

**CITY OF BUTLER, MISSOURI**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**MARCH 31, 2024**

**CITY OF BUTLER, MISSOURI**

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**CITY OF BUTLER, MISSOURI**

**Principal Officials**

**MAYOR/CITY COUNCIL**

Jim Henry .....	Mayor
David Brown .....	Council Member – Ward 1
Denny Rich .....	Council Member – Ward 1
Doncella Liggins .....	Council Member – Ward 2
Jeffery Hall .....	Council Member – Ward 2
Marlene Wainscott .....	Council Member – Ward 3
Fawn Alkire .....	Council Member – Ward 3
Carmen Behringer .....	Council Member – Ward 4
Scott Mallatt .....	Council Member – Ward 4

**ADMINISTRATION**

Corey Snead .....	City Administrator
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Independent Certified Public Accountants .....	Troutt, Beeman & Co., P.C.
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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor  
and Members of the  
City Council  
City of Butler, Missouri

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Butler, Missouri, (the City), as of and for the year ended March 31, 2024, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Butler, Missouri, as of March 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof 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 (GAAS). 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.

#### *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 fifteen 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 GAAS 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 GAAS, 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 Missouri Local Government Employees Retirement System and budgetary comparison information on pages 36 through 42 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.

The City has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by the missing information.

### ***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 capital projects fund budgetary comparison schedule on page 43 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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 capital projects fund budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Troutt, Beeman & Co., P.C.*

Harrisonville, Missouri

July 1, 2025

**CITY OF BUTLER, MISSOURI**  
**STATEMENT OF NET POSITION**  
**MARCH 31, 2024**

<b>Primary Government</b>				
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Pooled cash and equivalents	\$ 3,319,836	\$ 1,402,812	\$ 4,722,648	
Restricted cash and equivalents	1,275,182	-	1,275,182	
Taxes receivable	649,169	-	649,169	
Accounts receivable, net	15,456	854,083	869,539	
Other receivables	-	3,434	3,434	
Inventories	31,081	961,324	992,405	
Net pension	733,794	217,778	951,572	
Capital assets:				
Land	1,145,211	119,145	1,264,356	
Construction in process	95,417	104,534	199,951	
Buildings and land improvements	5,301,205	1,568,702	6,869,907	
Furniture and equipment	4,647,000	6,485,840	11,132,840	
Infrastructure	6,039,252	17,960,203	23,999,455	
Less: accumulated depreciation	(8,242,005)	(18,163,979)	(26,405,984)	
Total capital assets	<u>8,986,080</u>	<u>8,074,445</u>	<u>17,060,525</u>	
Total assets	<u>15,010,598</u>	<u>11,513,876</u>	<u>26,524,474</u>	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension-related amounts	238,040	197,337	435,377	
Total assets and deferred outflows of resources	<u>\$ 15,248,638</u>	<u>\$ 11,711,213</u>	<u>\$ 26,959,851</u>	
<b>LIABILITIES</b>				
Accounts and retainage payable and accrued expenses	\$ 349,908	\$ 584,542	\$ 934,450	
Salaries and benefits payable	83,524	18,184	101,708	
Meter deposits	-	195,947	195,947	
Other liabilities	-	21,665	21,665	
Long-term liabilities:				
Due within one year:				
Bonds, capital leases, and contracts	258,136	-	258,136	
Compensated absences	105,715	63,591	169,306	
Accrued interest	6,377	-	6,377	
Due in more than one year:				
Bonds, capital leases, and contracts	903,638	-	903,638	
Total liabilities	<u>1,707,298</u>	<u>883,929</u>	<u>2,591,227</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	14,407	-	14,407	
Pension--related amounts	60,216	27,674	87,890	
ARPA funds	93,241	-	93,241	
Total deferred inflows of resources	<u>167,864</u>	<u>27,674</u>	<u>195,538</u>	
<b>NET POSITION</b>				
Net investment in capital assets	8,455,496	8,074,445	16,529,941	
Restricted for:				
Cemetery perpetual care	416,011	-	416,011	
Fire protection	116,138	-	116,138	
Parks and recreation	360,995	-	360,995	
Street	343,633	-	343,633	
Unrestricted	<u>3,681,203</u>	<u>2,725,165</u>	<u>6,406,368</u>	
Total net position	<u>13,373,476</u>	<u>10,799,610</u>	<u>24,173,086</u>	
Total liabilities, deferred inflows and net position	<u>\$ 15,248,638</u>	<u>\$ 11,711,213</u>	<u>\$ 26,959,851</u>	

See accompanying notes.

CITY OF BUTLER, MISSOURI  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2024

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>					
Governmental activities:					
General government	\$ 681,720	\$ 60,319	\$ 51,400	\$ (621,401)	\$ (621,401)
Police	1,233,996	48,962	73,636	(1,133,634)	(1,133,634)
Fire department	422,253	16,215	-	(332,402)	(332,402)
Street	672,858	-	222,115	(450,743)	(450,743)
Emergency management	6,537	-	-	(6,537)	(6,537)
Cemetery	163,228	50,155	-	(113,073)	(113,073)
Parks	421,217	-	-	(221,217)	(221,217)
Recreation and aquatics	269,699	109,694	-	(160,005)	(160,005)
Municipal court	61,092	-	-	(61,092)	(61,092)
Airport	117,887	25,281	104,888	12,282	12,282
Interest on long-term debt	49,642	-	-	(49,642)	(49,642)
Total governmental activities	\$ 4,100,129	\$ 310,626	\$ 347,151	\$ 104,888	\$ (337,464)
Business-type activities,					
Water, sewer, electric, and trash	8,154,308	8,159,175	-	192,700	197,567
Total business-type activities	\$ 8,154,308	\$ 8,159,175	\$ 347,151	\$ 192,700	\$ 197,567
Total primary government	\$ 12,254,437	\$ 8,469,801	\$ 297,588	\$ (337,464)	\$ (339,897)
General revenues:					
Taxes.					
Property taxes, levied for general purposes				309,019	-
Property taxes, levied for specific purposes				17,766	17,766
Franchise taxes and other taxes				616,158	616,158
Sales taxes				3,260,599	3,260,599
Investment earnings				333,394	401,285
Miscellaneous				69,159	154,687
Transfers				(325,990)	325,990
Total general revenues and transfers				\$ 4,280,105	\$ 4,759,514
Change in net position				942,641	676,976
Net position - beginning, as restated				12,450,835	10,122,634
Net position - ending				\$ 13,373,476	\$ 24,173,086
					\$ 10,799,610

See accompanying notes.

