u>\$ (12,082,732)</u>

**CITY OF MARSHALL, MISSOURI  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2023 the employer recognized pension expense of \$390,680. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 489,423	\$ 528,564
Differences in assumptions	-	401,681
Excess (deficit) investment returns	903,128	-
Contributions subsequent to the measurement date*	304,835	-
Total	\$ 1,697,386	\$ 930,245

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending September 30, 2023.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Net Deferred Outflows of Resources
2024	\$ (331,810)
2025	(920,586)
2026	1,339,671
2027	378,520
2028	(3,942)
Thereafter	453

**Payable to the Pension Plan**

At September 30, 2023, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended September 30, 2023.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

**C. Income Taxes**

The City is not subject to federal income tax under Section 115 of the Internal Revenue Code.

**D. Marshall - Saline Development Corporation**

The City has entered into an agreement with the Marshall-Saline Development Corporation to pay not less than \$20,000 annually to pursue economic development. This agreement can be renewed annually for four years unless terminated by either party.

**E. Landfill Closure and Post-Closure Costs**

State and federal laws and regulations require that the City of Marshall place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City of Marshall closed its landfill on April 8, 1997. The City submitted a closure and post-closure plan to the Missouri Department of Natural Resources. The estimated annual post-closure costs of \$19,530 (in 2001 dollars) is based on calculations by the City's engineering firm; however, the actual cost of post-closure care is subject to changes resulting from inflation/deflation, changes in technology, or changes in landfill laws and regulations. No liability is reported in the financial statement for future post-closure care costs as they will be funded from then current resources.

The City does not have assets currently restricted for post-closure care costs. The City intends to finance landfill post-closure care costs from charges to future sanitation customers and fund reserves.

The City has entered into a contract of obligation with the Missouri Department of Natural Resources authorizing the Director of the Missouri Department of Natural Resources to withhold up to \$491,688 from any funds disbursed by the State of Missouri for the City to provide post-closure care for the solid waste disposal site in accordance with the requirements of the law, the regulators duly promulgated thereunder, and the approved post-closure plans.

**F. 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; and natural disasters for which the City carries commercial insurance.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

**G. Concentrations**

The Municipal Utilities has a limited number of large customers in the Marshall area which account for significant revenues in each fund. As a result, the Municipal Utilities has both geographic and customer concentrations. Approximately 15% of electric revenues, 16% of water revenues, and 27% of wastewater revenues are generated from a small number of industrial customers.

**H. Litigation**

Management believes there are no outstanding matters which will have a material effect on the financial statements of the City.

**I. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

**J. Tax Abatements**

The City entered into a performance agreement with a business in 2008, to issue industrial development revenue bonds in a principal amount not to exceed \$40,000,000. The agreement also stated that each item of personal property financed with the bonds shall be exempt from personal property taxes for the years 2009-2023. The City will receive a payment in lieu of taxes each year on the equipment ranging from 10-80% of the abated taxes. Additionally, if the number of jobs added since the inception of the agreement falls below 150, the business must pay an extra amount based on a formula stated in the agreement. In fiscal year 2023, the taxes abated was calculated to be \$29,025 and the payment in lieu of taxes percentage was 10%. However, the jobs added fell below 150 in fiscal year 2023, so the business also paid an additional amount to the City. The total received by the City in fiscal year 2023 in lieu of taxes was \$14,617, leaving a total abated amount of \$14,408.

**K. Taxable Individual Development Revenue Bonds**

On December 10, 2008, the City issued Series 2008, Taxable Individual Development Revenue Bonds in the final amount of \$21,275,000 to the Conagra Foods Packaged Foods, LLC Project.

**CITY OF MARSHALL, MISSOURI**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**IV. OTHER INFORMATION (continued)**

The bonds and the interest thereon shall be limited obligations of the City payable solely out of the payments, revenues and receipts derived by the City from the authorized Lease Agreement, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of the bonds as provided in the Trust Indenture. The bonds and interest thereon shall not be deemed to constitute a debt or liability of the City within the meaning of any constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the City. The issuance of the bonds shall not, directly, indirectly or contingently, obligate the City to levy any form of taxation therefore or to make any appropriation for their payment.

**L. Commitments**

MJMEUC Agreement

The Municipal Utilities has entered into an agreement with the Missouri Joint Municipal Electric Utility Commission (MJMEUC) in order to coordinate operation of the existing electrical resources and facilities and the joint acquisition, through contract or direct ownership, of future generating resources, and the acquisition of transmission rights and/or facilities. The agreement will help assure each Pool Member a supply of power and energy to meet its full requirements and make beneficial use of each Pool Member's existing generating facilities where applicable, and any future generating facilities to be developed by individual Pool Members as a part of a coordinated plan approved by the Pool Committee.

The MJMEUC has been established by the Pool Members and other municipalities as a separate governmental entity, pursuant to the Joint Municipal Utility Commission Act (Sections 393.700 - 393.770 and 386.025 RSMo) to serve them through joint action for the benefit of the inhabitants of such municipalities.

**M. Fines**

Fines and penalties as shown on the Statement of Revenues, Expenses, and Changes in Fund Balances is \$64,106 for the year ended September 30, 2023, which is 1% of general fund revenues.

**N. Consideration of Subsequent Events**

Subsequent events have been evaluated through December 20, 2023, which is the date the financial statements are available to be issued. No events requiring disclosure were identified as a result of this review.

**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

**CITY OF MARSHALL, MISSOURI  
SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS (UNAUDITED)  
(MISSOURI LAGERS)  
YEAR ENDED SEPTEMBER 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Employee Payroll	Contribution as Percentage
2014	\$ 459,610.65	\$ 327,443.06	\$ 132,167.59	\$ 3,841,136.11	8.52%
2015	510,054.31	376,985.62	133,068.69	3,978,543.17	9.48%
2016	462,835.74	378,200.21	84,635.53	3,986,266.48	9.49%
2017	447,344.24	383,953.66	63,390.58	4,114,015.00	9.33%
2018	399,908.11	362,714.81	37,193.30	3,743,148.86	9.69%
2019	418,760.56	388,500.41	30,260.15	3,735,782.77	10.40%
2020	458,741.81	426,972.55	31,769.26	3,947,818.65	10.82%
2021	412,158.08	412,157.82	0.26	3,905,257.25	10.55%
2022	464,004.11	464,004.72	(0.61)	4,299,345.68	10.79%
2023	405,912.07	405,911.55	0.52	3,960,371.86	10.25%

**CITY OF MARSHALL, MISSOURI  
MARSHALL MUNICIPAL UTILITIES  
SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS (UNAUDITED)  
(MISSOURI LAGERS)  
YEAR ENDED SEPTEMBER 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Employee Payroll	Contribution as Percentage
2014	\$ 651,973.16	\$ 568,148.35	\$ 83,824.81	\$4,656,950.40	12.20%
2015	671,496.11	619,841.75	51,654.36	4,695,774.14	13.20%
2016	592,628.30	592,628.17	0.13	4,818,115.83	12.30%
2017	558,482.58	558,483.05	(0.47)	5,031,375.78	11.10%
2018	551,365.09	551,364.77	0.32	5,012,410.44	11.00%
2019	544,660.42	544,660.42	-	4,820,004.78	11.30%
2020	593,514.52	593,514.45	0.07	4,987,517.21	11.90%
2021	641,528.58	641,527.95	0.63	5,301,887.03	12.10%
2022	688,387.77	688,387.00	0.77	5,378,029.36	12.80%
2023	710,868.14	710,868.14	-	5,779,415.34	12.30%

**CITY OF MARSHALL, MISSOURI  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
(MISSOURI LAGERS)  
YEAR ENDED SEPTEMBER 30, 2023**

<b>Valuation Date:</b>	February 28, 2023
<b>Notes:</b>	The roll-forward of total pension liability from February 28, 2023 to June 30, 2023 reflects expected service cost and interest reduced by actual benefit payments.
<b>Methods and Assumptions Used to Determine Contribution Rates:</b>	
<b>Actuarial Cost Method</b>	Entry Age Normal and Modified Terminal Funding
<b>Amortization Method</b>	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
<b>Remaining Amortization Period</b>	Multiple bases from 9 to 15 years
<b>Asset Valuation Method</b>	5-Year smoothed market; 20% corridor
<b>Inflation</b>	2.75% wage inflation; 2.25% price inflation
<b>Salary Increases</b>	2.75% to 6.75% including wage inflation for General Division 2.75% to 7.15% including wage inflation for Fire Division 2.75% to 6.55% including wage inflation for Police Division
<b>Investment Rate of Return</b>	7.00%, net of investment expenses
<b>Retirement Age</b>	Experience-based table of rates that are specific to the type of eligibility condition.
<b>Mortality</b>	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.  Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.
<b>Other Information:</b>	None

