

**City of Hannibal, Missouri**

**Board of Public Works**

**Basic Financial Statements**

**And Management's Discussion and Analysis**

**For the Fiscal Years**

**Ending June 30, 2009 and 2008**



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Hannibal, Missouri ◆ Quincy, Illinois ◆ O'Fallon, Missouri ◆ Troy, Missouri

**City of Hannibal, Missouri**

**Board of Public Works**

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**City of Hannibal, Missouri**  
**Board of Public Works**  
Year Ended June 30, 2009  
Table of Contents

***Financial Section:***

Independent Auditor's Report	1
Management's Discussion and Analysis	2 - 7

***Combined Financial Statements:***

*Electric, Water and Sewer Departments:*

Statement of Net Assets	8
Statement of Revenues, Expenses, and Changes in Net Assets	9
Statement of Cash Flows	10 - 11
Notes to Financial Statements	12 - 22
Required Supplementary Information - Schedule of Funding Progress	23

***Individual Fund Statements and Schedules:***

Comparative Statement of Operating Expenses by Department	
Electric Department	24 - 27
Water Department	28 - 31
Sewer Department	32 - 35

***Supplementary Schedules:***

Depreciation Summary:	
1. Electric Department	36
2. Water Department	37
3. Sewer Department	38
Schedule of Investments	39

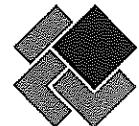
***Comparative Statement of Operating Factors:***

1. Electric Department	40
2. Water Department	41
3. Sewer Department	42

## **Financial Section**

# Wade Stables P.C.

CERTIFIED PUBLIC ACCOUNTANTS



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## Independent Auditor's Report

To the Honorable Mayor,  
City Council and Board of  
Public Works  
City of Hannibal, Missouri

We have audited the accompanying financial statements of the Electric, Water, and Sewer funds of the Board of Public Works of Hannibal, Missouri (Board of Public Works), a component unit of the City of Hannibal, Missouri as of and for the years ended June 30, 2009 and 2008, which collectively comprise the Board of Public Works' combined financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Public Works, Missouri's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with generally accepted auditing standards of the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Electric, Water and Sewer funds and are not intended to present fairly the financial position of the City of Hannibal, Missouri, and the results of its operations and cash flows of its proprietary fund types in conformity with accounting principles generally accepted in the United States of America.

In our opinion the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the Electric, Water, and Sewer funds of the Board of Public Works of the City of Hannibal, Missouri as of June 30, 2009 and 2008, with the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 2 through 7 and the schedule of funding progress on page 23 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board of Public Works of Hannibal, Missouri's financial statements. The individual fund statements and schedules described in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplementary schedules and comparative statements of operating factors have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

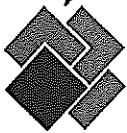
Respectfully submitted,

*Wade Stables P.C.*  
Wade Stables P.C.  
Certified Public Accountants

September 15, 2009  
Hannibal, Missouri

CERTIFIED PUBLIC ACCOUNTANTS

**Wade Stables PC.**



**Ending June 30, 2009 and 2008**

**For the Fiscal Years**

**And Management's Discussion and Analysis**

**Basic Financial Statements**

**Board of Public Works**

**City of Hanibal, Missouri**

**City of Hannibal, Missouri**

**Board of Public Works**

**Basic Financial Statements**

**And Management's Discussion and Analysis**

**For the Fiscal Years**

**Ending June 30, 2009 and 2008**

**City of Hannibal, Missouri**  
**Board of Public Works**  
Year Ended June 30, 2009  
Table of Contents

1	Financial Sections:
2 - 7	Management's Discussion and Analysis
8	Statement of Net Assets
9	Statement of Revenues, Expenses, and Changes in Net Assets
10 - 11	Statement of Cash Flows
12 - 22	Notes to Financial Statements
23	Required Supplementary Information - Schedule of Funding Progress
24 - 27	Comparative Statement of Operating Expenses by Department
28 - 31	Water Department
32 - 35	Sewer Department
36	Electric Department
37	Depreciation Summary:
38	2. Water Department
39	3. Sewer Department
40	1. Electric Department
41	2. Water Department
42	3. Sewer Department
	Comparative Statement of Operating Factors:

## **Financial Section**

September 15, 2009  
Hanibal, Missouri

Wade Stables P.C.  
Certified Public Accountants  
Respectfully submitted,  
Wade Stables P.C.

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The management's discussion and analysis on pages 2 through 7 and the schedule of funding progress on page 23 are not required parts of the basic financial statements but are supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

In our opinion the financial statements referred to in the first paragraph present fairly, in all material respects, the results of its financial position of the Electric, Water, and Sewer funds of the City of Hanibal, Missouri, with the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the financial statements present only the Electric, Water and Sewer funds and are not intended to present fairly the financial position of the City of Hanibal, Missouri, and the results of its operations and cash flows of its proprietary fund types in conformity with accounting principles generally accepted in the United States of America.

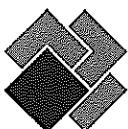
An audit includes examining, on a test basis, evidence supporting the financial statements and disclosing amounts and disclosures in the financial statements. An audit also includes assessing the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

We conducted our audit in accordance with generally accepted auditing standards of the United States of America and performed the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and perform the audit in accordance with Generally Accepted Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit in accordance with generally accepted auditing standards of the United States of America and to express an opinion on the financial statements based on our audit.

We have audited the accompanying financial statements of the Electric, Water, and Sewer funds of the Board of Public Works of Hanibal, Missouri (Board of Public Works), a component unit of the City of Hanibal, Missouri as of and for the years ended June 30, 2009 and 2008, which collectively comprise the City of Hanibal, Missouri's financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Public Works, combined financial statements as listed in the table of contents. The Missouri CPA Society of CPAs, Missouri Institute of CPAs and Missouri Society of CPAs are members of the American Institute of CPAs.

To the Honorable Mayor,  
City Council and Board of  
Public Works  
City of Hanibal, Missouri  
S.T. Burns, CPA  
AC, Fellow, CPA  
B.J. Schmidt, CPA  
L.R. Kenastis, CPA  
J.D. Vialachet, CPA  
M.J. Mudd, CPA  
R.L. Richards, CPA  
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Alabama Society of CPAs  
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Wade Stables PC  
CERTIFIED PUBLIC ACCOUNTANTS

## **Management's Discussion and Analysis**

	Assets	Total	Sewer	Water	Electric	
Current	\$ 8,421	\$ 2,466	\$ 599	\$ 11,486		
Net capital assets	18,655	20,066	14,839	28	1,018	\$ 28,094
Other	53,560	53,560	28	24,120	\$ 15,466	\$ 67,680
Total						
Liabilities						
Current	\$ 4,095	\$ 1,009	\$ 1,159	\$ 6,263		
Long-term debt	8,533	3,400	2,316	14,249	1,012	\$ 5,421
Other liabilities			13	1,025		\$ 3,488
Total						\$ 12,628
Net Assets						\$ 15,466

June 30, 2009 (in thousands)

### CONDENSED STATEMENT OF NET ASSETS

This report contains three basic financial statements and related notes. The Statement of Revenue, Expenses, and Changes in Fund Net Assets presents the Board of Public Works' results of operations and changes in the net assets for the fiscal years ended June 30, 2009 and 2008. The Notes to the Financial Statements provide more complete information on accounting principles and other matters necessary for a more complete understanding of the Board of Public Works financial picture.