**CITY OF BUTLER, MISSOURI**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**MARCH 31, 2024**

	General Fund	Transportation		Airport Fund	Capital Projects	Fire Protection	Total Governmental Funds				
		Tax Fund	Park Fund								
<b>ASSETS</b>											
Pooled cash and equivalents	\$ 2,186,467	\$ 465,899	\$ 336,955	\$ 90,681	\$ 142,804	\$ 97,030	\$ 3,319,836				
Restricted cash and equivalents	643,992	-	-	-	631,190	-	1,275,182				
Taxes receivable	400,759	76,434	76,434	-	76,434	19,108	649,169				
Accounts receivable	15,456	-	-	-	-	-	15,456				
Inventories	31,081	-	-	-	-	-	31,081				
<b>Total assets</b>	<b>\$ 3,277,755</b>	<b>\$ 542,333</b>	<b>\$ 413,389</b>	<b>\$ 90,681</b>	<b>\$ 850,428</b>	<b>\$ 116,138</b>	<b>\$ 5,290,724</b>				
<b>LIABILITIES</b>											
Accounts payable and accrued expenses	\$ 97,149	\$ 198,700	\$ 52,394	\$ 1,665	\$ -	\$ -	\$ 349,908				
Salaries and benefits payable	83,524	-	-	-	-	-	83,524				
<b>Total liabilities</b>	<b>180,673</b>	<b>198,700</b>	<b>52,394</b>	<b>1,665</b>	<b>-</b>	<b>-</b>	<b>433,432</b>				
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Grants	93,241	-	-	-	-	-	93,241				
Property taxes	14,407	-	-	-	-	-	14,407				
<b>Total deferred inflows of resources</b>	<b>107,648</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,648</b>				
<b>FUND BALANCES</b>											
Nonspendable:											
Inventories	31,081	-	-	-	-	-	31,081				
Cemetery perpetual care	416,011	-	-	-	-	-	416,011				
Restricted:											
Parks and recreation	-	-	360,995	-	-	-	360,995				
Fire protection	-	-	-	-	-	116,138	116,138				
Street	-	343,633	-	-	-	-	343,633				
Capital projects	-	-	-	-	631,190	-	631,190				
Assigned to:											
Capital outlay	-	-	-	-	219,238	-	219,238				
Airport	-	-	-	89,016	-	-	89,016				
Unassigned	2,542,342	-	-	-	-	-	2,542,342				
<b>Total fund balances</b>	<b>2,989,434</b>	<b>343,633</b>	<b>360,995</b>	<b>89,016</b>	<b>850,428</b>	<b>116,138</b>	<b>4,749,644</b>				
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,277,755</b>	<b>\$ 542,333</b>	<b>\$ 413,389</b>	<b>\$ 90,681</b>	<b>\$ 850,428</b>	<b>\$ 116,138</b>	<b>\$ 5,290,724</b>				

See accompanying notes.

**CITY OF BUTLER, MISSOURI**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE**  
**STATEMENT OF NET POSITION**  
**MARCH 31, 2024**

Fund balances - total governmental funds	\$ 4,749,644
Amounts reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	8,986,080
Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.	(6,377)
Net pension asset is not a current financial use and therefore not reported in the fund financial statements	733,794
Deferred pension inflows and outflows are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position:	
Inflows	(60,216)
Outflows	<u>238,040</u>
	177,824
Long-term liabilities are not due and payable in the current period and are not included in the fund financial statement, but are included in the government-wide statements,	
Bonds and capital leases	(1,161,774)
Compensated absences	<u>(105,715)</u>
	<u>(1,267,489)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 13,373,476</u>

See accompanying notes.

CITY OF BUTLER, MISSOURI  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE --  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED MARCH 31, 2024

	General Fund	Transportation Tax Fund	Park Fund	Airport Fund	Capital Projects	Fire Protection	Total Governmental Funds
<b>REVENUES</b>							
Taxes	\$ 2,307,517	\$ 449,809	\$ 449,809	\$ -	\$ 449,782	\$ 112,445	\$ 3,769,362
Intergovernmental	452,039	-	-	-	-	-	452,039
Charges for services	253,183	-	-	25,281	-	-	278,464
Fees and fines	32,162	-	-	-	-	-	32,162
Investment earnings	206,519	37,842	27,842	7,000	45,963	8,228	333,394
Payments in lieu of taxes	434,180	-	-	-	-	-	434,180
Other	71,176	-	-	-	-	-	71,176
Total revenues	<u>3,756,776</u>	<u>487,651</u>	<u>477,651</u>	<u>32,281</u>	<u>495,745</u>	<u>120,673</u>	<u>5,370,777</u>
<b>EXPENDITURES</b>							
Current expenditures:							
General government	603,171	-	-	-	-	-	603,171
Police	1,137,698	-	-	-	-	-	1,137,698
Fire department	277,775	-	-	-	-	-	277,775
Street	354,858	-	-	-	-	-	354,858
Emergency management	6,537	-	-	-	-	-	6,537
Cemetery	162,918	-	-	-	-	-	162,918
Parks	301,865	-	-	-	-	-	301,865
Recreation and aquatics	204,528	-	65,171	-	-	-	269,699
Municipal court	61,053	-	-	-	-	-	61,053
Airport	-	-	-	17,467	-	-	17,467
Capital outlay	380,481	848,035	507,409	-	173,503	746,820	2,656,248
Debt service:							
Principal	-	-	185,000	-	223,878	-	408,878
Interest and other charges	-	-	5,218	-	44,424	-	49,642
Total expenditures	<u>3,490,884</u>	<u>848,035</u>	<u>762,798</u>	<u>17,467</u>	<u>441,805</u>	<u>746,820</u>	<u>6,307,809</u>
Excess (deficiency) of revenues over expenditures	<u>265,892</u>	<u>(360,384)</u>	<u>(285,147)</u>	<u>14,814</u>	<u>53,940</u>	<u>(626,147)</u>	<u>(937,032)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from issuance of debt	117,102	-	-	-	-	-	117,102
Sale of capital assets	3,380	-	-	-	-	-	3,380
Transfers in	132,496	-	-	-	-	554,542	687,038
Transfers out	(764,496)	(111,000)	(26,000)	(12,100)	(82,432)	(17,000)	(1,013,028)
Total other financing sources (uses)	<u>(511,518)</u>	<u>(111,000)</u>	<u>(26,000)</u>	<u>(12,100)</u>	<u>(82,432)</u>	<u>537,342</u>	<u>(205,508)</u>
Net change in fund balances	<u>(245,626)</u>	<u>(471,384)</u>	<u>(311,147)</u>	<u>2,714</u>	<u>(28,492)</u>	<u>(88,605)</u>	<u>(1,142,540)</u>
Fund balances - beginning, as restated	<u>3,235,060</u>	<u>815,017</u>	<u>672,142</u>	<u>86,302</u>	<u>878,920</u>	<u>204,743</u>	<u>5,892,184</u>
Fund balances - ending	<u>\$ 2,989,434</u>	<u>\$ 343,633</u>	<u>\$ 360,995</u>	<u>\$ 89,016</u>	<u>\$ 850,428</u>	<u>\$ 116,138</u>	<u>\$ 4,749,644</u>

See accompanying notes.