CITY OF MARSHALL, MISSOURI  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS (UNAUDITED)  
(MISSOURI LAGERS)  
YEAR ENDED SEPTEMBER 30, 2023

	Fiscal Year Ending			
	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020
<b>Total Pension Liability</b>				
Service Cost	\$ 908,688	\$ 894,470	\$ 872,592	\$ 840,700
Interest on the Total Pension Liability	3,730,790	3,552,272	3,616,233	3,472,865
Benefit Changes	-	-	-	-
Difference between expected and actual experience	(152,254)	660,230	(269,927)	(30,287)
Assumption Changes	-	-	(970,082)	-
Benefit Payments	(2,712,922)	(2,419,474)	(2,364,385)	(2,280,017)
Refunds	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<u>1,774,302</u>	<u>2,687,498</u>	<u>884,431</u>	<u>2,003,261</u>
<b>Total Pension Liability beginning</b>	<u>54,183,857</u>	<u>51,496,359</u>	<u>50,611,928</u>	<u>48,608,667</u>
<b>Total Pension Liability ending</b>	<u>\$ 55,958,159</u>	<u>\$ 54,183,857</u>	<u>\$ 51,496,359</u>	<u>\$ 50,611,928</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	1,122,755	1,105,606	1,031,084	993,727
Contributions - employee	-	-	-	-
Pension Plan Net Investment Income	2,157,492	49,297	13,696,849	659,159
Benefit Payments	(2,712,922)	(2,419,474)	(2,364,385)	(2,280,017)
Refunds	-	-	-	-
Pension Plan Administrative expense	(57,080)	(41,211)	(37,901)	(49,069)
Other	(1,113,222)	216,943	158,849	(63,344)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>(602,977)</u>	<u>(1,088,839)</u>	<u>12,484,496</u>	<u>(739,544)</u>
<b>Plan Fiduciary Net Position beginning</b>	<u>62,439,879</u>	<u>63,528,718</u>	<u>51,044,222</u>	<u>51,783,766</u>
<b>Plan Fiduciary Net Position ending</b>	<u>\$ 61,836,902</u>	<u>\$ 62,439,879</u>	<u>\$ 63,528,718</u>	<u>\$ 51,044,222</u>
<b>Employer Net Pension Liability (Asset)</b>	<u>\$ (5,878,743)</u>	<u>\$ (8,256,022)</u>	<u>\$(12,032,359)</u>	<u>\$ (432,294)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	110.51%	115.24%	123.37%	100.85%
Covered Employee Payroll	9,326,537	9,110,746	9,000,629	7,759,189
Employer's Net Pension Liability as a percentage of covered employee payroll	(63.03%)	(90.62%)	(133.68%)	(5.57%)

CITY OF MARSHALL, MISSOURI  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
LAST 10 FISCAL YEARS (UNAUDITED)  
(MISSOURI LAGERS) (CONT'D)  
YEAR ENDED SEPTEMBER 30, 2023

	Fiscal Year Ending				
	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
<b>Total Pension Liability</b>					
Service Cost	\$ 832,825	\$ 869,917	\$ 867,546	\$ 837,242	\$ 841,930
Interest on the Total Pension Liability	3,364,340	3,203,039	3,063,529	2,854,937	2,753,072
Benefit Changes	-	-	-	-	-
Difference between expected and actual experience	(387,087)	495,764	6,608	(920,968)	(713,270)
Assumption Changes	-	-	-	1,667,458	-
Benefit Payments	(2,352,801)	(2,299,445)	(1,739,457)	(1,419,028)	(1,527,824)
Refunds	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<u>1,457,277</u>	<u>2,269,275</u>	<u>2,198,226</u>	<u>3,019,641</u>	<u>1,353,908</u>
<b>Total Pension Liability beginning</b>	<u>47,151,390</u>	<u>44,882,115</u>	<u>42,683,889</u>	<u>39,664,248</u>	<u>38,310,340</u>
<b>Total Pension Liability ending</b>	<u>\$ 48,608,667</u>	<u>\$ 47,151,390</u>	<u>\$ 44,882,115</u>	<u>\$ 42,683,889</u>	<u>\$ 39,664,248</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	928,004	917,939	986,979	996,056	965,537
Contributions - employee	-	-	-	-	-
Pension Plan Net Investment Income	3,296,462	5,659,357	4,981,255	(74,510)	802,763
Benefit Payments	(2,352,801)	(2,299,445)	(1,739,457)	(1,419,028)	(1,527,824)
Refunds	-	-	-	-	(32,062)
Pension Plan Administrative expense	(42,737)	(30,048)	(29,751)	(29,189)	-
Other	29,600	248,991	157,053	728,340	(318,820)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>1,858,528</u>	<u>4,496,794</u>	<u>4,356,079</u>	<u>201,669</u>	<u>(110,406)</u>
<b>Plan Fiduciary Net Position beginning</b>	<u>49,925,238</u>	<u>45,428,444</u>	<u>41,072,365</u>	<u>40,870,696</u>	<u>40,981,102</u>
<b>Plan Fiduciary Net Position ending</b>	<u>\$ 51,783,766</u>	<u>\$ 49,925,238</u>	<u>\$ 45,428,444</u>	<u>\$ 41,072,365</u>	<u>\$ 40,870,696</u>
<b>Employer Net Pension Liability (Asset)</b>	<u>\$ (3,175,099)</u>	<u>\$ (2,773,848)</u>	<u>\$ (546,329)</u>	<u>\$ 1,611,524</u>	<u>\$ (1,206,448)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	106.53%	105.88%	101.22%	96.22%	103.04%
Covered Employee Payroll	8,338,239	8,476,983	9,089,752	8,764,539	8,493,841
Employer's Net Pension Liability as a percentage of covered employee payroll	(38.08%)	(32.72%)	(6.01%)	18.39%	(14.20%)

Notes to Schedule: Data prior to 2015 is not available.

## **COMBINING FINANCIAL STATEMENTS**

COMBINING FINANCIAL STATEMENTS  
NON-MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Sanitation	Accounts for activities of the public trust in providing sanitation service to the public.
IT and Broadband	Accounts for activities of the public trust in providing internet services to the public.

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	<u>Sanitation</u>	<u>IT &amp; Broadband</u>	<u>Total</u>
<b>ASSETS</b>			
Operating Funds:			
Cash and cash equivalents	\$ 2,288,525	\$ 2,216,594	\$ 4,505,119
Accounts receivable:			
Consumers	86,143	825,377	911,520
Other	115	-	115
Due from other funds	130,935	(1,780,000)	(1,649,065)
Inventories:			
Operating and maintenance supplies, at average cost	-	841,727	841,727
Prepaid expenses	20,863	34,245	55,108
Total Current Assets	<u>2,526,581</u>	<u>2,137,943</u>	<u>4,664,524</u>
Noncurrent Assets			
Net pension asset	217,442	113,838	331,280
Capital Assets			
Land and land improvements	203,464	-	203,464
Structures, improvements and plant equipment	16,426	-	16,426
Distribution system	-	5,392,579	5,392,579
Equipment	845,625	1,067,320	1,912,945
Construction in progress	-	716,003	716,003
Accumulated depreciation	(564,622)	(3,320,165)	(3,884,787)
Total Capital Assets, net of accumulated depreciation	<u>500,893</u>	<u>3,855,737</u>	<u>4,356,630</u>
Total Noncurrent Assets	<u>718,335</u>	<u>3,969,575</u>	<u>4,687,910</u>
Total Assets	<u>3,244,916</u>	<u>6,107,518</u>	<u>9,352,434</u>
Deferred Outflows			
Deferred outflows related to pension	43,718	44,908	88,626
Total Deferred Outflows	<u>43,718</u>	<u>44,908</u>	<u>88,626</u>

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF NET POSITION (CONT'D)**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	<u>Sanitation</u>	<u>IT &amp; Broadband</u>	<u>Total</u>
<b>LIABILITIES</b>			
Operating Funds:			
Accounts payable - trade/other	74,976	19,300	94,276
Accrued benefits payable	2,151	86,590	88,741
Accrued payroll	1,656	17,997	19,653
Current portion of interfund note payable	-	199,648	199,648
Total Current Liabilities	<u>78,783</u>	<u>323,535</u>	<u>402,318</u>
Long-Term Debt:			
Long-term portion of note payable	-	575,000	575,000
Long-term portion of interfund note payable	-	2,169,976	2,169,976
Total Noncurrent Liabilities	<u>-</u>	<u>2,744,976</u>	<u>2,744,976</u>
Total Liabilities	<u>\$ 78,783</u>	<u>\$ 3,068,511</u>	<u>\$ 3,147,294</u>
Deferred Inflows:			
Deferred inflows related to pension	\$ 57,962	\$ -	\$ 57,962
Total Deferred Inflows	<u>\$ 57,962</u>	<u>\$ -</u>	<u>\$ 57,962</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 500,893	\$ 911,113	\$ 1,412,006
Restricted but expendable for pension	203,198	158,746	361,944
Unrestricted	2,447,798	2,014,056	4,461,854
Total Net Position	<u>\$ 3,151,889</u>	<u>\$ 3,083,915</u>	<u>\$ 6,235,804</u>