Cash Flows present the Board of Public Works' sources and uses funds for the fiscal years ended June 30, 2009 and 2008. The Notes to the Financial Statements and cash flows for the fiscal year ended June 30, 2009 and 2008, present the financial condition, assets, liabilities and net assets at June 30, 2009 and 2008. The Statement of Public Works' financial condition, assets, liabilities and net assets at June 30, 2009 and 2008, presents the Board of Public Works' financial condition, assets, liabilities and net assets of Net Assets presented in the Statement of Net Assets in Fund Net Assets.

#### Financial Statements

Electric rates were increased 7.5% on July 1, 2008 and 38% on January 1, 2009.

Rate increases:

#### Financial Highlights

The Hannibal Board of Public Works of Hannibal, Missouri (HPBW) is a municipally owned utility, which is a component unit of the City of Hannibal, Missouri (City). The HPBW is comprised of the Electric, Water and Sewer Departments, serving approximately 9,000 customers. The following discussion and analysis of the financial performance of the HPBW provides an overview of the HPBW's financial activities for the fiscal year ended June 30, 2009. This analysis should be read in conjunction with the financial statements and notes thereto.

#### Introduction

Board of Public Works  
City of Hannibal, Missouri  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009  
(Unaudited)

**CHANGE IN NET ASSETS**  
 Fiscal Year Ended June 30, 2009 and 2008 (in thousands)

Operating Revenues	\$ 29,701	\$ 25,813	2009	2008
Less Operating Expenses	\$ 27,760	\$ 23,024		
Total Operating Income	\$ 1,941	\$ 2,789		
Interest income	\$ 284	\$ 239		
Other items (net)	(701)	(495)		
Total Other Income (Expenses)	\$ 15	\$ 20		
Change in Net Assets	\$ 1,956	\$ 2,809		
Net Assets at beginning of period	\$ 44,187	\$ 41,378		
Net Assets at end of period	\$ 46,143	\$ 44,187		

**OPERATING EXPENSES**  
 Fiscal Years Ending June 30, 2009 and 2008 (in thousands)

Operating Expenses	\$ 21,013	\$ 16,310	2009	2008
Electric	3,494	3,460		
Water	3,253	3,254		
Sewer	3,253	3,254		
Total	\$ 27,760	\$ 23,024		

**OPERATING EXPENSES**

Fiscal Years Ending June 30, 2009 and 2008 (in thousands)

**OPERATING EXPENSES**

Fiscal Years Ending June 30, 2009 and 2008 (in thousands)

(Unaudited)

For the Fiscal Year Ended June 30, 2009  
 Management's Discussion and Analysis

**Board of Public Works**

**City of Hannibal, Missouri**

The Water Treatment Plant Disinfection System Upgrades are under construction and scheduled to be completed in the fall of 2009. The project consists of replacing the existing gas chlorination system with a liquid chlorination system (bulk sodium hypochlorite). The upgrades were the result of recommendations by tank. Ozark Appliance was the contractor on the project, and MECO Engineering completed the project removal of all lead-based paint and sandblasting inside and outside of the circa 1960 water piping of the Clinic Road ground storage tank was completed in the fall of 2008. This project included repairing of the Clinic Road ground storage tank was completed in the fall of 2008. This project included

removal of all lead-based paint and sandblasting inside and outside of the circa 1960 water tank. During the fiscal year one main replacement project was completed along the 700 and 800 blocks of Rock Street. Approximately 700 feet of main was upsized from two inch to six inch size. All the residential services were also upgraded from the new main to the meter. During the fiscal year main replacement project was completed along the 700 and 800 blocks of Rock Street. Approximately 700 feet of main was upsized from two inch to six inch size. All the residential services were also upgraded from the new main to the meter.

## Water Department

The HBPW has a continuing program to replace/upgrade existing deteriorated and undersized water mains on Ford Street and Red Devil Road. Side substations out of the flood plain, upgrading the Oakwood Substation and construction of new substations of 100 MW. Other upgrades to the electrical system during the past few years included relocating the South of 100 MW. Other upgrades to the HB PW power grid and serve the next 30 years up to a demand peak increase the reliability of the HB PW and was one of the final pieces of an electrical upgrade plan to largest single project undertaken by the HB PW. Construction of this new transmission line and substation is the be transferred to the western feed line. Construction of this new transmission line and substation can Hanibal during flood season will no longer be a matter of concern, because the City's entire demand load can or a combination of the two feeders. Losing the southern feeder and thus losing electricity in increases. The project spanned almost 3-1/2 years including right-of-way acquisition and construction. The borrowed \$6 million for the project, and the remainder came from revenue generated by the recent electric rate needs of the City can now be served from the new line on the western side of town or from the southern feed. HB PW line and electrical substation. The total price tag for this project was approximately \$9.5 million. The HB PW electrical grid continued over the next few weeks. The process of mixing the new power feed into the city's tie line and west substation were energized. The process of mixing the new power feed into the 161 KV transmission On June 12, 2009, the HB PW completed a major capital improvement project when the 161 KV transmission

contract with Ameren Energy Marketing expires in 2011. The HB PW is already investigating possible suppliers to take over when the current purchase power

plant comes on line in mid 2011 and 2012. Approximately 30% of its electrical energy requirements from Prairie State Energy Campus in Illinois when that supplement the energy purchased from AEM, the HB PW has entered into an agreement to purchase contract, cost of electricity will be \$65/megawatt hour compared with the previous \$36/megawatt hour. To February 2008, the HB PW signed a new, three-year power purchase contract with Ameren Energy Marketing (AEM) that began January 1, 2009 and expires at the end of December 2011. Under the terms of the new contract, cost of electricity will be \$65/megawatt hour compared with the previous \$36/megawatt hour. To because Hanibal has no electrical generating capacity, it is susceptible to market prices for power. In

February 2008, the HB PW signed a new, three-year power purchase contract with Ameren Energy Marketing (AEM) that began January 1, 2009 and expires at the end of December 2011. Under the terms of the new contract, cost of electricity will be \$65/megawatt hour compared with the previous \$36/megawatt hour. To provide funding for capital improvements and pay for higher cost of purchased power.

## Electric Department

The HB PW increased electric rates twice during the year, on July 1, 2008 rates were increased 7.5%, and on January 1, 2009 rates were increased by 38%. These increases were the last in a series recommended by R.W. Beck Consultants who were hired to prepare a financial forecast, taking into account historical electric costs of service and future capital improvement plans. These rate increases were necessary in order to provide funding for capital improvements and pay for higher cost of purchased power.

## Major Projects

**City of Hannibal, Missouri  
Board of Public Works  
Manager's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009  
(Unaudited)**

As of the writing of this letter, Don Willis, General Manager, announced his intentions to retire at the end of 2009. Mr. Willis has held this position since January 2008 and has worked for the HBPW in other capacities since 2001. The search for his replacement is underway. Another retirement at the HBPW was that of Ray Zumwalt, Assistant Electric Line Superintendent who retired in February 2009 after 20 years of service. Jared Stewart from the Electric Line Department was promoted to fill that position. Mr. Stewart has worked for the HBPW since 2001.