**CITY OF BUTLER, MISSOURI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MARCH 31, 2024**

Net change in fund balances - total governmental funds: \$ (1,142,540)

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. This is the amount by which capital outlays, which are over the capitalization threshold, exceeded depreciation in the current period:

Capital outlay	2,656,248
Capital outlay expensed	(305,261)
Loss on disposal of assets	(5,397)
Depreciation expense	<u>(644,979)</u>
	<u>1,700,611</u>

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Net Position reports repayment as a reduction to long-term liabilities. This is the amount by which repayments exceed proceeds:

Other financing sources-issuance of debt	(117,102)
Repayment of principal	<u>408,878</u>
	<u>291,776</u>

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued interest	(2,383)
Pension expense	104,233
Compensated absences	<u>(9,056)</u>
	<u>92,794</u>

Change in net position of governmental activities \$ 942,641

**CITY OF BUTLER, MISSOURI**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**MARCH 31, 2024**

	<u>Utility Fund</u>
<b>ASSETS</b>	
Current assets:	
Pooled cash and equivalents	\$ 1,402,812
Receivables, net:	
Billed	546,768
Unbilled	307,315
Other receivables	3,434
Inventories	<u>961,324</u>
Total current assets	<u>3,221,653</u>
Non-current assets:	
Net pension	217,778
Capital assets:	
Construction in progress	104,534
Land and improvements	119,145
Infrastructure	<u>17,960,203</u>
Buildings	1,568,702
Equipment and furniture	<u>6,485,840</u>
Total capital assets at cost	<u>26,238,424</u>
Less accumulated depreciation	<u>(18,163,979)</u>
Capital assets, net	<u>8,074,445</u>
Total assets	<u>11,513,876</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension--related amounts	197,337
Total assets and deferred outflows of resources	<u>\$ 11,711,213</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts and retainage payable	\$ 584,542
Salaries and benefits payable	18,184
Meter deposits	195,947
Other liabilities	<u>21,665</u>
Total current liabilities	<u>820,338</u>
Non-current liabilities,	
Due within one year,	63,591
Compensated absences	<u>883,929</u>
Total liabilities	<u>883,929</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension--related amounts	<u>27,674</u>
<b>NET POSITION</b>	
Net investment in capital assets	8,074,445
Unrestricted	<u>2,725,165</u>
Total net position	<u>10,799,610</u>
Total liabilities, deferred inflows, and net position	<u>\$ 11,711,213</u>

See accompanying notes.

**CITY OF BUTLER, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION --**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Utility Fund</b>
<b>REVENUES</b>	
Charges for services	\$ 8,159,175
<b>OPERATING EXPENSES</b>	
Personnel services	1,258,675
Contractual services	4,404,840
Materials and supplies	459,819
Maintenance and repairs	401,249
Insurance	119,971
Utilities	274,904
Interfund charges for support services	434,180
Depreciation and amortization	618,001
Administration	<u>182,669</u>
	<u>8,154,308</u>
Operating income	4,867
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Gain on sale of capital assets	13,215
Intergovernmental	192,700
Interest income	67,891
Miscellaneous income	<u>72,313</u>
	<u>346,119</u>
Net income before transfers	350,986
Transfers in	745,935
Transfers out	<u>(419,945)</u>
	325,990
Increase in net position	676,976
Net position - beginning, as restated	<u>10,122,634</u>
Net position - ending	<u>\$ 10,799,610</u>

See accompanying notes.

**CITY OF BUTLER, MISSOURI**

**STATEMENT OF CASH FLOWS -- PROPRIETARY FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Received from customers	\$ 8,130,533
Payments to employees and fringe benefits	(2,352,752)
Payments for operations	<u>(5,373,821)</u>
Net cash provided by operating activities	<u>403,960</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

Intergovernmental revenues	192,700
Transfers, net	<u>325,990</u>
Net cash provided by noncapital financing activities	<u>518,690</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:**

Acquisition and construction of capital assets	<u>(921,141)</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES:**

Investment income	<u>67,891</u>
Net increase in cash and cash equivalents	69,400
Cash and cash equivalents, Beginning of the year	<u>1,333,412</u>
Cash and cash equivalents, End of the year	<u>\$ 1,402,812</u>

**Reconciliation of operating income to net cash provided by operating activities:**

Operating income	<u>\$ 4,867</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	618,001
Nonoperating revenues	85,528
Changes in assets and liabilities:	
Receivables, net	(28,642)
Inventories	(238,952)
Pension	(46,447)
Accounts and retainage payable	14,095
Meter deposits	<u>(4,490)</u>
Total adjustments	<u>399,093</u>
Net cash provided by operating activities	<u>\$ 403,960</u>

See accompanying notes.

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

Reporting Entity: The City of Butler, Missouri, located in Bates County, Missouri, is a third class city in which citizens elect the mayor at large and eight council members by wards, two from each ward. The City operates under a Council-City Administrator form of government and provides such services as public safety, streets, parks and recreation, planning, and general administrative services. The City Administrator is the chief administrative officer of the City.

The accompanying financial statements present the City's primary government and any component unit. Management has considered all potential component units and has determined there are no component units that should be blended into or discretely presented with the City's financial statements.

Government-Wide and Fund Financial Statements: The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City. *Governmental activities*, which are normally supported by taxes and governmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

##### Government-Wide and Fund Financial Statements (Continued):

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

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

Property taxes that are not available for current year operations are shown as deferred inflows of resources in the Governmental Funds Balance Sheet. Property taxes are levied each year on all taxable real and personal property in the City. The City's property tax is levied each September 1 on the assessed value as of the prior January 1. Property taxes are billed in total by November 1 following the levy date and considered delinquent after January 1. On January 1, a lien attaches to all property for which taxes are unpaid.

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

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

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

The government reports the following major governmental funds:

The General Fund is the main operating fund. Expenditures from this fund provide basic City services, such as police protection, planning, inspection, engineering, animal control, civil defense, municipal court, and overall basic services such as finance and data processing, personnel, and general administration of the City. Revenue sources include taxes, which include property taxes, sales taxes, and franchise taxes. Other revenues include other fees and licenses, and revenue gathered from the municipal court and investment earnings.

The Transportation Tax Fund accounts for the operation and maintenance of streets, curbs, etc.

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

The Airport Fund accounts for the operations and maintenance of the City's airport.

The Capital Projects Fund accounts for resources restricted for the construction and acquisition of capital projects.

The Fire Protection Fund accounts for sales taxes collected for the operations of fire protection for the City.

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

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

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

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

Net Position – Government-Wide Statements: Net Position is displayed in three components:

(1) Net investment in capital assets component of net position: 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 improvements of those assets.

(2) Restricted component of net position: Consists of restricted assets, reduced by liabilities and deferred inflows of resources related to those assets, with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

(3) Unrestricted component of net position: Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of "net investment in capital assets" or the "restricted" component of net position.

It is the City's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Equity: In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance* - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Alderman-the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Alderman removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

##### Fund Equity (Continued):

*Assigned fund balance* - This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Alderman and the City Administrator have the authority to assign amounts to be used for specific purposes. Assigned fund balance include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance* - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order as needed.