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF OPERATING REVENUES, OPERATING EXPENSES**  
**AND CHANGES IN NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitation</u>	<u>IT &amp; Broadband</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 1,404,456	\$ 1,873,033	\$ 3,277,489
Miscellaneous	6,847	38,588	45,435
Total Operating Revenues	<u>1,411,303</u>	<u>1,911,621</u>	<u>3,322,924</u>
Operating Expenses:			
Production and plant maintenance	76,943	375,284	452,227
Transmission and distribution	1,025,924	811,684	1,837,608
Personnel services	361,829	137,739	499,568
Insurance	-	35,250	35,250
Payments and/or services in lieu of taxes	-	12,222	12,222
Other general expense	4,082	33,881	37,963
Depreciation and amortization	85,215	438,334	523,549
Total Operating Expenses	<u>1,553,993</u>	<u>1,844,394</u>	<u>3,398,387</u>
Net Operating Income	<u>(142,690)</u>	<u>67,227</u>	<u>(75,463)</u>
Non-Operating Revenues (Expenses):			
Interest & investment earnings	104,510	67,983	172,493
Interest expense	-	(91,256)	(91,256)
Gain/(Loss) on sale of property	(9,016)	-	(9,016)
Net Non-Operating Revenues (Expenses)	<u>95,494</u>	<u>(23,273)</u>	<u>72,221</u>
Income before capital grants, contributions and transfers	(47,196)	43,954	(3,242)
Transfers In/(Out)	(1,000,000)	-	(1,000,000)
Capital grants and contributions	<u>-</u>	<u>652,569</u>	<u>652,569</u>
Change in Net Position	(1,047,196)	696,523	(350,673)
Net Position, beginning of year	<u>4,199,085</u>	<u>2,387,392</u>	<u>6,586,477</u>
Net Position, end of year	<u>\$ 3,151,889</u>	<u>\$ 3,083,915</u>	<u>\$ 6,235,804</u>

**CITY OF MARSHALL, MISSOURI  
STATEMENT OF CASH FLOWS  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitation</u>	<u>IT &amp; Broadband</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,610,429	\$ 1,296,319	\$ 2,906,748
Cash paid to suppliers	(1,046,680)	(1,035,079)	(2,081,759)
Cash paid to employees	(387,396)	(700,498)	(1,087,894)
Cash paid for services in lieu of taxes	-	(12,222)	(12,222)
Net cash provided (used) by operating activities	<u>176,353</u>	<u>(451,480)</u>	<u>(275,127)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	-	(1,062,634)	(1,062,634)
Capital grants and contributions	-	652,569	652,569
Proceeds from sale of assets	771,513	-	771,513
Interfund transfers out	(1,000,000)	-	(1,000,000)
Note proceeds	-	575,000	575,000
Proceeds from interfund loan	-	2,500,000	2,500,000
Principal payments on interfund loan	-	(250,377)	(250,377)
Interest paid on debt	-	(91,256)	(91,256)
Net cash provided (used) by capital and related financing activities	<u>(228,487)</u>	<u>2,323,302</u>	<u>2,094,815</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends	<u>104,510</u>	<u>67,983</u>	<u>172,493</u>
Net cash provided (used) by investing activities	<u>104,510</u>	<u>67,983</u>	<u>172,493</u>
Net increase (decrease) in cash and cash equivalents	52,376	1,939,805	1,992,181
Balances - beginning of year	<u>2,236,149</u>	<u>276,789</u>	<u>2,512,938</u>
Balances - end of year	<u>\$ 2,288,525</u>	<u>\$ 2,216,594</u>	<u>\$ 4,505,119</u>

**CITY OF MARSHALL, MISSOURI**  
**STATEMENT OF CASH FLOWS (CONT'D)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitation</u>	<u>IT &amp; Broadband</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>			
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (142,690)	\$ 67,227	\$ (75,463)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:			
Depreciation expense	85,215	438,334	523,549
Changes in assets, deferred outflows, liabilities and deferred inflows:			
Receivables - net of allowances	199,126	(615,302)	(416,176)
Inventory	-	(419,915)	(419,915)
Prepaid expenses	19,593	(4,028)	15,565
Accounts and other payables	40,676	15,467	56,143
Deferred outflows	(9,444)	(33,055)	(42,499)
Deferred inflows	(23,513)	(37,395)	(60,908)
Net pension asset	38,196	133,685	171,881
Other accrued liabilities	(30,806)	3,502	(27,304)
Net cash provided by operating activities	<u>\$ 176,353</u>	<u>\$ (451,480)</u>	<u>\$ (275,127)</u>

COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds**

Street	Accounts for revenues and expenditures of the city streets.
Airport	Accounts for revenues and expenditures of the airport department.
Band	Accounts for revenues and expenditures of community band.
HAB Center	Accounts for revenues and expenditures of HAB Center.
Tourism	Accounts for revenues and expenditures of the tourism tax.
Library	Accounts for revenues and expenditures of the library.
Community Center	Accounts for revenues and expenditures of the community center.
Equipment Replacement	Accounts for revenues and expenditures of equipment replacement.
Park Improvement Donation	Accounts for donations for park improvements.
City Office/Revitalization	Accounts for activities relating to improvements and revitalization of city offices/property.
Economic Development	Accounts for activities related to economic development of the City.
Street/Sidewalk Repair	Accounts for activity related to the street and sidewalk repair.
ARPA	Accounts for ARPA funding and expenditures.
Park Improvement	Accounts for revenues and expenditures of park improvements.

**Debt Service Funds**

Saltfork Project	Accounts for special assessment debt for the Saltfork Neighborhood Improvement Project.
NID Sewer Project	Accounts for special assessment debt for the NID Sewer Project.

**CITY OF MARSHALL, MISSOURI  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

	<b>Special Revenue Funds</b>				
	<b>Street</b>	<b>Airport</b>	<b>Band</b>	<b>HAB Center</b>	<b>Tourism</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,644,660	\$ 11,316	\$ 389,368	\$ -	\$ 217,571
Investments	-	-	-	-	-
Accounts receivable	40,763	-	-	-	-
Taxes receivables, net of allowance	-	-	1,746	-	-
Due from governmental agencies	369,231	23,930	-	-	-
Due from other funds	73,496	-	-	-	-
Inventory	40,321	31,036	-	-	-
Prepaid expenses	69,945	17,332	3,862	-	-
<b>Total Assets</b>	<b>3,238,416</b>	<b>83,614</b>	<b>394,976</b>	<b>-</b>	<b>217,571</b>
<b>LIABILITIES</b>					
Accounts payable	304	13	-	-	960
Accrued expenses	29,421	40	135	-	-
Pooled cash deficit	-	-	-	443,153	-
Due to other funds	6,571	20,116	8,035	-	-
<b>Total Liabilities</b>	<b>36,296</b>	<b>20,169</b>	<b>8,170</b>	<b>443,153</b>	<b>960</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Unearned revenue - property taxes	-	-	903	-	-
<b>FUND EQUITY</b>					
Nonspendable					
Inventory	40,321	31,036	-	-	-
Prepaid expenses	69,945	17,332	3,862	-	-
Assigned for special revenue purposes	3,091,854	15,077	382,041	-	216,611
Assigned for debt service purposes	-	-	-	-	-
Unassigned (deficit)	-	-	-	(443,153)	-
<b>Fund Balance (Deficit)</b>	<b>3,202,120</b>	<b>63,445</b>	<b>385,903</b>	<b>(443,153)</b>	<b>216,611</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Equity</b>	<b>\$ 3,238,416</b>	<b>\$ 83,614</b>	<b>\$ 394,976</b>	<b>\$ -</b>	<b>\$ 217,571</b>

**CITY OF MARSHALL, MISSOURI  
COMBINING BALANCE SHEET (CONT'D)  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2023**