Community Commission, thus relinquishing his seat on the HBPW after 7-1/2 years of service. Bud Janes was appointed as his successor to serve through June 30, 2012, the remainder of the term vacated by Mr. Heiser. Board of Public Works were Tom Lennox, President; Mike Ginsberg, Vice President; George Danforth, Secretary; and Bob Heiser, Member. In November 2008 Mr. Heiser was elected to serve on the Marion Board of Public Works who governed the operations of the Hannibal Board of Public Works were Tom Lennox, General Manager, announced his intentions to retire at the end of

## Administration

Future improvements for the sewer collection system include continued replacement of existing deteriorated mains, replacement and upgrading of sewer lift station equipment and various wastewater treatment plant upgrades to maintain consistent compliance with Federal and State regulations.

Televising of sewer mains is performed on an annual basis to locate faults, deficiencies and unauthorized inflow into the sanitary sewer system and corrections made.

Sewer Department personnel began GPS locating of all manholes and sewer facilities in the City for mapping purposes. Approximately 75% of the manholes have been GPS located, and approximately 25% of the sewer system has been mapped. This should allow for more efficient maintenance of the sewer system in the future. During the planning stages of sewer system upgrades, mapping accuracy is a benefit.

Due to budget constraints, the Sewer Department did not perform any significant upgrades to the collection system. The sewer crew continued maintenance of the existing system by cleaning, root cutting and televising sewer mains.

## Sewer Department:

Future improvements for the water system include continued replacement of existing deteriorated and undersized water mains, replacement and upgrading of water storage tanks, and various water treatment plant upgrades to maintain consistent compliance with Federal and State regulations.

A water valve maintenance program began in the fall of 2008. All water valves and piping in the system will be GPS located for mapping purposes. To date, approximately 23 miles of pipe has been digitized.

The EPA required Vulnerability Assessment of the water system and are safety related. Black & Veatch Engineers performed the preliminary study, design and bidding portions of the project. Huy Construction Company is the general contractor, and Tri-County Electric is the electrical subcontractor.

## Miscellaneous

The HBPW was instrumental in organizing a citizens' Energy Conservation Committee in February 2008 with a good cross section of business people, retired persons and interested citizens. This committee, which meets monthly at the HBPW facilities, was formed to educate the public about the reasons for the major electric rate increases over the past 1-1/2 years and to be a public relations liaison between the HBPW and the community. The HBPW earmarked \$5,000 in its budget for the ECC to use to get a conservation message out to the public, advising on the latest trends and energy saving technology. Don Willis, General Manager of the HBPW, says getting this information out to the public remains a priority goal of the HBPW. He went on to say, "The only way the HBPW can help the public is to tell them about conservation means and advise them that they need to invest a little money themselves in conservation and energy efficiency so they can cut down their energy costs."

Once again, the HBPW took the opportunity to participate in the Chamber of Commerce Business Expo that was held on April 17 & 18, 2009.

Electric, water and sewer revenue is comprised of sales to the Hannibal Board of Public Works' customers.

Electric customers provided \$20,781,415 in revenue, of which \$14,733,976, or 71%, went directly to Ameren/UE for to pay for wholesale electric power. Usage was down 8% from the previous year, however, rate increases during the year resulted in a 22% increase in electric revenue.

Water revenues were up 10.5% from the previous year and usage dropped 2.3%. There was a 3.5% increase in sewer revenue over last year. The usage/revenue ratio for both departments is imbalanced due to water and sewer rate increases which went into effect in May.

As the HBPW prepared the budget for next fiscal year (2009-2010), special consideration was given to the general state of the economy as well as the major electric rate increases customers had to absorb during the year. According to the budget approved by the HBPW for next fiscal year is a "bare bones budget" with various capital projects and equipment purchases eliminated. There are no provisions for electric rate increases, and minimal increases in water and sewer rates to meet operating costs. In addition, of the five employees who retired during the year, none will be replaced, and no employee raises will be given. Only the most serious conditions will be addressed in the water and sewer systems due to fiscal constraints.

The Hannibal Board of Public Works remains financially sound at the conclusion of fiscal year 2008-2009. For more than 100 years customers have trusted the HBW to deliver reliable, affordable and responsible utility services. The HBW will continue to safeguard the future of essential services for our customers.

To learn more about the operation of the Board of Public Works, visit the HBW website at <http://www.hannibalbpw.org/>

## Operating Results

The HBPW implemented a web portal that allows City Hall and the Hannibal Fire Department to view specific aspects of the HBPW GIS (Geographic Information System) from a secure internet connection. This will allow for better utilization of the HBPW GIS system for City benefit and will also allow for future expansion for GIS related items for other City entities. The GIS contains information on electric, water and sewer utilities.

Once again, the HBPW took the opportunity to participate in the Chamber of Commerce Business Expo that was held on April 17 & 18, 2009.

**City of Hannibal, Missouri  
Board of Public Works  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2009**  
(Unaudited)

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 ✓ 5% ✓  
 ✓ 3% ✓  
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2007-08 + 0 - 0

As required by the City Charter, the Hannibal Board of Public Works pays a percentage of its revenues into the general fund of the City. In addition to this transfer into the City's general fund, the Hannibal Board of Public Works provides other benefits to the City and community. These supplemental benefits include free street lighting, free utility service to City Government, free utility relocation work for City projects, support of economic development, maintenance of traffic signals, responsibility for operation of the Bear Creek Dam and maintenance of floodwall pumps. The total amount of transfer fee paid to the City was \$1,335,278 and the total for free utility services was \$175,603 for the year ended June 30, 2009.

#### OPERATING REVENUES

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Board of Public Works  
 City of Hannibal, Missouri  
 Manager's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2009  
 (Unaudited)