Budgets: The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. Annual operating budgets are adopted for the General Fund, Special Revenue Funds, Capital Projects Funds, and Proprietary Fund. Missouri law requires budgets to be adopted for all governmental funds. The City prepares its budgets on the cash basis of accounting for its governmental funds and the accrual basis for its proprietary fund. The City Council did not amend the budget during the year. The City Council has performed the following procedures in establishing the City's budget:

- (1) Prior to February 28, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to April 1, the budget is legally enacted through the passage of an ordinance.
- (4) The City Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. This constitutes the City's legal level of budgetary control.
- (5) Appropriations lapse at year-end, but may be reappropriated in the following fiscal year.

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

Pooled Cash, Investments, and Restricted Assets: State statutes authorize the City to invest in banking institutions and obligations of municipalities, repurchase agreements, U.S. government agency obligations, and obligations of the U.S. Treasury. Cash resources of the individual governmental fund types are combined to form a pool of cash and investments. At March 31, 2024, the City's cash was deposited in demand accounts and certificates of deposit. Investments with maturities of less than one year are stated at cost, which approximates fair value. All investments are stated at cost, which approximates fair value. Interest income on pooled cash and investments is allocated based upon each fund's respective average cash balance.

Assets are restricted for court bonds, cemetery, grants, debt service reserve requirements, and refunding customer meter deposits.

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

Accounts Receivable: Accounts receivable for water, sewer, electric, and sanitation services are accounted for in the Utility Fund and include billed amounts as well as an accrual for the earned but unbilled services from the previous billing date through March 31, 2024. All accounts receivable are stated net of allowances for doubtful accounts.

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

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

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

Deferred Outflows/Inflows of Resources: In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources, or expenses/expenditures, until then. The City has deferred changes in proportion dealing with pensions and contributions made after the measurement date. These represent a consumption of net position that applies to future periods and is not recognized as an outflow of resources until then.

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

##### Deferred Outflows/Inflows of Resources (Continued):

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources, or revenues, until that time. The City has non-exchange revenue transactions where a receivable has been recorded because property taxes were levied, but the resources cannot be used until a future period. This item has been reported as a deferred inflow on the government-wide statement of net position. Also, a deferred inflow of resources dealing with pension is reported for the differences between expected and actual experience, the net difference between projected and actual earnings on pension investments, and changes of assumptions and ARPA.

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

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

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

<u>Major Assets</u>	
Buildings	40 years
Plant, structure, and lines	50-60 years
Infrastructure	50 years
Equipment and vehicles	3-10 years

Compensated Absences: Accumulated vacation and sick leave, that is expected to be liquidated with expendable available financial resources, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

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

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

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

Encumbrances: Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary control. Encumbrances outstanding at year-end, if any, are reported as reservations of fund balance for subsequent year expenditures. When expenditures are incurred in subsequent years relating to amounts previously encumbered, such amounts are, if material, reappropriated in the year expended.

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

#### 2. DEPOSITS AND INVESTMENTS:

At March 31, 2024, the carrying amount of the City's cash on hand, demand deposits, and certificates of deposit in financial institutions was \$500, \$5,698,162, and \$349,720, respectively. The bank balances of demand deposits were fully insured with a combination of FDIC insurance and pledged collateral held in the name of the City. All deposits were held by a qualified depository.

##### Interest Rate Risk:

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

##### Custodial Credit Risk:

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

## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 2. DEPOSITS AND INVESTMENTS (Continued):

##### Credit Risk:

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

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

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

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

Pooled cash and equivalents	\$ 4,722,648
Restricted cash and equivalents	<u>1,275,182</u>
	<u><u>\$ 5,997,830</u></u>

#### 3. ACCOUNTS RECEIVABLE:

As a result of providing water, electric, waste water, and sanitation services to its citizens, the City has extended credit to them. Accounts receivable are presented net of allowance for doubtful accounts of \$40,000 for the Utility Fund.

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS:**

Capital asset activity for the year ended March 31, 2024, consisted of the following:

	Adjusted Balance 4/1/2023	Increases	Decreases	Balance 3/31/2024
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 685,211	\$ 461,500	\$ 1,500	\$ 1,145,211
Construction in progress	-	95,417	-	95,417
Total capital assets not being depreciated	<u>685,211</u>	<u>556,917</u>	<u>1,500</u>	<u>1,240,628</u>
Capital assets being depreciated:				
Buildings and land improvements	4,580,563	720,642	-	5,301,205
Furniture and equipment	572,487	121,318	-	693,805
Heavy equipment	1,952,048	179,940	134,759	1,997,229
Vehicles	1,929,340	140,102	113,476	1,955,966
Infrastructure	5,407,184	632,068	-	6,039,252
Total capital assets being depreciated	<u>14,441,622</u>	<u>1,794,070</u>	<u>248,235</u>	<u>15,987,457</u>
Less accumulated depreciation:				
Buildings and land improvements	2,055,485	85,124	-	2,140,609
Furniture and equipment	171,582	32,616	-	204,198
Heavy equipment	1,610,971	92,776	134,759	1,568,988
Vehicles	1,248,381	140,462	109,579	1,279,264
Infrastructure	2,754,945	294,001	-	3,048,946
Total accumulated depreciation	<u>7,841,364</u>	<u>644,979</u>	<u>244,338</u>	<u>8,242,005</u>
Total capital assets being depreciated, net	<u>6,600,258</u>	<u>1,149,091</u>	<u>3,897</u>	<u>7,745,452</u>
Governmental activities capital assets, net	<u>\$ 7,285,469</u>	<u>\$ 1,706,008</u>	<u>\$ 5,397</u>	<u>\$ 8,986,080</u>

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS (Continued):**

Capital asset activity for the year ended March 31, 2024, consisted of the following:

	Adjusted Balance 4/1/2023	Increases	Decreases	Balance 3/31/2024
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 119,145	\$ -	\$ -	\$ 119,145
Construction in progress	- -	104,534	- -	104,534
Total capital assets not being depreciated	<u>119,145</u>	<u>104,534</u>	- -	<u>223,679</u>
Capital assets being depreciated:				
Buildings and land improvements	1,568,702	- -	- -	1,568,702
Furniture and equipment	4,845,546	52,766	- -	4,898,312
Heavy equipment	955,660	79,722		1,035,382
Vehicles	579,214	- -	27,068	552,146
Infrastructure	<u>17,276,084</u>	<u>684,119</u>	- -	<u>17,960,203</u>
Total capital assets being depreciated	<u>25,225,206</u>	<u>816,607</u>	<u>27,068</u>	<u>26,014,745</u>
Less accumulated depreciation:				
Buildings and land improvements	1,235,133	25,649	- -	1,260,782
Furniture and equipment	4,371,089	170,526	- -	4,541,615
Heavy equipment	554,199	57,017	- -	611,216
Vehicles	481,904	31,071	27,068	485,907
Infrastructure	<u>10,930,721</u>	<u>333,738</u>	- -	<u>11,264,459</u>
Total accumulated depreciation	<u>17,573,046</u>	<u>618,001</u>	<u>27,068</u>	<u>18,163,979</u>
Total capital assets being depreciated, net	<u>7,652,160</u>	<u>198,606</u>	- -	<u>7,850,766</u>
Business-type activities capital assets, net	<u>\$ 7,771,305</u>	<u>\$ 303,140</u>	<u>\$ -</u>	<u>\$ 8,074,445</u>

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

Government activities:	
General government	\$ 25,184
Police	67,862
Fire	123,173
Airport	100,420
Streets	241,837
Parks	<u>86,503</u>
Total depreciation expense, governmental	<u>\$ 644,979</u>

Business-type activities:	
Water	\$ 304,868
Sewer	156,895
Electric	<u>156,238</u>
	<u>\$ 618,001</u>

## **CITY OF BUTLER, MISSOURI**

## NOTES TO FINANCIAL STATEMENTS

## 5. PENSION PLAN:

## General Information about the Pension Plan

Plan description: The City of Butler's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The City of Butler 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.