	<b>Special Revenue Funds</b>				
	<b>Library</b>	<b>Community Center</b>	<b>Equipment Replacement</b>	<b>Park Improvement Donation</b>	<b>City Office/ Revitalization</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 128,500	\$ 250	\$ 146,662	\$ 156,919	\$ 19,591
Investments	55,054	-	-	-	-
Accounts receivable	-	-	-	-	-
Taxes receivables, net of allowance	6,700	-	-	-	-
Due from governmental agencies	-	-	-	-	-
Due from other funds	28,058	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	8,843	-	-	-	-
<b>Total Assets</b>	<b>227,155</b>	<b>250</b>	<b>146,662</b>	<b>156,919</b>	<b>19,591</b>
<b>LIABILITIES</b>					
Accounts payable	1,949	764	-	-	-
Accrued expenses	8,347	-	-	-	-
Pooled cash deficit	-	56,068	-	-	-
Due to other funds	2,944	-	-	-	-
<b>Total Liabilities</b>	<b>13,240</b>	<b>56,832</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Unearned revenue - property taxes	6,479	-	-	-	-
<b>FUND EQUITY</b>					
Nonspendable					
Inventory	-	-	-	-	-
Prepaid expenses	8,843	-	-	-	-
Assigned for special revenue purposes	198,593	-	146,662	156,919	19,591
Assigned for debt service purposes	-	-	-	-	-
Unassigned (deficit)	-	(56,582)	-	-	-
<b>Fund Balance (Deficit)</b>	<b>207,436</b>	<b>(56,582)</b>	<b>146,662</b>	<b>156,919</b>	<b>19,591</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Equity</b>	<b>\$ 227,155</b>	<b>\$ 250</b>	<b>\$ 146,662</b>	<b>\$ 156,919</b>	<b>\$ 19,591</b>

**CITY OF MARSHALL, MISSOURI  
COMBINING BALANCE SHEET (CONT'D)  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Economic Development</b>	<b>Street/ Sidewalk Repair</b>	<b>ARPA</b>	<b>Park Improvement</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 45,020	\$ 41,056	\$ 2,259,393	\$ 23
Investments	-	-	-	-
Accounts receivable	158,554	-	-	-
Taxes receivables, net of allowance	-	-	-	-
Due from governmental agencies	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<b>Total Assets</b>	<b>203,574</b>	<b>41,056</b>	<b>2,259,393</b>	<b>23</b>
<b>LIABILITIES</b>				
Accounts payable	-	-	-	-
Accrued expenses	-	-	-	-
Due to other funds	-	-	-	80
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unearned revenue - property taxes	-	-	-	-
<b>FUND EQUITY</b>				
Nonspendable				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Assigned for special revenue purposes	203,574	41,056	2,259,393	-
Assigned for debt service purposes	-	-	-	-
Unassigned (deficit)	-	-	-	(57)
<b>Fund Balance (Deficit)</b>	<b>203,574</b>	<b>41,056</b>	<b>2,259,393</b>	<b>(57)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Equity</b>	<b>\$ 203,574</b>	<b>\$ 41,056</b>	<b>\$ 2,259,393</b>	<b>\$ 23</b>

**CITY OF MARSHALL, MISSOURI  
 COMBINING BALANCE SHEET (CONT'D)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 SEPTEMBER 30, 2023**

	<u>Debt Service Funds</u>		<u>Total (Memorandum Only)</u>
	<u>Saltfork Project</u>	<u>NID Sewer Project</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 78,980	\$ 6,139,309
Investments	-	-	55,054
Accounts receivable	-	-	199,317
Taxes receivables, net of allowance	-	-	8,446
Due from governmental agencies	-	-	393,161
Due from other funds	-	-	101,554
Inventory	-	-	71,357
Prepaid expenses	-	-	99,982
	<hr/>	<hr/>	<hr/>
Total Assets	-	78,980	7,068,180
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES</b>			
Accounts payable	-	-	3,990
Accrued expenses	-	-	37,943
Pooled cash deficit	-	-	499,221
Due to other funds	226,148	-	263,894
	<hr/>	<hr/>	<hr/>
Total Liabilities	226,148	-	805,048
	<hr/>	<hr/>	<hr/>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Unearned revenue - property taxes	-	-	7,382
	<hr/>	<hr/>	<hr/>
<b>FUND EQUITY</b>			
Nonspendable			
Inventory	-	-	71,357
Prepaid expenses	-	-	99,982
Assigned for special revenue purposes	-	-	6,731,371
Assigned for debt service purposes	-	78,980	78,980
Unassigned (deficit)	(226,148)	-	(725,940)
Fund Balance (Deficit)	(226,148)	78,980	6,255,750
	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	\$ -	\$ 78,980	\$ 7,068,180
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**CITY OF MARSHALL, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Special Revenue Funds</u>				
	<u>Street</u>	<u>Airport</u>	<u>Band</u>	<u>HAB Center</u>	<u>Tourism</u>
<b>REVENUES</b>					
Taxes	\$ 1,231,695	\$ -	\$ 74,703	\$ -	\$ 62,710
Intergovernmental	132,165	-	-	-	-
Charges for services	14,091	142,749	-	-	-
Miscellaneous	99,121	3,388	19,588	-	-
Total Revenues	<u>1,477,072</u>	<u>146,137</u>	<u>94,291</u>	<u>-</u>	<u>62,710</u>
<b>EXPENDITURES</b>					
Street	1,362,931	-	-	-	-
Airport	-	270,980	-	-	-
Library	-	-	-	-	-
Band	-	-	79,400	-	-
Park	-	-	-	-	-
Tourism	-	-	-	-	-
Community center	-	-	-	272,415	-
Capital outlay	-	-	-	-	85,393
Interest and fees	-	-	-	-	-
Total Expenditures	<u>1,362,931</u>	<u>270,980</u>	<u>79,400</u>	<u>272,415</u>	<u>85,393</u>
Excess (Deficit) of Revenues over Expenditures	<u>114,141</u>	<u>(124,843)</u>	<u>14,891</u>	<u>(272,415)</u>	<u>(22,683)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in (out)	1,000,000	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	1,114,141	(124,843)	14,891	(272,415)	(22,683)
Fund Balance, beginning of year (deficit)	<u>2,087,979</u>	<u>188,288</u>	<u>371,012</u>	<u>(170,738)</u>	<u>239,294</u>
Fund Balance, end of year (deficit)	<u>\$ 3,202,120</u>	<u>\$ 63,445</u>	<u>\$ 385,903</u>	<u>\$ (443,153)</u>	<u>\$ 216,611</u>

**CITY OF MARSHALL, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE (CONT'D)**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Special Revenue Funds				
	Library	Community Center	Equipment Replacement	Park Improvement Donation	City Office/ Revitalization
<b>REVENUES</b>					
Taxes	\$ 285,183	\$ -	\$ -	\$ -	\$ -
Intergovernmental	37,595	-	-	-	-
Charges for services	2,101	75,951	-	-	-
Miscellaneous	22,679	-	-	39,343	-
Total Revenues	<u>347,558</u>	<u>75,951</u>	<u>-</u>	<u>39,343</u>	<u>-</u>
<b>EXPENDITURES</b>					
Street	-	-	-	-	-
Airport	-	-	-	-	-
Library	480,960	-	-	-	-
Band	-	-	-	-	-
Park	-	-	-	230,315	-
Tourism	-	-	-	-	-
Community center	-	121,467	-	-	-
Capital outlay	-	-	82,509	-	1,027
Interest and fees	-	-	-	-	-
Total Expenditures	<u>480,960</u>	<u>121,467</u>	<u>82,509</u>	<u>230,315</u>	<u>1,027</u>
Excess (Deficit) of Revenues over Expenditures	<u>(133,402)</u>	<u>(45,516)</u>	<u>(82,509)</u>	<u>(190,972)</u>	<u>(1,027)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in (out)	-	-	-	322,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,000</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	(133,402)	(45,516)	(82,509)	131,028	(1,027)
Fund Balance, beginning of year (deficit)	<u>340,838</u>	<u>(11,066)</u>	<u>229,171</u>	<u>25,891</u>	<u>20,618</u>
Fund Balance, end of year (deficit)	<u>\$ 207,436</u>	<u>\$ (56,582)</u>	<u>\$ 146,662</u>	<u>\$ 156,919</u>	<u>\$ 19,591</u>