## **Combined Financial Statements**

Assets	Electric	Water	Sewer	Department	Department	Department	2009	2008
Cash	\$ 2,622,740	\$ 351,723	\$ 184,243	\$ 3,158,706	\$ 1,778,340	3,278,501	4,064,610	
Investments	2,165,025	1,113,476	-	\$ 3,158,706	\$ 1,778,340			
Receivables (Net, where applicable of allowances for uncollectible accounts):								
Customers	1,804,981	249,317	235,143	2,289,441	1,945,500	103,567	908,609	
Other	51,037	14,504	809	66,350	60,000	1,500,000	1,500,000	
Due from other funds - current	598,766	301,085	8,758	908,609	908,609	103,567	908,609	
Due from other funds - current	133,027	-	-	133,027	17,781	1,161,891	987,742	
Inventory	808,017	305,450	48,424	48,424	17,781	1,161,891	987,742	
Due from Citties - current	237,623	130,864	121,143	121,143	474,082	489,630	474,082	
Total Current Assets	\$ 8,421,216	\$ 2,466,419	\$ 598,520	\$ 11,486,155	\$ 10,280,231			
Restructered Assets:								
Investments - Debt Service	-	478,274	270,034	748,308	7,107,178			
Property, Plant and Equipment (Net of accumulated depreciation):	18,654,271	19,587,390	14,569,552	52,811,213	47,015,834			
Other Assets:								
Other Investments - Land	505,055	-	505,055	505,055	505,055	103,000	103,000	
Water Rights	-	1,500,000	-	1,500,000	1,500,000	500,000	500,000	
Prairie Energy	103,000	-	-	103,000	103,000	103,000	103,000	
Debt from Citties - long-term	216,658	-	-	216,658	235,165	346,892	346,892	
Deferred Insurance Costs, Net	193,748	87,982	27,656	309,386	309,386	1,788,911	1,661,877	
Total Assets	\$ 28,093,948	\$ 24,120,065	\$ 15,465,762	\$ 67,679,775	\$ 67,093,355			
Liabilities:								
Customer deposits	300,518	77,727	75,715	453,960	404,901	98,752	101,267	
Accrued expenses	63,827	17,750	17,750	98,752	98,752	908,609	908,609	
301,085	8,758	598,766	598,766	908,609	908,609	926,201	926,201	
458,117	253,122	205,632	205,632	916,871	916,871	926,201	926,201	
967,595	405,613	415,703	415,703	1,788,911	1,788,911	1,661,877	1,661,877	
405,600	67,500	67,500	67,500	67,500	67,500	67,500	67,500	
Current Liabilities payable from restricted assets:	\$ 4,094,250	\$ 1,008,946	\$ 1,391,319	\$ 6,494,515	\$ 6,005,873			
Due to PWSD #1	-	-	-	-	-	1,391,319	6,494,515	
Long-term debt	8,533,152	1,012,500	3,399,956	2,083,736	1,021,500	1,080,000	15,805,755	
12,627,402	\$ 5,421,402	\$ 3,487,692	\$ 21,536,496	\$ 22,906,112				
Total Liabilities	\$ 12,627,402	\$ 5,421,402	\$ 3,487,692	\$ 21,536,496	\$ 22,906,112			
Net Assets								
Invested in Capital Assets, net of related long-term debt	9,153,524	\$ 15,781,821	\$ 12,070,113	\$ 37,005,458	\$ 30,130,079	7,107,178	6,949,986	
Unrestricted for debt service	6,313,022	-	478,274	270,034	270,034	748,308	748,308	
6,389,513	(362,077)	(362,077)	-	-	-	8,389,513	8,389,513	
46,143,279	\$ 46,143,279	\$ 46,143,279	\$ 46,143,279	\$ 44,187,243	\$ 44,187,243			
Total Net Assets	\$ 15,466,546	\$ 18,698,663	\$ 11,978,070	\$ 15,465,762	\$ 15,465,762	\$ 67,679,775	\$ 67,679,775	
Total Liabilities and Net Assets	\$ 28,093,948	\$ 24,120,065	\$ 15,465,762	\$ 67,679,775	\$ 67,679,775	\$ 67,093,355	\$ 67,093,355	

**City of Hannibal, Missouri**  
**Board of Public Works**  
 Statements of Net Assets  
 June 30, 2009 and 2008

Operating Revenues:				Operating Expenses:			
Electric	Water	Sewer	Department	Department	Department	Department	2009
\$ 7,082,712	\$ 1,877,138	\$ 1,727,484	\$ 10,687,334	\$ 9,464,439			2008
2,762,663	660,582	643,349	4,066,594	3,446,525			
10,763,941	704,023	654,943	12,127,907	10,329,663			
Residential							
Commercial							
Industrial							
Charges for services							
Operating Revenues:							
Residential							
Commercial							
Industrial							
Charges for services							
Operating Expenses:							
Residential							
Commercial							
Industrial							
Charges for services							
Total Operating Revenues	\$ 353,540	\$ 165,240	\$ 180,867	\$ 699,647	\$ 649,491		
Total Operating Expenses	1,461,072	345,403	233,252	2,398,872	2,182,910		
Depreciation	898,314	511,503	752,882	2,162,699	2,147,806		
Custodian accounts	1,820,217	345,403	233,252	2,398,872	2,182,910		
Administrative	1,491,491	649,491	649,491	649,491	649,491		
Customer service	1,491,491	649,491	649,491	649,491	649,491		
Depreciation	1,461,072	345,403	233,252	2,398,872	2,182,910		
Distribution	806,581	509,904	524,341	1,840,826	1,782,077		
Maintenance - general plant	261,011	56,241	74,538	391,790	393,351		
Meter reading	67,713	34,402	33,651	135,766	136,367		
Other administrative expenses	138,071	50,953	32,780	221,804	189,324		
Purchased power	14,733,976	-	-	14,733,976	10,023,860		
Water pumping	138,071	50,953	32,780	221,804	189,324		
SCADA/information systems	67,713	34,402	33,651	135,766	136,367		
Sewer treatment & supervision	190,773	95,290	96,055	382,118	424,049		
Water treatment	-	-	-	167,525	153,199		
Total Operating Expenses	\$ 21,013,116	\$ 3,494,368	\$ 3,253,100	\$ 27,760,584	\$ 23,023,465		
Income (Loss) from Operations	\$ 1,444,033	\$ 538,414	\$ (41,750)	\$ 1,940,697	\$ 2,789,259		
Non-Operating Revenue (Expense)							
Rental income	\$ 129,832	\$ 154,024	\$ 225	\$ 284,081	\$ 238,625		
Miscellaneous	6,000	-	-	6,000	58,950		
Interest income	6,000	-	-	6,000	58,950		
Interest expense							
Total Non-Operating Revenue (Expense)	\$ 85,314	\$ (3,366)	\$ (66,609)	\$ 15,339	\$ 20,421		
Gain (Loss) on fixed assets	(7,010)	(1,134)	(1,135)	(78,266)	(495,020)		
Interest expense/fees	(435,131)	(187,997)	-	383,987	42,767		
Disaster relief income	383,987	31,741	12,567	51,944	175,564		
Interest expense	7,636	-	-	7,636	6,000		
Total Interest Transfers	\$ 13,937,199	\$ 18,163,615	\$ 12,086,429	\$ 44,187,243	\$ 41,377,563		
Net Assets, Beginning of Year	\$ 15,466,546	\$ 18,698,663	\$ 11,978,070	\$ 46,143,279	\$ 44,187,243		
Net Assets, End of Year							

City of Hannibal, Missouri  
Board of Public Works  
Statements of Revenues, Expenses and  
Changes in Fund Net Assets  
Years Ended June 30, 2009 and 2008

Cash Flows from Operating Activities:						
Electric	Water Fund	Waste Fund	Sewer Fund	2009	2008	
\$ 22,058,443	\$ 4,081,566	\$ 3,266,390	\$ 29,406,399	\$ 25,465,837		
(19,741,428)	(3,066,639)	(2,620,470)	(25,428,537)	(20,383,441)		
\$ 2,317,015	\$ 1,014,927	\$ 645,920	\$ 3,977,862	\$ 5,082,396		
						Net Cash Flows from Operating Activities
						Payments to suppliers and employees
						Payments from customers
						Receivables from customers
						Cash Flows from Operating Activities:
						Interest revenue
						Purchases / sale of securities (net)
						Additions to fixed assets
						Other revenue
						Gain (loss) on fixed assets
						Net Cash Flows Provided By (Used In) Investing Activities
						Due to other governments
						Debt proceeds / (payments)
						Interest expense paid
						Deferred insurance costs
						Net Cash Provided By (Used In) Capital Financing Activities
						Net Increase (Decrease) in Cash
						Cash at Beginning of Year
						Cash at End of Year

	Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
	Electric Fund	Water Fund	Sewer Fund
Operating income (loss)	\$ 1,444,033	\$ 538,414	\$ (41,750)
Adjustments to reconcile net income to net cash provided by:			
Depreciation	898,314	511,503	752,882
(Gain) Loss on fixed assets	7,010	1,134	1,135
Changes in operating assets and liabilities			
Accounts receivable - customers	(428,370)	39,494	44,935
Inventory	39,134	(1,917)	(343,941)
Prepaid expenses	(97,399)	(62,796)	(13,954)
Inventories	(39,134)	(1,917)	37,217
Accrued expenses (decrease) in:			
Accounts payable - customers	(436,917)	(5,782)	(106,741)
Accrued expenses	(2,047)	1,331	(1,799)
Customer deposits	29,664	9,290	10,105
Accrued expenses	436,917	(5,782)	324,394
Accrued leave	(3,513)	(1,868)	(3,949)
Net Cash Provided by (used in) Operating Activities	\$ 2,317,015	\$ 1,014,927	\$ 645,920
			\$ 3,977,862
			\$ 5,082,396

City of Hannibal, Missouri  
Board of Public Works  
Statements of Cash Flows  
Years Ended June 30, 2009 and 2008

- Unrestricted – consists of net assets that do not meet the definition of restricted or invested capital assets, net of related debt.
- Unrestricted – consists of net assets that do not meet the definition of unrestricted resources.
- Liabilities that obligations followed by the Boards policy to first apply restricted resources in unrestricted net assets are available, it is the When an obligation is incurred for which both restricted and liabilities to be paid from these assets. Through constraints imposed by law through constitutional provisions or legislation, reduced by any imposed either by creditors (such as through debt covenants) or through laws, regulations or constraints of assets that have constraints placed upon their use through external constraints.
- Restricted – consists of assets that have constraints placed upon their use through depreciation, reduced by the outstanding balance of any debt that is attributable to those assets.
- Invested in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt that is attributable to those assets.

Adoption of GASB Statement No. 34 established standards for external financial reporting for all state and local governments, which includes a statement of net assets or balance sheet, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted and unrestricted expenses and changes in net assets, and a statement of cash flows. These classifications are defined as follows:

Effectively July 1, 2002, the Board adopted GASB Statement No. 34, and GASB Statement No. 38, Certain Financial Omnibus – an amendment of GASB Statement No. 21 and 34, and GASB Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments; GASB Statement No. 37, Basic Management's Discussion and Analysis – for State and Local Governments, GASB Statement No. 37, Basic Financial Statement Note Disclosures.

#### New Accounting Pronouncements:

The financial statements have been prepared in conformity with the pronouncements of the Governmental Accounting Standards Board (GASB) including GASB Statement No. 14, The Financial Reporting Entity, which defines the Electric, Water and Sewer funds as enterprise funds of the City of Hannibal, Missouri (the City). According to the financial statements of the Board are included in the Financial Report of the City. The Board has elected to apply all Financial Accounting Standard Board (FASB) Statements and Interpretations except for those that conflict with GASB pronouncements in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting.

The Board consists of three enterprise funds: electric utility, water utility and sewer utility. The Board utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded as incurred.

#### Basis of Accounting:

For financial reporting purposes, the Board includes all funds that are controlled by the Board of Public Works of Hannibal, Missouri as determined on the basis of financial interdependence, selection of management, ability to influence operations and budget adoption. No other funds or entities meet any of these criteria.

Board of Public Works of Hannibal, Missouri, (the Board), is a municipality owned utility of the City of Hannibal, Missouri, as provided for in the City Charter. Board of Public Works is comprised of the electric, water, and sewer utilities.

#### Reporting Entity:

### 1. Summary of Significant Accounting Policies

The City Charter requires the Board to prepare and submit an annual operating budget showing estimated revenues and expense for approval by the City Council. The City Charter requires the budget to conform to the method of accounting used for financial reporting. Requests for expenses exceeding the original amount authorized must be submitted to the City Council for approval.

#### Budgeting:

Net interest costs related to acquiring or constructing certain utility plants are capitalized as a part of the cost of commercial paper and renewal interest funds in accordance with SFAS No. 34 and SGAS No. 62. Net interest costs related to renewing or constructing certain utility plants are capitalized as a part of the cost of commercial paper and renewal interest funds in accordance with SFAS No. 34 and SGAS No. 62. Net interest was capitalized in 2008 or 2009.

#### Capitalization of Interest:

Employees are covered by the Missouri Local Government Employees Retirement Systems (LAGERS).

#### Pensions:

Inventory is valued at the lower of cost or market on a first-in, first-out (FIFO) basis.

#### Inventories:

Investments consist of bank certificates of deposit that are reported at June 30 values.

#### Investments:

Buildings	25 - 50 years	Improvements	10 - 100 years	Equipment	3 - 10 years
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Depreciation is provided over the estimated lives of the various classes of depreciable property by applying composite rates on a straight-line basis. The provisions for depreciation in 2008 and 2007, based on estimates of useful lives, were as follows:

#### Depreciation:

Expenses for maintenance and renewals of items not considered to be units of property are charged to income as incurred. When units of depreciable property are retired, the original cost and removal costs, less salvage are charged to accumulated depreciation.

#### Capital Assets:

The cost of additions and betterments of utility plan is capitalized. Costs include material, labor, vehicle and equipment usage, related overhead items, capitalized interest and general expenses. The balance sheet must be classified into current and non-current assets and liabilities; the statement of revenues, expenses and changes in net assets must be classified into operating and non-operating revenues and expenses; the direct method of preparing the statement of cash flows must be followed; additional note disclosures must be included and management's discussion and analysis must accompany the financial statements.

## 1. Summary of Significant Accounting Policies (Continued)

The Board maintains cash and investment securities. The Hannibal Board of Public Works permits investments only in direct obligations of the U.S. Government such as bills, notes or bonds, and any other obligations guaranteed as to payment of principal and interest by the U.S. Government or any agency or instrumentality thereof. Funds in the form of cash on deposit are required to be insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by authorized investment held by the Board agents in the Board's name.

### 3. Investments

					Total Enterprise Funds
					\$ 47,015,834
					\$ 8,248,530
					\$ (2,453,151)
					\$ 52,811,213
					Total Sewer
					\$ 15,193,371
					\$ (427,524)
					\$ 196,295
					\$ 14,569,552
					Depreciation
					\$ (14,304,092)
					\$ (752,882)
					\$ 19,386
					\$ (15,037,588)
					Const. in progress
					\$ 118,110
					\$ 117,543
					\$ (195,160)
					\$ 40,493
					\$ 29,566,647
					Cost (basis)
					\$ 29,379,353
					\$ 207,815
					\$ (20,521)
					\$ 29,566,647
					Total Water
					\$ 19,221,589
					\$ 2,473,077
					\$ (2,107,276)
					\$ 19,587,390
					Depreciation
					\$ 1,965,639
					\$ 865,783
					\$ (2,106,142)
					\$ 725,280
					\$ 7,631,134)
					Const. (basis)
					\$ 24,394,968
					\$ 2,118,797
					\$ (20,521)
					\$ 26,493,244
					Water
					\$ 19,221,589
					\$ 2,473,077
					\$ (2,107,276)
					\$ 19,587,390
					Total Sewer
					\$ 118,110
					\$ 117,543
					\$ (195,160)
					\$ 40,493
					\$ 29,566,647
					Cost (basis)
					\$ 22,333,886
					\$ 189,777
					\$ (46,867)
					\$ 22,476,796
					Electric
					\$ 1,764,264
					\$ 9,11,514
					\$ (142,570)
					\$ 8,533,208
					\$ 11,497,276)
					\$ 39,857
					\$ (12,355,733)
					Total Electric
					\$ 12,600,874
					\$ 6,202,977
					\$ (149,580)
					\$ 18,654,271
					Const. in progress
					\$ 1,764,264
					\$ 9,11,514
					\$ (142,570)
					\$ 8,533,208
					\$ 11,497,276)
					\$ 39,857
					\$ (12,355,733)
					Cost (basis)
					\$ 22,333,886
					\$ 189,777
					\$ (46,867)
					\$ 22,476,796
					Balance
					June 30, 2008
					Additions
					Retirements
					June 30, 2009

Activity for the year ended June 30, 2009 and 2008 is as follows:

### 2. Capital Assets

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses. Actual results could differ from those estimates.