## 2023 Valuation

Benefit Multiplier: 1.25% for life, plus .75% to age 65

Final Average Salary: 3 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.

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

Inactive employees or beneficiaries currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	23
Active employees	41
	<hr/>
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## CITY OF BUTLER, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 5. PENSION PLAN (Continued):

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 11% General, 7.2% Police, and .7% 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
Investment rate of return		7.00%

Mortality rates were based on the Pub-2010 mortality table for males and females for healthy retirees, disabled retiree, and employees. Rates for a particular calendar year are determined by applying the MP-2020 improvement scale.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	39.00%	4.16%
Fixed Income	28.00%	1.05%
Real Assets	33.00%	2.09%

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**5. PENSION PLAN (Continued):**

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.

**Changes in the Net Pension Liability (Asset):**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2022	\$ 6,967,913	\$ 8,284,412	\$ (1,316,499)
<b>Changes for the year:</b>			
Service Cost	146,801	-	146,801
Interest	480,612	-	480,612
Change of benefit terms	-	-	-
Difference between expected and actual experience	159,400	-	159,400
Changes of assumptions	-	-	-
Contributions - employer	-	201,207	(201,207)
Contributions - employee	-	-	-
Net investment income	-	283,615	(283,615)
Benefit payments, including refunds	(354,377)	(354,377)	-
Administrative expense	-	(14,308)	14,308
Other changes	-	(48,628)	48,628
Net changes	<u>432,436</u>	<u>67,509</u>	<u>364,927</u>
Balances at 6/30/2023	<u>\$ 7,400,349</u>	<u>\$ 8,351,921</u>	<u>\$ (951,572)</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 1 percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	<b>Current Single Discount</b>		
	<b>1% Decrease 6.00%</b>	<b>Rate Assumption 7.00%</b>	<b>1% Increase 8.00%</b>
Total Pension Liability (TPL)	\$ 8,340,345	\$ 7,400,349	\$ 6,618,348
Plan Fiduciary Net Position	<u>8,351,921</u>	<u>8,351,921</u>	<u>8,351,921</u>
Net Position Liability/(Asset) (NPL)	<u>\$ (11,576)</u>	<u>\$ (951,572)</u>	<u>\$ (1,733,573)</u>

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**5. PENSION PLAN (Continued):**

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

For the year ended March 31, 2024, the employer recognized pension expense of \$43,803. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
	<b>\$</b>	<b>\$</b>
Differences in experience	\$ 178,020	\$ (64,590)
Differences in assumptions	-	(23,300)
Excess (deficit) investment returns	102,543	-
Contributions subsequent to the measurement date*	154,814	-
<b>Total</b>	<b>\$ 435,377</b>	<b>\$ (87,890)</b>

\*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 March 31, 2025.

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

Year Ending	<b>Net Deferred Outflows of Resources</b>	
	<b>\$</b>	<b>\$</b>
2024	\$ (5,539)	(5,539)
2025	(39,161)	(39,161)
2026	181,143	181,143
2027	56,230	56,230
2028	-	-
Thereafter	-	-
	<b>\$ 192,673</b>	<b>\$ 192,673</b>

**Payable to the Pension Plan**

At March 31, 2024, the City reported a liability of \$0 for the outstanding amount of contributions to the pension plan required for the year ended March 31, 2024.

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT:**

Changes in long-term debt of the City for the year ended March 31, 2024, consisted of the following:

<b>Governmental Activities</b>					
	<u>Balance</u> <u>April 1, 2023</u> <u>(as restated)</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>March 31, 2024</u>	<b>Amounts Due Within One Year</b>
Lease obligations	\$ 1,268,550	\$ 117,102	\$ 223,878	\$ 1,161,774	\$ 258,136
Certificates of participation	185,000	-	185,000	-	-
Compensated absences *	<u>96,569</u>	<u>105,715</u>	<u>96,569</u>	<u>105,715</u>	<u>105,715</u>
	<u><u>\$ 1,550,119</u></u>	<u><u>\$ 222,817</u></u>	<u><u>\$ 505,447</u></u>	<u><u>\$ 1,267,489</u></u>	<u><u>\$ 363,851</u></u>

\* Primarily liquidated by the General Fund

<b>Business-Type Activities</b>					
	<u>Balance</u> <u>April 1, 2023</u> <u>(as restated)</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>March 31, 2024</u>	<b>Amounts Due Within One Year</b>
Compensated absences	<u>\$ 65,960</u>	<u>\$ 63,591</u>	<u>\$ 65,960</u>	<u>\$ 63,591</u>	<u>\$ 63,591</u>

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

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**6. LONG TERM DEBT (Continued):**

Total City debt at March 31, 2024, consisted of the following:

Governmental fund lease obligations:

\$107,270, lease purchase of an excavator, due in semi-annual installments of \$11,099, through June 23, 2026; interest at 1.25%.	\$ 54,465
\$1,660,000, lease purchase of property and equipment, due in semi-annual installments of \$20,699 to \$100,887, through September 1, 2028; interest at 3.35%.	820,000
\$207,765, lease purchase of an excavator, due in semi-annual installments of \$23,741, through October 13, 2027; interest at 5.0%.	170,207
\$117,102 lease purchase of vehicles, due in annual installments of \$26,865, through April 1, 2028; interest at 7.373%.	<u>117,102</u>
Total governmental lease obligations	<u>1,161,774</u>
Compensated absences	<u>105,715</u>
Total governmental funds	<u>\$ 1,267,489</u>

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

Years ending March 31,	<u>Principal</u>	<u>Interest</u>	<u>Governmental Leases</u>
2025	\$ 258,136	\$ 34,706	\$ 292,842
2026	263,308	36,756	300,064
2027	256,158	23,771	279,929
2028	259,045	12,083	271,128
2029	<u>125,127</u>	<u>5,254</u>	<u>130,381</u>
	<u>\$ 1,161,774</u>	<u>\$ 112,570</u>	<u>\$ 1,274,344</u>