**CITY OF MARSHALL, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE (CONT'D)**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Special Revenue Funds			
	Economic Development	Street/ Sidewalk Repair	ARPA	Park Improvement
REVENUES				
Taxes	\$ 178,535	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	11,682	-	107,344	-
Total Revenues	<u>190,217</u>	<u>-</u>	<u>107,344</u>	<u>-</u>
EXPENDITURES				
Street	-	-	-	-
Airport	-	-	-	-
Library	-	-	-	-
Band	-	-	-	-
Park	-	-	-	-
Tourism	-	-	-	-
Community center	-	-	-	-
Capital outlay	281,500	-	14,666	-
Interest and fees	-	-	-	-
Total Expenditures	<u>281,500</u>	<u>-</u>	<u>14,666</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures	<u>(91,283)</u>	<u>-</u>	<u>92,678</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	<u>(91,283)</u>	<u>-</u>	<u>92,678</u>	<u>-</u>
Fund Balance, beginning of year (deficit)	<u>294,857</u>	<u>41,056</u>	<u>2,166,715</u>	<u>(57)</u>
Fund Balance, end of year (deficit)	<u>\$ 203,574</u>	<u>\$ 41,056</u>	<u>\$ 2,259,393</u>	<u>\$ (57)</u>

**CITY OF MARSHALL, MISSOURI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE (CONT'D)**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Debt Service Funds</u>		<u>Total (Memorandum Only)</u>
	<u>Saltfork Project</u>	<u>NID Sewer Project</u>	
<b>REVENUES</b>			
Taxes	\$ -	\$ 8,238	\$ 1,841,064
Intergovernmental	-	-	169,760
Charges for services	-	-	234,892
Miscellaneous	-	-	303,145
Total Revenues	<u>-</u>	<u>8,238</u>	<u>2,548,861</u>
<b>EXPENDITURES</b>			
Street	-	-	1,362,931
Airport	-	-	270,980
Library	-	-	480,960
Band	-	-	79,400
Park	-	-	230,315
Tourism	-	-	-
Community center	-	-	393,882
Capital outlay	-	-	465,095
Interest and fees	-	2,488	2,488
Total Expenditures	<u>-</u>	<u>2,488</u>	<u>3,286,051</u>
Excess (Deficit) of Revenues over Expenditures	<u>-</u>	<u>5,750</u>	<u>(737,190)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out)	-	-	1,322,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,322,000</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	-	5,750	584,810
Fund Balance, beginning of year (deficit)	<u>(226,148)</u>	<u>73,230</u>	<u>5,670,940</u>
Fund Balance, end of year (deficit)	<u>\$ (226,148)</u>	<u>\$ 78,980</u>	<u>\$ 6,255,750</u>

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Special Revenue Funds  
Debt Service Funds

**CITY OF MARSHALL, MISSOURI**  
**STREET FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Sales	\$ 398,500	\$ 706,550	\$ 539,311	\$ (167,239)
Motor vehicle	189,600	208,610	208,604	(6)
Motor fuel	387,000	483,800	483,780	(20)
Total Taxes	<u>975,100</u>	<u>1,398,960</u>	<u>1,231,695</u>	<u>(167,265)</u>
Intergovernmental				
State and federal grants	-	-	132,165	132,165
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>132,165</u>	<u>132,165</u>
Charges for Services				
Street excavation	8,000	5,000	14,091	9,091
Total Charges for Services	<u>8,000</u>	<u>5,000</u>	<u>14,091</u>	<u>9,091</u>
Miscellaneous				
Interest	12,000	78,185	89,795	11,610
Miscellaneous	760,000	9,190	9,326	136
Total Miscellaneous	<u>772,000</u>	<u>87,375</u>	<u>99,121</u>	<u>11,746</u>
Total Revenues	<u>1,755,100</u>	<u>1,491,335</u>	<u>1,477,072</u>	<u>(14,263)</u>
<b>EXPENDITURES</b>				
Personnel services	471,079	879,919	892,203	(12,284)
Other charges and services	308,543	270,193	250,559	19,634
Operating supplies	77,300	62,890	-	62,890
Repairs and maintenance	208,000	190,350	176,960	13,390
Capital outlay	<u>1,001,500</u>	<u>1,020,700</u>	<u>43,209</u>	<u>977,491</u>
Total Expenditures	<u>2,066,422</u>	<u>2,424,052</u>	<u>1,362,931</u>	<u>1,061,121</u>
Excess (Deficit) of Revenues over Expenditures	<u>(311,322)</u>	<u>(932,717)</u>	<u>114,141</u>	<u>1,046,858</u>

**CITY OF MARSHALL, MISSOURI**  
**STREET FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONT'D)**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	311,322	1,000,000	1,000,000	-
Total Other Financing Sources (Uses)	<u>311,322</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	-	67,283	1,114,141	<u>\$ 1,046,858</u>
Fund Balance, beginning of year	<u>2,087,979</u>	<u>2,087,979</u>	<u>2,087,979</u>	
Fund Balance, end of year	<u>\$ 2,087,979</u>	<u>\$ 2,155,262</u>	<u>\$ 3,202,120</u>	

**CITY OF MARSHALL, MISSOURI**  
**AIRPORT OPERATING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services				
Retail sales	\$ 200,250	\$ 98,200	\$ 98,187	\$ (13)
Hangar rental	17,500	16,700	17,346	646
Other rental	14,000	13,650	14,540	890
Farm income	18,910	15,000	12,676	(2,324)
Total Charges for services	<u>250,660</u>	<u>143,550</u>	<u>142,749</u>	<u>(801)</u>
Miscellaneous				
Interest	200	3,290	3,288	(2)
Miscellaneous	750	100	100	-
Total Miscellaneous	<u>950</u>	<u>3,390</u>	<u>3,388</u>	<u>(2)</u>
Total Revenues	<u>251,610</u>	<u>146,940</u>	<u>146,137</u>	<u>(803)</u>
<b>EXPENDITURES</b>				
Personnel services	5,505	3,807	3,664	143
Other charges and services	38,500	74,315	70,705	3,610
Operating supplies	200,200	52,200	78,641	(26,441)
Repairs and maintenance	5,800	118,550	117,970	580
Total Expenditures	<u>250,005</u>	<u>248,872</u>	<u>270,980</u>	<u>(22,108)</u>
Excess (Deficit) of Revenues over Expenditures	1,605	(101,932)	(124,843)	<u>\$ (22,911)</u>
Fund Balance, beginning of year	<u>188,288</u>	<u>188,288</u>	<u>188,288</u>	
Fund Balance, end of year	<u>\$ 189,893</u>	<u>\$ 86,356</u>	<u>\$ 63,445</u>	

**CITY OF MARSHALL, MISSOURI**  
**BAND FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes				
Ad valorem	\$ 73,352	\$ 70,457	\$ 73,845	\$ 3,388
Railroad and utilities	985	3,835	858	(2,977)
Financial institution	100	-	-	-
Total Taxes	<u>74,437</u>	<u>74,292</u>	<u>74,703</u>	<u>411</u>
Miscellaneous				
Interest	5,000	16,900	18,588	1,688
Miscellaneous	-	1,000	1,000	-
Total Miscellaneous	<u>5,000</u>	<u>17,900</u>	<u>19,588</u>	<u>1,688</u>
Total Revenues	<u>79,437</u>	<u>92,192</u>	<u>94,291</u>	<u>2,099</u>
<b>EXPENDITURES</b>				
Personnel services	5,820	-	5,808	(5,808)
Other charges and services	63,855	73,745	66,969	6,776
Operating supplies	5,200	2,150	1,843	307
Repairs and maintenance	2,000	3,700	3,628	72
Capital outlay	1,800	1,160	1,152	8
Total Expenditures	<u>78,675</u>	<u>80,755</u>	<u>79,400</u>	<u>1,355</u>
Excess (Deficit) of Revenues over Expenditures	762	11,437	14,891	<u>\$ 3,454</u>
Fund Balance, beginning of year	<u>371,012</u>	<u>371,012</u>	<u>371,012</u>	
Fund Balance, end of year	<u>\$ 371,774</u>	<u>\$ 382,449</u>	<u>\$ 385,903</u>	

**CITY OF MARSHALL, MISSOURI  
HAB CENTER FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous				
Sale of property	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Total Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Other charges and services	260,000	272,500	272,415	85
Total Expenditures	260,000	272,500	272,415	85
Excess (Deficit) of Revenues over Expenditures	(260,000)	(272,500)	(272,415)	\$ 85
Fund Balance, beginning of year	(170,738)	(170,738)	(170,738)	
Fund Balance, end of year	\$ (430,738)	\$ (443,238)	\$ (443,153)	