#### Management's Estimates:

For purposes of combining statements of cash flows, the Board considers all certificates of deposit and restricted investments not to be cash equivalents.

#### Cash and Cash Equivalents:

### 1. Summary of Significant Accounting Policies (Concluded)

**City of Hannibal, Missouri**  
**Board of Public Works**

June 30, 2009  
 Notes to Financial Statements

**3. Investments (Concluded)**

The following represents the Board's total cash and investments at June 30, 2009:

Cheking/money market accounts	\$ 3,158,706	Certificates of deposit	2,165,025	Other short term investments	1,113,476	Debt service accounts	748,308	Total	\$ 7,185,515
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These cash and investments are included in the following balance sheet accounts at June 30, 2009:

	Electric	Water	Sewer	Total				
Cash	\$ 2,622,740	\$ 351,723	\$ 184,243	\$ 3,158,706				
Short term investments	2,165,025	1,113,476	-	3,278,501				
Debt service accounts	478,274	270,034	748,308	748,308				
Total	\$ 4,787,765	\$ 1,943,473	\$ 454,277	\$ 7,185,515				

For the Year Ended June 30, 2009, the changes in long-term debt are as follows:

**4. Long-Term Obligations**

	Balance July 1, 2008	(Retirements)	Additions	Balance June 30, 2009
Lease Purchase Agreement	\$ 874,000	\$ (84,000)	\$ 790,000	
Lease Purchase Agreement	3,720,000	(265,000)	3,455,000	
Lease Purchase Agreement	6,923,000	(584,000)	6,339,000	
Revenue Bonds	1,812,000	(220,000)	1,592,000	
Escrow Trust Agreement	1,147,500	(67,500)	1,080,000	
Lease Purchase Agreement - Meters	4,138,632	(508,877)	3,629,755	
Total	\$ 18,615,132	\$ (1,729,377)	\$ 16,886,755	

		\$ 790,000
	Less Amounts Representing Interest	(115,726)
		\$ 790,000
2017		\$ 905,726
	2016	60,643
	2015	124,594
	2014	119,866
	2013	120,844
	2012	122,804
	2011	116,470
	2010	119,998
		120,507

Fiscal Year  
June 30,

A summary of the total amount of base rentals is as follows:

The Board has entered into a lease purchase agreement with the Missouri Association of Municipal Utilities through their leasing financing program. Debt was incurred to finance improvements to the water treatment plant

#### Lease Purchase Agreement - Missouri Association of Municipal Utilities

		\$ 15,029,344
	Less: Current portion long-term debt	(1,788,911)
		\$ 16,885,755
	Total	
\$ 1,500,000 Escrow Trust Agreement - Due to PWSD#1		
due 8/1/2015		
\$ 5,474,839 Lease Purchase Agreement - Commerce Bank		
due 2015		
\$ 3,910,000 Sewerage System Revenue Bonds, Series 1993,		
of Municipal Utilities - Series 2006-A		
\$ 6,971,000 Lease Purchase Agreement - Missouri Association		
of Municipal Utilities		
\$ 4,660,000 Lease Purchase Agreement - Missouri Association		
of Municipal Utilities		
\$ 1,000,000 Lease Purchase Agreement - Missouri Association		
of Municipal Utilities		
		\$ 790,000

The long-term obligations consist of the following issues:

#### 4. Long-Term Obligations (Continued)

City of Hannibal, Missouri  
Board of Public Works  
Notes to Financial Statements  
June 30, 2009

		Less Amounts Representing Interest (981,243)	\$ 6,339,000
2010	805,023	\$ 7,320,243	
2011	808,906	2012	812,008
2013	816,309	2014	820,661
2015	823,317	2016	829,982
2017	833,673	2018	770,364

June 30,

Fiscal Year

A summary of the total amount of base rentals is as follows:

This lease includes both water and electric, therefore, the accrued interest and related liability is divided between both proprietary funds: 88% electric and 12% water.

Municipal Utilities through their leasing financing program in the amount of \$6,971,000. Debt was incurred to finance the 161 KV transmission line and substation west of Hannibal and improvements to the disinfection system at water treatment plant

On May 15, 2008, the Board has entered into a lease/purchase agreement with the Missouri Association of Municipal Utilities through their leasing financing program in the amount of \$6,971,000. Debt was incurred to finance the 161 KV transmission line and substation west of Hannibal and improvements to the disinfection system at water treatment plant

## Lease Purchase Agreement - Missouri Association of Municipal Utilities

		Less Amounts Representing Interest (923,830)	\$ 3,455,000
2010	436,678	2011	438,106
2012	439,187	2013	439,126
2014	438,613	2015	437,184
2016	435,283	2017	437,367
2018	438,737	2019	438,737

June 30,

Fiscal Year

A summary of the total amount of base rentals is as follows:

The Board has entered into a lease purchase agreement with the Missouri Association of Municipal Utilities through their leasing financing program. Debt was incurred to construct a new water tank, two substations and Sawyer Creek sewer line.

## Lease Purchase Agreement - Missouri Association of Municipal Utilities

## 4. Long-Term Obligations (Continued)

City of Hannibal, Missouri  
Board of Public Works  
Notes to Financial Statements  
June 30, 2009

The cost of acquiring these rights of \$1,500,000 has been capitalized and is shown as an other asset on the balance sheet of the water department. The Board has determined no impairment of this asset as of June 30, 2009.

The Board intends to provide the payment for the Purchase Price through the appropriation of funds sufficient to make the payments. The Board has agreed to secure its obligation to pay the remainder of the Purchase Price by the deposit of cash and Escrowed Securities into an escrow account to be established under this Escrow Agreement with the Bank of New York.

Under the Sale Contract, the Board has therefore paid \$150,000 of the cost of acquiring such rights, and is obligated to pay the remaining portion of the acquisition price (\$1,350,000.00) in semi annual payments of \$33,750 beginning July 1, 2005 and ending January 1, 2025.

On October 20, 2004, the Board entered into a Sale Contract with the Public Water Supply District No. 1 of Ralls County, pursuant to which the Board agreed to acquire the right to provide water service to the area described in the Sale Contract for the sum of \$1,500,000.