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**7. RESTRICTED CASH:**

Restricted cash and investments at March 31, 2024, consisted of the following:

Account	General Fund	Capital Projects Fund	Total
Municipal court	\$ 10,394	\$ -	\$ 10,394
Park	168	-	168
Fire	9,373	-	9,373
Police	19,337	-	19,337
Cemetery	447,146	-	447,146
Grants	155,772	-	155,772
Capital projects	<u>1,802</u>	<u>631,190</u>	<u>632,992</u>
	<u><u>\$ 643,992</u></u>	<u><u>\$ 631,190</u></u>	<u><u>\$ 1,275,182</u></u>

**8. TAX REVENUES:**

The tax revenue, including interest and penalties collected thereon, for the year ended March 31, 2024, is as follows:

Type	General Fund	Special Revenue Funds
Property	\$ 326,785	\$ -
Franchise	181,978	-
City Sales	1,798,754	-
Park Sales	-	449,809
Capital improvement sales	-	449,782
Transportation sales	-	449,809
Fire protection sales	-	112,445
PILOTs	<u>434,180</u>	<u>-</u>
	<u><u>\$ 2,741,697</u></u>	<u><u>\$ 1,461,845</u></u>

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**8. TAX REVENUES (Continued):**

The assessed valuation of the tangible property for the purpose of local taxation as of May 31, 2023, was as follows:

Real estate	\$ 35,632,550
Personal property	<u>11,014,637</u>
	<u><u>\$ 46,647,187</u></u>

The tax levy per \$100 of assessed valuation of tangible real and personal property for the calendar year 2023 was as follows:

General fund	\$ 0.6125
Lake	0.0124
Parks and recreation	<u>0.0287</u>
	<u><u>\$ 0.6536</u></u>

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

**9. RISK MANAGEMENT:**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation, and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year and no significant losses in the past three fiscal years.

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**10. INTERGOVERNMENTAL REVENUE:**

Intergovernmental revenue during the year ended March 31, 2024, consisted of the following:

	General Fund	Utility Fund
<b>Federal:</b>		
Federal Emergency Management:		
Emergency Management	\$ 25,402	\$ -
EMPG mini grant	48,234	-
US Department of Treasury,		
COVID-19 Recovery Funds	-	192,700
US Department of Agriculture,		
Community facilities grant	51,400	-
Federal Aviation Administration,		
Airport Improvement	104,888	-
<b>State,</b>		
Department of Revenue:		
Motor Vehicle Sales Tax	44,770	-
Motor Vehicle Fuel Tax	151,578	-
Motor Vehicle Fees	18,701	-
<b>County,</b>		
Vehicle tax	<u>7,066</u>	<u>-</u>
	<u><u>\$ 452,039</u></u>	<u><u>\$ 192,700</u></u>

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**11. INTERFUND TRANSACTIONS:**

Transfers during the year ended March 31, 2024, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 132,496	\$ 764,496
Special Revenue Funds:		
Transportation Tax Fund	-	111,000
Park Fund	-	26,000
Fire Protection Fund	554,542	17,000
Airport Fund	-	12,100
Capital Projects Fund	-	82,432
Proprietary Fund,		
Utility Fund	<u>745,935</u>	<u>419,945</u>
	<u><u>\$ 1,432,973</u></u>	<u><u>\$ 1,432,973</u></u>

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

**12. DEFERRED COMPENSATION PLAN:**

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

Employees may contribute up to 25% of their annual base salary to a maximum limit of \$23,000 per year. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the plan's trustee, and the choice of the investment option(s) is made by the participants.

The City does not make a contribution for either full-time or part-time employees participating in the plan.

**13. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:**

For the year ended March 31, 2024, in violation of Missouri state statutes and the City's budgetary process, the City had actual expenditures in excess of budget in the Fire Protection Fund in the amount of \$574,570.

**CITY OF BUTLER, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**14. PRIOR PERIOD ADJUSTMENTS:**

As described below there were several adjustments necessary to properly report beginning balances both on the fund statements and government wide financial statements.

	General Fund	
Fund balance as originally reported March 31, 2023	\$ 3,197,866	
Cash accounts not previously recorded	<u>37,194</u>	
Fund balance as restated March 31, 2023	<u>\$ 3,235,060</u>	
	Governmental Activities	Utility Fund
Net position as originally reported March 31, 2023	\$ 13,245,735	\$ 10,093,429
Unbilled revenue	-	50,837
Compensated absences	(44,787)	(30,104)
Allocation of LAGERS related accounts	69,062	(62,849)
Net change in capital assets	(667,091)	71,321
Changes to long term debt	(209,278)	-
Cash accounts not previously recorded	<u>37,194</u>	<u>-</u>
Net position as restated March 31, 2023	<u>\$ 12,430,835</u>	<u>\$ 10,122,634</u>

**15. EVALUATION OF SUBSEQUENT EVENTS:**

The City has evaluated subsequent events through July 1, 2025, the date which the financial statements were available to be issued.