**CITY OF MARSHALL, MISSOURI**  
**TOURISM TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Tourism	\$ 101,111	\$ 88,711	\$ 62,710	\$ (26,001)
Total Taxes	<u>101,111</u>	<u>88,711</u>	<u>62,710</u>	<u>(26,001)</u>
Total Revenues	<u>101,111</u>	<u>88,711</u>	<u>62,710</u>	<u>(26,001)</u>
EXPENDITURES				
Capital outlay	<u>101,111</u>	<u>84,511</u>	<u>85,393</u>	<u>(882)</u>
Total Expenditures	<u>101,111</u>	<u>84,511</u>	<u>85,393</u>	<u>(882)</u>
Excess (Deficit) of Revenues over Expenditures	-	4,200	(22,683)	<u><u>\$ (26,883)</u></u>
Fund Balance, beginning of year	<u>239,294</u>	<u>239,294</u>	<u>239,294</u>	
Fund Balance, end of year	<u><u>\$ 239,294</u></u>	<u><u>\$ 243,494</u></u>	<u><u>\$ 216,611</u></u>	

**CITY OF MARSHALL, MISSOURI**  
**LIBRARY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b>REVENUES</b>				
Taxes				
Ad valorem	\$ 258,377	\$ 270,977	\$ 281,966	\$ 10,989
Railroad and utilities	3,600	14,750	3,217	(11,533)
Financial institution	300	-	-	-
Total Taxes	<u>262,277</u>	<u>285,727</u>	<u>285,183</u>	<u>(544)</u>
Intergovernmental				
State and federal grants	<u>25,227</u>	<u>37,677</u>	<u>37,595</u>	<u>(82)</u>
Total Intergovernmental	<u>25,227</u>	<u>37,677</u>	<u>37,595</u>	<u>(82)</u>
Charges for Services				
Library book fines	70	257	256	(1)
Library cards	<u>1,000</u>	<u>1,850</u>	<u>1,845</u>	<u>(5)</u>
Total Charges for Services	<u>1,070</u>	<u>2,107</u>	<u>2,101</u>	<u>(6)</u>
Miscellaneous				
Interest	3,400	12,300	12,864	564
Sale of property	300	635	633	(2)
Miscellaneous	2,200	6,910	6,875	(35)
Donations	700	500	482	(18)
Printer fees	<u>1,500</u>	<u>1,830</u>	<u>1,825</u>	<u>(5)</u>
Total Miscellaneous	<u>8,100</u>	<u>22,175</u>	<u>22,679</u>	<u>504</u>
Total Revenues	<u>296,674</u>	<u>347,686</u>	<u>347,558</u>	<u>(128)</u>
<b>EXPENDITURES</b>				
Personnel services	197,750	191,550	191,486	64
Other charges and services	74,100	73,760	69,956	3,804
Operating supplies	6,200	7,820	7,718	102
Repairs and maintenance	4,450	10,850	10,748	102
Capital outlay	<u>1,400</u>	<u>201,500</u>	<u>201,052</u>	<u>448</u>
Total Expenditures	<u>283,900</u>	<u>485,480</u>	<u>480,960</u>	<u>4,520</u>
Excess (Deficit) of Revenues over Expenditures	12,774	(137,794)	(133,402)	<u>\$ 4,392</u>
Fund Balance, beginning of year	<u>340,838</u>	<u>340,838</u>	<u>340,838</u>	
Fund Balance, end of year	<u>\$ 353,612</u>	<u>\$ 203,044</u>	<u>\$ 207,436</u>	

**CITY OF MARSHALL, MISSOURI  
COMMUNITY CENTER FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for Services				
Rent	\$ 81,000	\$ 75,989	\$ 75,951	\$ (38)
Total Charges for Services	<u>81,000</u>	<u>75,989</u>	<u>75,951</u>	<u>(38)</u>
Total Revenues	<u>81,000</u>	<u>75,989</u>	<u>75,951</u>	<u>(38)</u>
<b>EXPENDITURES</b>				
Other charges and services	55,947	110,047	108,381	1,666
Operating supplies	2,500	2,860	2,790	70
Repairs and maintenance	<u>9,000</u>	<u>10,300</u>	<u>10,296</u>	<u>4</u>
Total Expenditures	<u>67,447</u>	<u>123,207</u>	<u>121,467</u>	<u>1,740</u>
Excess (Deficit) of Revenues over Expenditures	13,553	(47,218)	(45,516)	<u>\$ 1,702</u>
Fund Balance, beginning of year (deficit)	<u>(11,066)</u>	<u>(11,066)</u>	<u>(11,066)</u>	
Fund Balance, end of year (deficit)	<u>\$ 2,487</u>	<u>\$ (58,284)</u>	<u>\$ (56,582)</u>	

**CITY OF MARSHALL, MISSOURI  
EQUIPMENT REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous				
Interest	\$ -	\$ -	\$ -	\$ -
Total Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital outlay	-	82,509	82,509	-
Total Expenditures	-	82,509	82,509	-
Excess (Deficit) of Revenues over Expenditures	-	(82,509)	(82,509)	\$ -
Fund Balance, beginning of year	229,171	229,171	229,171	
Fund Balance, end of year	\$ 229,171	\$ 146,662	\$ 146,662	

**CITY OF MARSHALL, MISSOURI  
PARK IMPROVEMENT DONATION  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Miscellaneous				
Donations	\$ -	\$ 22,600	\$ 22,547	\$ (53)
Miscellaneous	-	16,805	16,796	(9)
Total Charges for Services	-	39,405	39,343	(62)
Total Revenues	-	39,405	39,343	(62)
<b>EXPENDITURES</b>				
Repairs and maintenance	-	230,315	230,315	-
Total Expenditures	-	230,315	230,315	-
Excess (Deficit) of Revenues over Expenditures	-	(190,910)	(190,972)	(62)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in (out)	-	322,000	322,000	-
Total Other Financing Sources (Uses)	-	322,000	322,000	-
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	-	131,090	131,028	<u>\$ (62)</u>
Fund Balance, beginning of year	25,891	25,891	25,891	
Fund Balance, end of year	<u>\$ 25,891</u>	<u>\$ 156,981</u>	<u>\$ 156,919</u>	

**CITY OF MARSHALL, MISSOURI  
CITY OFFICE/REVITALIZATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales	\$ -	\$ -	\$ -	\$ -
Total Taxes	-	-	-	-
Miscellaneous				
Interest	-	-	-	-
Total Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital outlay		-	1,027	(1,027)
Total Expenditures	-	-	1,027	(1,027)
Excess (Deficit) of Revenues over Expenditures	-	-	(1,027)	<u>\$ (1,027)</u>
Fund Balance, beginning of year	20,618	20,618	20,618	
Fund Balance, end of year	<u>\$ 20,618</u>	<u>\$ 20,618</u>	<u>\$ 19,591</u>	

**CITY OF MARSHALL, MISSOURI  
ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Other	\$ 162,000	\$ 104,300	\$ 178,535	\$ 74,235
Total Taxes	<u>162,000</u>	<u>104,300</u>	<u>178,535</u>	<u>74,235</u>
Miscellaneous				
Interest	-	11,500	11,682	182
Total Miscellaneous	<u>-</u>	<u>11,500</u>	<u>11,682</u>	<u>182</u>
Total Revenues	<u>162,000</u>	<u>115,800</u>	<u>190,217</u>	<u>74,417</u>
EXPENDITURES				
Capital outlay	-	281,405	281,500	(95)
Total Expenditures	<u>-</u>	<u>281,405</u>	<u>281,500</u>	<u>(95)</u>
Excess (Deficit) of Revenues over Expenditures	162,000	(165,605)	(91,283)	<u>\$ 74,322</u>
Fund Balance, beginning of year	<u>294,857</u>	<u>294,857</u>	<u>294,857</u>	
Fund Balance, end of year	<u>\$ 456,857</u>	<u>\$ 129,252</u>	<u>\$ 203,574</u>	

**CITY OF MARSHALL, MISSOURI  
STREET/SIDEWALK REPAIR FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental				
State and federal grants	\$ -	\$ -	\$ -	\$ -
Total Intergovernmental	-	-	-	-
Miscellaneous				
Interest	-	-	-	-
Total Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficit) of Revenues over Expenditures	-	-	-	<u>\$ -</u>
Fund Balance, beginning of year	41,056	41,056	41,056	
Fund Balance, end of year	<u>\$ 41,056</u>	<u>\$ 41,056</u>	<u>\$ 41,056</u>	

**CITY OF MARSHALL, MISSOURI**  
**ARPA FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental				
State and federal grants	\$ -	\$ -	\$ -	\$ -
Total Intergovernmental	-	-	-	-
Miscellaneous				
Interest	-	98,000	107,344	9,344
Total Miscellaneous	-	98,000	107,344	9,344
Total Revenues	-	98,000	107,344	9,344
EXPENDITURES				
Capital outlay	1,439,000	10,977	14,666	(3,689)
Total Expenditures	1,439,000	10,977	14,666	(3,689)
Excess (Deficit) of Revenues over Expenditures	(1,439,000)	87,023	92,678	<u>\$ 5,655</u>
Fund Balance, beginning of year	2,166,715	2,166,715	2,166,715	
Fund Balance, end of year	<u>\$ 727,715</u>	<u>\$ 2,253,738</u>	<u>\$ 2,259,393</u>	