#### Escrow Trust Agreement

Fiscal Year	June 30,	
		\$ 3,629,755
		Less Amounts Representing Interest (472,070)
		\$ 4,101,825
2010	665,161	
2011	665,161	
2012	665,161	
2013	665,161	
2014	665,161	
2015	665,161	
2016	110,859	
		2016
		Less Amounts Representing Interest (472,070)
		\$ 3,629,755

A summary of the total amount of base rentals is as follows:

This lease includes both water and electric meters, therefore, the accrued interest and related liability is divided between all three proprietary funds: 50% electric, 25% water, and 25% sewer.

On November 19, 2004, the Board entered into a lease/purchase agreement with Commerce Bank in the amount of \$5,474,839. This lease is for new meters to replace the existing electric and water meters for its customers. The lease calls for monthly payments of \$55,430 that began on September 1, 2005 with a final payment due August 1, 2015 at an interest rate of 4.00%.

#### Lease Purchase Agreement - Commerce Bank

#### 4. Long-Term Obligations (Continued)

The Board has issued \$3,910,000 of Sewerage System Revenue Bonds. These bonds are dated August 1, 1993. The proceeds of the bond issue were used to extend and improve the existing wastewater treatment facility. The interest due on these bonds will be subsidized by interest earnings on a reserve fund held by the bond issuer's trustee. These funds are not considered to be Board funds. As the Board is reimbursed for project expenditures from the construction funds held by the trustee, the Department of Natural Resources will deposit an amount equal to approximately 70% of the reimbursement into the reserve fund. The maximum amount of funds paid off will be advanced to the reserve fund will be \$2,737,000. As bonds are paid off, 70% of the amount of bonds paid off will be repaid to the reserve fund out of the reserve fund. The balance of the reserve fund at June 30, 2009 was \$1,143,112. Monthly payments to UMB Bank net of interest credits earned are made by the City and are recomputed every six months by trustee.

#### Revenue Bonds

Fiscal Year	June 30	\$	1,080,000
2010	67,500	\$	67,500
2011	67,500	\$	67,500
2012	67,500	\$	67,500
2013	67,500	\$	67,500
2014	67,500	\$	67,500
2015	67,500	\$	67,500
2016	67,500	\$	67,500
2017	67,500	\$	67,500
2018	67,500	\$	67,500
2019	67,500	\$	67,500
2020	67,500	\$	67,500
2021	67,500	\$	67,500
2022	67,500	\$	67,500
2023	67,500	\$	67,500
2024	67,500	\$	67,500
2025	67,500	\$	67,500

The payment schedule is as follows:

#### 4. Long-Term Obligations (Continued)

The Board participated in Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Retirement Code Section 401(a) and it is tax-exempt. The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

#### Plan Description

#### 6. Defined Benefit Pension Plan

There were no interfund transfers during the year.

#### 5. Interfund Transfers

1994 Bond Issuance - Sewer	\$ 33,188	\$ -	\$ 5,532	\$ 27,656				
1994 Bond Issuance - Water	15,272	-	2,545	12,727				
2003 Issuance - Electric	42,644	-	6,064	60,636				
2003 Issuance - Water	20,781	-	3,877	38,767				
2006 Issuance - Electric	42,644	-	6,064	60,636				
2006 Issuance - Water	20,781	-	3,877	38,767				
1994 Bond Issuance - Water	15,272	-	2,545	12,727				
1994 Bond Issuance - Sewer	\$ 33,188	\$ -	\$ 5,532	\$ 27,656				
Total	\$ 346,892	\$ -	\$ 37,506	\$ 309,386				
2006 Issuance - Electric	42,644	-	6,064	60,636				
2006 Issuance - Water	20,781	-	3,877	38,767				
2008 Issuance - Electric	42,644	-	6,064	60,636				
2008 Issuance - Water	20,781	-	3,877	38,767				
1994 Bond Issuance - Water	15,272	-	2,545	12,727				
1994 Bond Issuance - Sewer	\$ 33,188	\$ -	\$ 5,532	\$ 27,656				

term of bonds as follows:

Costs associated with original issuance as well as reissuance costs are being amortized over the remaining

	Principle	Interest	Total	June 30,	Fiscal Yr Ending
2010	\$ 232,000	\$ 79,704	\$ 311,704		
2011	244,000	66,852	310,852		
2012	258,000	53,298	311,298		
2013	271,000	39,015	310,015		
2014	286,000	23,976	309,976		
2015	301,000	8,127	309,127		
Total	\$ 1,592,000	\$ 270,972	\$ 1,862,972		

Revenue Bond debt service requirements to maturity, including \$270,972 of interest, are as follows:

#### 4. Long-Term Obligations (Concluded)

**City of Hannibal, Missouri**  
**Board of Public Works**  
**Notes to Financial Statements**  
**June 30, 2009**

The Board is involved in a lawsuit which will be covered by Missouri Intergovernmental Risk Management Association (MIRMA). Based upon the Board's deductible as of June 30, 2009, the maximum potential liability the Board can incur is \$25,000. No liability has been recorded as of June 30, 2009.

#### 8. Pending Litigation

The Board has an agreement with AmerenUE to purchase electric power and energy. The rate per kilowatt hour is fixed through 2011 under a firm contract. The agreement is for a fixed cost of \$65/MWh. The Board also pays a monthly facility charge for the use of the AmerenUE substation on Highway 79.

#### 7. Obligations to Purchase Electric Power and Energy

Fiscal Year	Net Pension	Cost (APC)	Annual Pension	Percentage of APC	Obligation
6/30/09	\$ -	\$ 518,746	100%	\$ -	-
6/30/08	\$ -	\$ 528,660	100%	\$ -	-
6/30/07	\$ 558,370	\$ -	100%	\$ -	-

#### Three-Year Trend Information

For 2009, the Board's annual pension cost of \$518,746 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2007 and/or February 29, 2008 annual actuarial valuation using the entity age actuarial cost method. The actuarial assumption as of February 29, 2009 included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit and (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back zero years for men and zero years for women and (e) postretirement mortality based on the 1971 Group Annuity Mortality table projected to 2000, set back one year for men and seven years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2009 was fifteen years.

The Board's full-time employees do not contribute to the Plan. The political subdivision contributes at an actuarially determined rate; the current rate is 15.3% (general) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the Board are established by State Statute.

#### Funding Status

#### 6. Defined Benefit Pension Plan (Concluded)

Board personnel.

In addition, the Water Department is owed \$114,540 from various cities for emergency services performed by

	June 30	Principal	Interest	Total
2010	\$ 18,487	\$ 8,932	\$ 27,419	
2011	19,221	8,198	27,419	
2012	19,984	7,435	27,419	
2013	20,777	6,642	27,419	
2014	21,603	5,816	27,419	
2015 - 2020	135,093	15,715	150,808	
Total	\$ 235,165	\$ 52,738	\$ 287,903	

#### Year Ending

During the year ended June 30, 2005, the City borrowed \$310,000 from the Board of Public Works for sewer services to Sawyer's Creek and Mark Twain Cave. This will be repaid using sales tax revenue from Sawyer's Creek and Mark Twain Cave based on a fifteen-year repayment schedule. The interest rate will be reviewed annually and the Board retains the option to adjust the interest rate, not to exceed two percentage points above the Board's current investment portfolio rate of return. A summary of the repayment schedule follows:

	Electric	Water	Sewer	Vacation	Sick	Personal
	\$ 77,803	\$ 38,423	\$ 29,600	\$ 380,314	\$ 214,699	\$ 176,032
				\$ 458,117	\$ 253,122	\$ 205,632

#### 11. Due from Cities

A summary of vacation, sick leave, and personal time off accruals is as follows:

Vacation hours earned range from 0-200 hours and occur at anniversary date. All prior vacation is lost at anniversary date. Sick pay accrues at 8 hours per month. Maximum accrual for union employees is 800 hours. Personal time is accrued on July 1 for all employees (16 hours total). All prior unused time is lost.