CITY OF BUTLER, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension (Asset) Liability and Related Ratios  
Last 9 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>Fiscal year ending June 30.</i>									
<b>Total Pension Liability</b>									
Service Cost	\$ 146,801	\$ 159,456	\$ 158,979	\$ 157,072	\$ 157,970	\$ 157,878	\$ 157,499	\$ 154,178	\$ 142,131
Interest on the Total Pension Liability	480,612	452,905	474,030	472,753	452,017	420,297	394,459	373,501	339,897
Benefit Changes	-	-	(244,701)	-	(32,940)	-	-	-	473,696
Difference between expected and actual experience	159,400	147,003	(110,378)	(269,398)	(32,940)	86,989	55,585	(173,541)	(276,981)
Assumption Changes	(354,377)	(360,182)	(333,067)	(354,080)	(229,297)	(226,136)	(275,639)	(190,271)	(251,027)
Benefit Payments	-	-	-	-	-	-	-	-	-
Refunds	-	-	-	-	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>432,436</b>	<b>399,182</b>	<b>(55,137)</b>	<b>6,347</b>	<b>347,750</b>	<b>439,028</b>	<b>331,904</b>	<b>329,376</b>	<b>427,716</b>
Total Pension Liability beginning	\$ 6,967,913	\$ 6,568,731	\$ 6,623,868	\$ 6,617,521	\$ 6,269,771	\$ 5,830,743	\$ 5,498,839	\$ 5,169,463	\$ 4,741,747
Total Pension Liability ending	<b>\$ 7,400,349</b>	<b>\$ 6,967,913</b>	<b>\$ 6,568,731</b>	<b>\$ 6,623,868</b>	<b>\$ 6,617,521</b>	<b>\$ 6,269,771</b>	<b>\$ 5,830,743</b>	<b>\$ 5,498,839</b>	<b>\$ 5,169,463</b>
<b>Plan Fiduciary Net Position</b>									
Contributions-employer	\$ 201,207	\$ 202,456	\$ 205,403	\$ 207,400	\$ 204,475	\$ 206,934	\$ 219,128	\$ 214,126	\$ 176,141
Contributions-employee	-	-	9,260	-	-	-	-	-	-
Pension Plan Net Investment Income (loss)	283,615	5,449	1,870,302	89,745	419,227	738,758	629,515	(18,120)	99,053
Benefit Payments	(354,377)	(360,182)	(333,067)	(354,080)	(229,297)	(226,136)	(275,639)	(190,271)	(251,027)
Refunds	-	-	-	-	-	-	-	-	-
Pension Plan Administrative expense	(14,308)	(10,606)	(9,347)	(12,369)	(10,382)	(7,427)	(7,079)	(6,813)	(7,829)
Other	(48,628)	60,229	(85,847)	(158,572)	15,238	14,634	25,221	6,072	(88,670)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>67,509</b>	<b>(102,654)</b>	<b>1,656,704</b>	<b>(227,876)</b>	<b>399,261</b>	<b>726,763</b>	<b>591,146</b>	<b>4,994</b>	<b>(72,332)</b>
Plan Fiduciary Net Position beginning	<b>8,284,412</b>	<b>8,387,066</b>	<b>6,730,362</b>	<b>6,958,238</b>	<b>6,558,977</b>	<b>5,832,214</b>	<b>5,241,068</b>	<b>5,236,074</b>	<b>5,308,406</b>
Plan Fiduciary Net Position ending	<b>\$ 8,351,921</b>	<b>\$ 8,284,412</b>	<b>\$ 8,387,066</b>	<b>\$ 6,730,362</b>	<b>\$ 6,958,238</b>	<b>\$ 6,558,977</b>	<b>\$ 5,832,214</b>	<b>\$ 5,241,068</b>	<b>\$ 5,236,074</b>
Employer Net Pension (Asset) Liability	<b>\$ (951,572)</b>	<b>\$ (1,316,499)</b>	<b>\$ (1,818,335)</b>	<b>\$ (106,494)</b>	<b>\$ (340,717)</b>	<b>\$ (289,206)</b>	<b>\$ (1,471)</b>	<b>\$ 257,771</b>	<b>\$ (66,611)</b>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability (asset)	112.86%	118.89%	127.68%	101.61%	105.15%	104.61%	100.03%	95.31%	101.29%
Covered Payroll	\$ 1,774,566	\$ 1,643,857	\$ 1,848,109	\$ 1,691,441	\$ 1,790,645	\$ 1,733,482	\$ 1,729,699	\$ 1,708,340	\$ 1,641,627
Employer's Net Pension (Asset) Liability as a percentage of covered employee payroll	-53.62%	-80.09%	-98.39%	-6.30%	-19.03%	-16.68%	-0.09%	15.08%	-4.06%

**Notes to schedule:**  
Only nine years are being shown. As other years come available, they will be included until 10 years of data is shown.

CITY OF BUTLER, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS  
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 208,481	\$ 202,045	\$ 202,459	\$ 204,781	\$ 207,849	\$ 213,229	\$ 211,911	\$ 217,429	\$ 163,498	\$ 115,535
Contributions in relation to the actuarially determined contribution	<u>208,481</u>	<u>202,045</u>	<u>202,459</u>	<u>204,781</u>	<u>205,816</u>	<u>213,229</u>	<u>211,911</u>	<u>217,429</u>	<u>163,498</u>	<u>113,937</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,033</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1,598</u>
Covered payroll	\$ 1,989,288	\$ 1,783,176	\$ 1,846,797	\$ 1,750,942	\$ 1,866,182	\$ 1,867,064	\$ 1,790,128	\$ 1,702,569	\$ 1,648,484	\$ 1,775,537
Contributions as a percentage of covered payroll	10.48%	11.33%	10.95%	11.43%	11.40%	11.80%	11.84%	12.77%	9.92%	6.42%
Valuation date	2/28/2023									

Notes 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.

Methods and assumption used to determine contribution rates.

Actuarial cost method Entry age normal and modified terminal funding  
Amortization method A level percentage of payroll amortization method is used to amortize the UAAI over a closed period of years  
Remaining amortization period Multiple bases from 11 to 20 years  
Asset valuation method 5 year smoothed market, 20% corridor  
Inflation 2.75% wage inflation, 2.25% price inflation  
Salary increases 2.75% to 7.15% including wage inflation  
Investment rate of return 7.00%, net of investment expenses  
Retirement age Experience-based table of rate that are specific to the type of eligibility condition  
Mortality post-retirement mortality used 11.5% of the Pub-2010 Mortality Tables for males and females  
pre-retirement mortality used 7.5% of the Pub-2010 Mortality Tables for males and females  
Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale.

Other information None

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**GENERAL FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>				<b>Variance with Final Budget</b>
			<b>Original</b>	<b>Final</b>	
				<b>Actual Amounts, Budgetary Basis</b>	<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Taxes	\$ 2,207,550	\$ 2,207,550	\$ 2,307,517	\$ 99,967	
Intergovernmental	957,200	957,200	452,039	(505,161)	
Charges for services	363,600	363,600	253,183	(110,417)	
Fees and fines	24,000	24,000	32,162	8,162	
Investment earnings	3,750	3,750	206,519	202,769	
Payments in lieu of taxes	434,180	434,180	434,180	-	
Other	336,000	336,000	71,176	(264,824)	
	<u>4,326,280</u>	<u>4,326,280</u>	<u>3,756,776</u>	<u>(569,504)</u>	
<b>EXPENDITURES:</b>					
Current:					
General government	811,900	811,900	603,171	208,729	
Police	1,866,530	1,866,530	1,137,698	728,832	
Fire department	286,960	286,960	277,775	9,185	
Street	380,000	380,000	354,858	25,142	
Emergency management	17,425	17,425	6,537	10,888	
Cemetery	171,700	171,700	162,918	8,782	
Parks	315,100	315,100	301,865	13,235	
Recreation and aquatics	224,250	224,250	204,528	19,722	
Municipal Court	69,750	69,750	61,053	8,697	
Airport	30,000	30,000	-	30,000	
Capital outlay	237,500	237,500	380,481	(142,981)	
	<u>4,411,115</u>	<u>4,411,115</u>	<u>3,490,884</u>	<u>920,231</u>	
Excess (deficiency) of revenues over expenditures	<u>(84,835)</u>	<u>(84,835)</u>	<u>265,892</u>	<u>350,727</u>	
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from issuance of debt	-	-	117,102	117,102	
Sale of capital assets	2,000	2,000	3,380	1,380	
Transfers in	85,000	85,000	132,496	47,496	
Transfers out	-	-	(764,496)	(764,496)	
Total other financing sources (uses)	<u>87,000</u>	<u>87,000</u>	<u>(511,518)</u>	<u>(598,518)</u>	
Net change in fund balances	<u>\$ 2,165</u>	<u>\$ 2,165</u>	<u>(245,626)</u>	<u>\$ (247,791)</u>	
Fund balances - beginning, as restated			<u>3,235,060</u>		
Fund balances - ending			<u>\$ 2,989,434</u>		