**CITY OF MARSHALL, MISSOURI  
PARK IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales	\$ -	\$ -	\$ -	\$ -
Total Taxes	-	-	-	-
Miscellaneous				
Interest	-	-	-	-
Total Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficit) of Revenues over Expenditures	-	-	-	-
OTHER FINANCING USES				
Operating transfers in (out)				
Park	-	-	-	-
Total Other Financing Uses	-	-	-	-
Excess (Deficit) of Revenues over Expenditures and Other Financing Uses	-	-	-	\$ -
Fund Balance, beginning of year	(57)	(57)	(57)	
Fund Balance, end of year	\$ (57)	\$ (57)	\$ (57)	

**CITY OF MARSHALL, MISSOURI**  
**SALTFORK PROJECT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b>REVENUES</b>				
Taxes				
Special Assessment	\$ -	\$ -	\$ -	\$ -
Total Taxes	-	-	-	-
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficit) of Revenues over Expenditures	-	-	-	-
<b>OTHER FINANCING USES</b>				
Operating transfers in (out)				
General	-	-	-	-
Total Other Financing Uses	-	-	-	-
Excess (Deficit) of Revenues over Expenditures and Other Financing Uses	-	-	-	\$ -
Fund Balance, beginning of year (deficit)	(226,148)	(226,148)	(226,148)	
Fund Balance, end of year (deficit)	\$ (226,148)	\$ (226,148)	\$ (226,148)	

**CITY OF MARSHALL, MISSOURI  
NID SEWER PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes				
Special Assessment	\$ -	\$ 8,240	\$ 8,238	\$ (2)
Total Taxes	<u>-</u>	<u>8,240</u>	<u>8,238</u>	<u>(2)</u>
Total Revenues	<u>-</u>	<u>8,240</u>	<u>8,238</u>	<u>(2)</u>
<b>EXPENDITURES</b>				
Debt service				
Interest and fees	-	2,500	2,488	12
Total Expenditures	<u>-</u>	<u>2,500</u>	<u>2,488</u>	<u>12</u>
Excess (Deficit) of Revenues over Expenditures	-	5,740	5,750	<u>\$ 10</u>
Fund Balance, beginning of year	<u>73,230</u>	<u>73,230</u>	<u>73,230</u>	
Fund Balance, end of year	<u>\$ 73,230</u>	<u>\$ 78,970</u>	<u>\$ 78,980</u>	

SUPPLEMENTARY INDIVIDUAL FUND  
FINANCIAL SCHEDULES

General Fund  
Park Fund

These supplementary schedules are included to provide management additional information for financial analysis.

**CITY OF MARSHALL, MISSOURI  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
<b>Taxes</b>				
Ad valorem	\$ 1,096,197	\$ 1,053,475	\$ 1,099,856	\$ 46,381
Railroad and utilities	14,712	57,312	12,530	(44,782)
Electric franchise	1,500,000	1,551,500	1,537,034	(14,466)
Water franchise	185,000	207,900	205,981	(1,919)
Gas franchise	200,000	307,100	307,840	740
Phone franchise	150,000	106,000	108,973	2,973
CATV franchise	5,000	13,150	13,150	-
Cigarette	45,000	41,400	41,329	(71)
Sales	2,590,000	2,319,700	2,522,296	202,596
Use	-	451,550	451,542	(8)
PILOT	-	-	14,617	14,617
Total Taxes	<u>5,785,909</u>	<u>6,109,087</u>	<u>6,315,148</u>	<u>206,061</u>
<b>Licenses and Permits</b>				
Merchants license	58,000	58,550	58,621	71
Building and electric	25,000	25,580	25,809	229
Dog	100	420	420	-
Planning and zoning fees	900	930	930	-
Administrative fees	72,859	72,898	72,859	(39)
Exam fees	-	50	50	-
Total Licenses and Permits	<u>156,859</u>	<u>158,428</u>	<u>158,689</u>	<u>261</u>
<b>Intergovernmental</b>				
State and federal grants	10,000	115,400	129,976	14,576
Total Intergovernmental	<u>10,000</u>	<u>115,400</u>	<u>129,976</u>	<u>14,576</u>
<b>Charges for Services</b>				
Rural fire calls	2,000	10,090	10,080	(10)
Mowing	1,500	-	-	-
Total Charges for Services	<u>3,500</u>	<u>10,090</u>	<u>10,080</u>	<u>(10)</u>

**CITY OF MARSHALL, MISSOURI  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONT'D)  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES (cont'd)				
Fines and Penalties				
Court fines and cost	75,000	62,800	62,230	(570)
Police training fund	-	1,000	977	(23)
CVC fund	-	10	6	(4)
DWI reimbursements	1,000	900	893	(7)
Total Fines and Penalties	<u>76,000</u>	<u>64,710</u>	<u>64,106</u>	<u>(604)</u>
Miscellaneous				
Interest	21,000	47,500	50,486	2,986
Sale of property	5,000	4,200	604,200	600,000
Miscellaneous	70,000	238,700	162,583	(76,117)
Administrative fees	-	-	-	-
Donations	-	3,915	3,915	-
Farm income	23,000	20,000	10,234	(9,766)
Total Miscellaneous	<u>119,000</u>	<u>314,315</u>	<u>831,418</u>	<u>517,103</u>
Total Revenues	<u>6,151,268</u>	<u>6,772,030</u>	<u>7,509,417</u>	<u>737,387</u>
EXPENDITURES				
General and Administrative				
Personnel services	450,690	471,190	471,523	(333)
Other charges and services	331,250	434,950	425,028	9,922
Operating supplies	21,750	17,700	17,054	646
Repairs and maintenance	52,500	58,100	57,761	339
Capital outlay	1,500	28,485	628,478	(599,993)
Total General and Administrative	<u>857,690</u>	<u>1,010,425</u>	<u>1,599,844</u>	<u>(589,419)</u>
Executive				
Personnel services	220,100	220,100	220,346	(246)
Other charges and services	6,200	5,050	4,799	251
Total Executive	<u>226,300</u>	<u>225,150</u>	<u>225,145</u>	<u>5</u>

**CITY OF MARSHALL, MISSOURI  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONT'D)  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (cont'd)				
Fire				
Personnel services	1,650,113	1,645,583	1,648,453	(2,870)
Other charges and services	205,950	198,750	197,593	1,157
Operating supplies	42,000	29,070	28,786	284
Repairs and maintenance	87,750	109,450	93,998	15,452
Capital outlay	38,500	87,405	87,132	273
Total Fire	<u>2,024,313</u>	<u>2,070,258</u>	<u>2,055,962</u>	<u>14,296</u>
Police				
Personnel services	2,258,153	2,251,853	2,148,447	103,406
Other charges and services	190,750	280,650	274,705	5,945
Operating supplies	32,700	26,520	26,040	480
Repairs and maintenance	167,600	272,100	218,026	54,074
Capital outlay	31,700	126,050	125,929	121
Total Police	<u>2,680,903</u>	<u>2,957,173</u>	<u>2,793,147</u>	<u>164,026</u>
Court				
Personnel services	100,363	98,323	98,299	24
Other charges and services	11,800	10,356	9,636	720
Operating supplies	1,400	600	451	149
Repairs and maintenance	8,500	12,250	12,210	40
Capital outlay	4,500	4,500	4,319	181
Total Court	<u>126,563</u>	<u>126,029</u>	<u>124,915</u>	<u>1,114</u>
Planning, Building and Economic Development				
Personnel services	153,618	165,068	165,144	(76)
Other charges and services	18,850	29,395	28,744	651
Operating supplies	1,000	400	331	69
Repairs and maintenance	11,400	11,492	9,830	1,662
Capital outlay	1,700	-	-	-
Total Planning, Building and Economic Development	<u>186,568</u>	<u>206,355</u>	<u>204,049</u>	<u>2,306</u>
Total Expenditures	<u>6,102,337</u>	<u>6,595,390</u>	<u>7,003,062</u>	<u>(407,672)</u>

**CITY OF MARSHALL, MISSOURI  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONT'D)  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Excess (Deficit) of Revenues over Expenditures	48,931	176,640	506,355	\$ 329,715
Fund Balance, beginning of year	977,296	977,296	977,296	
Fund Balance, end of year	\$ 1,026,227	\$ 1,153,936	\$ 1,483,651	