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**TRANSPORTATION TAX FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>		Actual Amounts,		<b>Variance with Final Budget</b>
			<b>Original</b>	<b>Final</b>	
					<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Taxes	\$ 415,000	\$ 415,000	\$ 449,809	\$ 34,809	
Investment earnings	-	-	37,842	37,842	
Other	<u>725,000</u>	<u>725,000</u>	-	<u>(725,000)</u>	
	<u>1,140,000</u>	<u>1,140,000</u>	487,651	<u>(652,349)</u>	
<b>EXPENDITURES,</b>					
Capital outlay	<u>930,000</u>	<u>930,000</u>	848,035	<u>81,965</u>	
Excess (deficiency) of revenues over expenditures	<u>210,000</u>	<u>210,000</u>	<u>(360,384)</u>	<u>(570,384)</u>	
<b>OTHER FINANCING USES,</b>					
Transfers out	<u>(75,000)</u>	<u>(75,000)</u>	<u>(111,000)</u>	<u>(36,000)</u>	
Net change in fund balances	\$ 135,000	\$ 135,000	(471,384)	\$ (606,384)	
Fund balances - beginning			<u>815,017</u>		
Fund balances - ending			<u>\$ 343,633</u>		

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**PARK FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>		Actual Amounts,		<b>Variance with Final Budget</b>
			<b>Original</b>	<b>Final</b>	
			<b>Budgetary Basis</b>		<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Taxes	\$ 415,000	\$ 415,000	\$ 449,809	\$ 34,809	
Investment earnings	-	-	27,842	27,842	
Miscellaneous	<u>500,000</u>	<u>500,000</u>	-	<u>(500,000)</u>	
	<u>915,000</u>	<u>915,000</u>	477,651	<u>(437,349)</u>	
<b>EXPENDITURES:</b>					
Current,					
Recreation and aquatics	-	-	65,171	(65,171)	
Capital outlay	618,500	618,500	507,409	111,091	
Debt service:					
Principal	188,000	188,000	185,000	3,000	
Interest and other charges	<u>2,800</u>	<u>2,800</u>	<u>5,218</u>	<u>(2,418)</u>	
	<u>809,300</u>	<u>809,300</u>	<u>762,798</u>	<u>46,502</u>	
Excess (deficiency) of revenues over expenditures	<u>105,700</u>	<u>105,700</u>	<u>(285,147)</u>	<u>(390,847)</u>	
<b>OTHER FINANCING USES,</b>					
Transfers out	-	-	(26,000)	(26,000)	
Net change in fund balances	<u>\$ 105,700</u>	<u>\$ 105,700</u>	<u>(311,147)</u>	<u>\$ (416,847)</u>	
Fund balances - beginning			<u>672,142</u>		
Fund balances - ending			<u>\$ 360,995</u>		

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**AIRPORT FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>		<b>Actual Amounts,</b>		<b>Variance with Final Budget</b>
			<b>Original</b>	<b>Final</b>	
				<b>Budgetary Basis</b>	<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Charges for services	\$ 28,600	\$ 28,600	\$ 25,281		\$ (3,319)
Investment earnings	-	-	7,000		7,000
Other	<u>98,000</u>	<u>98,000</u>	-		(98,000)
	<u>126,600</u>	<u>126,600</u>	<u>32,281</u>		<u>(94,319)</u>
<b>EXPENDITURES,</b>					
Current, Airport	<u>36,450</u>	<u>36,450</u>	<u>17,467</u>		<u>18,983</u>
Excess of revenues over expenditures	<u>90,150</u>	<u>90,150</u>	<u>14,814</u>		<u>(75,336)</u>
<b>OTHER FINANCING USES,</b>					
Transfers out	-	-	<u>(12,100)</u>		<u>(12,100)</u>
Net change in fund balances	<u>\$ 90,150</u>	<u>\$ 90,150</u>	<u>2,714</u>		<u>\$ (87,436)</u>
Fund balances - beginning				<u>86,302</u>	
Fund balances - ending				<u>\$ 89,016</u>	

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**FIRE PROTECTION TAX FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>		<b>Actual Amounts,</b>		<b>Variance with Final Budget</b>
			<b>Original</b>	<b>Final</b>	
				<b>Budgetary Basis</b>	<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Taxes	\$ 103,000	\$ 103,000	\$ 112,445	\$ 9,445	
Investment earnings	-	-	8,228	8,228	
Miscellaneous	<u>175,000</u>	<u>175,000</u>	-	<u>(175,000)</u>	
	<u>278,000</u>	<u>278,000</u>	<u>120,673</u>	<u>(157,327)</u>	
<b>EXPENDITURES,</b>					
Capital outlay	<u>172,250</u>	<u>172,250</u>	<u>746,820</u>	<u>(574,570)</u>	
Excess (deficiency) of revenues over expenditures	<u>105,750</u>	<u>105,750</u>	<u>(626,147)</u>	<u>(731,897)</u>	
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	554,542	554,542	
Transfers out	<u>(10,000)</u>	<u>-</u>	<u>(17,000)</u>	<u>17,000</u>	
Total other financing sources (uses)	<u>(10,000)</u>	<u>-</u>	<u>537,542</u>	<u>571,542</u>	
Net change in fund balances	<u>\$ 95,750</u>	<u>\$ 105,750</u>	<u>(88,605)</u>	<u>\$ (160,355)</u>	
Fund balances - beginning			<u>204,743</u>		
Fund balances - ending			<u>\$ 116,138</u>		

**CITY OF BUTLER, MISSOURI**  
**BUDGETARY COMPARISON SCHEDULE --**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED MARCH 31, 2024**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget</b>	
				<b>Original</b>	<b>Final</b>
					<b>Positive (Negative)</b>
<b>REVENUES:</b>					
Taxes	\$ 415,000	\$ 415,000	\$ 449,782	\$ 34,782	
Investment earnings	-	-	45,963	45,963	
Other	<u>405,000</u>	<u>405,000</u>	-	<u>(405,000)</u>	
	<u>820,000</u>	<u>820,000</u>	495,745	<u>(324,255)</u>	
<b>EXPENDITURES:</b>					
Capital outlay	440,150	440,150	173,503	266,647	
Debt service:					
Principal	166,000	166,000	223,878	(57,878)	
Interest and other charges	<u>31,750</u>	<u>31,750</u>	<u>44,424</u>	<u>(12,674)</u>	
	<u>637,900</u>	<u>637,900</u>	<u>441,805</u>	<u>196,095</u>	
Excess of revenues over expenditures	<u>182,100</u>	<u>182,100</u>	<u>53,940</u>	<u>(128,160)</u>	
<b>OTHER FINANCING USES:</b>					
Transfers out	-	-	(82,432)	(82,432)	
Net change in fund balances	\$ 182,100	\$ 182,100	(28,492)	\$ (210,592)	
Fund balances - beginning			<u>878,920</u>		
Fund balances - ending			<u>\$ 850,428</u>		