**CITY OF MARSHALL, MISSOURI  
PARK FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes				
Ad valorem	\$ 459,979	\$ 455,439	\$ 474,648	\$ 19,209
Railroad and utilities	6,360	24,770	5,417	(19,353)
Sales	850,000	1,009,350	1,006,845	(2,505)
Financial institution	500	-	-	-
Total Taxes	<u>1,316,839</u>	<u>1,489,559</u>	<u>1,486,910</u>	<u>(2,649)</u>
Intergovernmental				
State and federal grants	-	383,430	472,273	88,843
Total Intergovernmental	<u>-</u>	<u>383,430</u>	<u>472,273</u>	<u>88,843</u>
Charges for Services				
Park fees and sales	315,500	463,286	460,600	(2,686)
Total Charges for Services	<u>315,500</u>	<u>463,286</u>	<u>460,600</u>	<u>(2,686)</u>
Miscellaneous				
Interest on investments	1,000	43,150	48,729	5,579
Miscellaneous	85,000	30,600	30,534	(66)
Donations	3,000	525	520	(5)
Rental	2,000	4,700	4,770	70
Total Miscellaneous	<u>91,000</u>	<u>78,975</u>	<u>84,553</u>	<u>5,578</u>
Total Revenues	<u>1,723,339</u>	<u>2,415,250</u>	<u>2,504,336</u>	<u>89,086</u>
<b>EXPENDITURES</b>				
Swimming Pool				
Personnel services	40,150	19,970	19,914	56
Other charges and services	162,850	166,450	162,945	3,505
Operating supplies	23,400	24,760	24,669	91
Repairs and maintenance	28,800	18,460	18,326	134
Capital outlay	8,600	6,110	6,061	49
Total Swimming Pool	<u>263,800</u>	<u>235,750</u>	<u>231,915</u>	<u>3,835</u>

**CITY OF MARSHALL, MISSOURI**  
**PARK FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONT'D)**  
**YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (cont'd)				
Golf Course				
Personnel services	155,577	148,982	149,886	(904)
Other charges and services	62,750	26,400	74,753	(48,353)
Operating supplies	61,500	70,800	64,663	6,137
Repairs and maintenance	149,000	138,680	138,138	542
Capital outlay	73,500	118,900	118,757	143
Total Golf Course	<u>502,327</u>	<u>503,762</u>	<u>546,197</u>	<u>(42,435)</u>
Lyon Bowl				
Personnel services	33,700	2,950	2,846	104
Other charges and services	5,500	5,585	5,458	127
Operating supplies	22,000	19,000	18,930	70
Repairs and maintenance	9,500	8,710	8,658	52
Capital outlay	10,000	10,700	10,641	59
Total Lyon Bowl	<u>80,700</u>	<u>46,945</u>	<u>46,533</u>	<u>412</u>
Recreation and Play				
Personnel services	438,140	374,104	363,859	10,245
Other charges and services	57,850	38,880	38,658	222
Operating supplies	4,500	4,350	4,231	119
Repairs and maintenance	116,500	108,650	108,033	617
Capital outlay	20,000	19,500	19,450	50
Total Recreation and Play	<u>636,990</u>	<u>545,484</u>	<u>534,231</u>	<u>11,253</u>
General Use				
Personnel services	144,020	147,780	147,355	425
Other charges and services	71,361	72,941	23,730	49,211
Operating supplies	3,500	2,800	2,759	41
Repairs and maintenance	5,300	2,450	2,315	135
Capital outlay	2,000	-	-	-
Total General Use	<u>226,181</u>	<u>225,971</u>	<u>176,159</u>	<u>49,812</u>
Total Expenditures	<u>1,709,998</u>	<u>1,557,912</u>	<u>1,535,035</u>	<u>22,877</u>
Excess (Deficit) of Revenues over Expenditures	<u>13,341</u>	<u>857,338</u>	<u>969,301</u>	<u>111,963</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	(322,000)	(322,000)	-
Lease proceeds	-	-	272,701	(272,701)
Right of use asset	-	-	(272,701)	272,701
Total Other Financing Sources (Uses)	<u>-</u>	<u>(322,000)</u>	<u>(322,000)</u>	<u>-</u>
Excess (Deficit) of Revenues over Expenditures and Other Financing Sources (Uses)	13,341	535,338	647,301	<u>\$ 111,963</u>
Fund Balance, beginning of year (deficit)	<u>830,837</u>	<u>830,837</u>	<u>830,837</u>	
Fund Balance, end of year (deficit)	<u>\$ 844,178</u>	<u>\$ 1,366,175</u>	<u>\$ 1,478,138</u>	

## **COMPLIANCE AND INTERNAL CONTROL**



GERDING, KORTE & CHITWOOD CPAS  
Professional Corporation  
Certified Public Accountants

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

723 Main St.  
Boonville, MO 65233  
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Honorable Mayor and Members  
of the City Council  
City of Marshall, Missouri

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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 Marshall, Missouri (the “City”), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated December 20, 2023.

PARTNERS

Joseph E. Chitwood  
Travis W. Hundley  
Jeffrey A. Chitwood  
Amy L. Watson  
Benjamin E. Carrier

Report on Internal Control Over Financial Reporting

PARTNERS EMERITI

Robert A. Gerding  
Fred W. Korte, Jr.

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2023-001, 2023-002 and 2023-003.

#### City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



December 20, 2023

Gerding, Korte & Chitwood, P.C.  
Certified Public Accountants  
Boonville, Missouri

CITY OF MARSHALL, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
SEPTEMBER 30, 2023

2023-001	Budgeting
Criteria:	Section 67.010 of the Missouri Revised Statutes states that in no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance plus any balance estimated for the beginning of the budget year.
Condition:	Budgeted expenditures in the Saltfork Project (original and final), Community Center (final), and HAB Center (original and final). Funds exceeded budgeted revenues plus the estimated cash balance at the beginning of the fiscal year.
Context:	During our audit, we reviewed the Saltfork Project, Community Center, and HAB Center Funds budgets and noted a deficit fund balance was budgeted.
Effect:	Expenditures were made from the Saltfork Project, Community Center, and HAB Center Funds during the fiscal year without being done in compliance with the political subdivision budgetary requirements.
Cause:	Deficit Saltfork Project, Community Center, and HAB Center Funds beginning cash balances and budgeted revenues for the fiscal year were less than budgeted expenditures.
Recommendation:	We recommend the City prepare their annual budgets for each fund taking into consideration the beginning of the year bank balances. If transfers are required to cause the City to be in compliance with budgetary statutes, we recommend the transfers be done such that they are not in violation of state statutes or local policies.
Views of Responsible Officials and Planned Corrective Action:	The City will make every effort to ensure that budgeted expenditures do not exceed budgeted revenue plus estimated cash balances in future years.

CITY OF MARSHALL, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES (CONT'D)  
SEPTEMBER 30, 2023

2023-002	Net Fund Deficit
Criteria:	No funds should have a negative ending fund balance.
Condition:	The Saltfork Project, Community Center and HAB Center Funds have negative ending fund balances of \$226,148, \$56,582, and \$443,153, respectively.
Context:	During our audit, we reviewed the Saltfork Project, Community Center and HAB Center Funds and noted negative fund balances existed for the Saltfork Project, Community Center, Park Improvement and HAB Center Funds.
Effect:	A negative fund balance exists in the Saltfork Project, Community Center and HAB Center Funds.
Cause:	Current year revenues and transfers in plus the beginning fund balance or net position are less than current year expenditures/expenses plus transfers out.
Recommendation:	We recommend the City ensure a deficit fund balance or deficit net position does not exist.
Views of Responsible Officials and Planned Corrective Action:	The City will make every effort to ensure a deficit fund balance does not exist in any fund in future years.

CITY OF MARSHALL, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES (CONT'D)  
SEPTEMBER 30, 2023

2023-003	Budgeting
Criteria:	State statute, Chapter 67, requires that each political subdivision is prohibited from expending public monies unless those expenditures have been authorized as provided in Chapter 67.
Condition:	The City's actual expenditures in the Airport Operating, Tourism Tax, and General Funds exceeded final budgeted expenditures by \$22,108, \$882, and \$407,672, respectively.
Context:	The final budgeted expenditures were compared to actual expenditures. Actual expenditures exceeded budgeted expenditures in the Airport Operating, Tourism Tax, and General Funds by \$22,108, \$882, and \$407,672, respectively.
Effect:	The City violated state statute RSMo 67.
Cause:	The City budgeted too few expenditures in the Airport Operating, Tourism Tax, and General Funds.
Recommendation:	The City should ensure actual expenditures do not exceed budgeted expenditures in any funds.
Views of Responsible Officials and Planned Corrective Action:	The City will make every effort to ensure actual expenditures do not exceed budgeted expenditures in any funds.