#### 10. Accrued Leave

Electric	Land for industrial park site on Route MM in Hannibal, Missouri net of dirt sold to state for highway and bridge projects.	Power purchase agreement with Prairie State
	\$ 505,055	\$ 103,000

Other investments consist of the following:

#### 9. Other Investments

City of Hannibal, Missouri  
Board of Public Works  
Notes to Financial Statements  
June 30, 2005

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

2/28/2007	\$ 6,630,507	\$ 8,917,557	\$ 2,287,050	74%	\$ 3,063,518	75%		
2/29/2008	\$ 6,763,663	\$ 9,050,673	\$ 2,287,010	75%	\$ 3,115,653	73%		
2/28/2009	\$ 6,134,583	\$ 10,009,439	\$ 3,874,856	61%	\$ 3,502,490	111%		

Date	of Assets	Liability	(UAL)	Ratio	Payroll	Payroll
Actuarial Valuation	Actuarial Value	Accrued Liability	Funded Annual	Covered Percentage of Payroll		
Actuarial Valuation	Actuarial Value	a/b	a/b			
(a)	Entry Age	Unfunded	(c)			
(b-a)			(b-a)			
(b-a/c)						

### REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

City of Hannibal, Missouri  
Board of Public Works  
Notes to Financial Statements  
June 30, 2009

**Individual Fund Statements  
and Schedules**

<b>Purchased Power:</b>	\$ 14,733,976	\$ 10,023,860
	2009	2008
<b>Supervision and Supervisors</b>		
Administrative salaries	\$ 104,706	\$ 111,922
Customer service salaries	25,112	24,288
Customer service supervisor labor	76,015	71,996
Customer service supervisor engineering labor	76,015	71,996
Maintenance supervisor engineering labor	281,848	280,202
Administrative	\$ 70,223	\$ 71,980
Contracted outside services	1,134	833
Drug testing	705	7575
Outside service fee - Audit	7,802	2,167
Outside service fee - Legal	3,372	4,800
Board members salaries	2,473	6,159
Small equipment	5,906	9,191
Utilities/phone	11,895	14,584
Prepaid insurance	198,784	138,915
Economic development	22,750	30,000
Miscellaneous - load promotion	3,986	2,752
Energy conservation	2,488	-
Advertising	574	1,105
Safety incentives	44	44
Electronic filing fee	22	22
Railroad permits	732	1,452
Injuries and damages expense	\$ 353,540	\$ 310,642
<b>SCADA/information Systems</b>		
Salaries-infosystems	\$ 30,328	\$ 30,290
Outside services	1,895	3,925
Training/meetings/travel	932	791
Office supplies and expense	116	65
Phone/airtime charges	193	339
Info systems hardware	767	5,145
Info systems software	3,604	4,245
Info systems maintenance	32,207	51,703
Salaries-SCADA	113,658	107,833
Office programs	4,604	5,021
Safety programs	322	484
Small office equipment and furniture	167	65
Office supplies and expenses	1,013	241

City of Hannibal, Missouri  
**Board of Public Works**  
 Comparative Statement of Operating Expenses by Department  
 Years Ended June 30, 2009 and 2008

SCADA/Information Systems (Concluded)			
Customer Accounts			
Customer service fees	75,477	\$ 87,562	\$ 87,562
Contracted services	576	1,077	1,077
Training/meetings/travel	55	1,845	1,845
Postage/print office supply	32,132	27,866	32,132
Utilities/telephone	67	67	67
Small equipment	61	90	90
Credit card processing fees	148	(390)	(390)
Miscellaneous	518	148	148
Cash short (over)	316	(166)	(166)
MO sales tax payable	571,273	669,181	669,181
Collectors office expenses	20,161	16,398	16,398
Meter reading labor	877,480	1,008,355	1,008,355
Uniform services	1,574,557	\$ 1,820,217	\$ 1,820,217
<b>Meter Reading</b>			
Underground line labor	11,577	\$ 8,655	\$ 11,577
Street light/signal labor	20,922	12,468	14,592
Meter labor	491,626	6,233	3,073
Overhead line labor	432,633	491,626	432,633
Parks and recreation labor	4,473	68,953	68,413
General plant labor	175,517	18,041	175,517
FEMA relief labor	9,607	8,873	9,607
Uniforms	7,766	8,873	7,108
Building maintenance	16,632	7,766	16,632
New construction	27,357	357,934	27,357
Preliminary survey/engineering	56,292	56,292	56,292
Easements	851	15,998	262
<b>Electrical Distribution</b>			
Substation equipment	586	\$ 169	\$ 169
Underground equipment	20,922	8,655	11,577
Overhead round line labor	14,592	12,468	14,592
Meter round line labor	491,626	6,233	3,073
Parks and recreation labor	4,473	68,953	68,413
General plant labor	175,517	18,041	175,517
FEMA relief labor	9,607	8,873	9,607
Uniforums	7,766	8,873	7,108
Building maintenance	16,632	7,766	16,632
New construction	27,357	357,934	27,357
Preliminary survey/engineering	56,292	56,292	56,292
Easements	851	15,998	262

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

## Electric Department

## Board of Public Works

## City of Hannibal, Missouri

Electrical Distribution (Continued)			
		2009	2008
Substations	Transmissions lines	49,415	13,614
6,324	Training/meetings/travel	-	8,761
3,512	Safety equipment/meals	10,758	18,018
1,018	Office supplies/postage	1,020	1,018
314	Dig rights	3,398	4,799
310	Telephone	3,099	4,990
14,490	Tools, shop, garage equipment	61,204	79,896
10,027	Communication equipment	139	235
738	Community equipment repair	-	151,198
14,490	Materials and supplies	61,204	282,992
1,761	CDL license fees	100	50
1,761	Maintenance mobile radios	1,304	1,761
960	AmericanUE - meter info	5,630	960
235	Prairie State Power admin fees	13,237	23,818
222,657	MIOSO Transmission - Oatt Cha	52,458	245,418
\$ 1,461,072	Maintenance overhead lines - tree trimming	\$ 1,799,331	
	Maintenance substation labor		
	Maintenance overhead line labor		
	Maintenance substation labor		
	Maintenance signal labor		
	City projects labor		
	General plant labor		
	Uniforoms		
	Telephone expense		
	Office supplies		
	Repairs		
	Plant expenses/maintenance		
	Miscellaneous equipment		
	Structures and improvements		
	Miscellaneous equipment maintenance		
	General plant expenses		
	Materails and supplies		
	Rentals		
	270	270	
	664	1290	
	70	1,577	
	374	49	
	-	599	
	103	104	
	13	13	
	10,456	10,456	
	115,158	132,037	
	5,271	5,271	
	1,064	5,604	
	36,963	41,792	
	2,631	1,718	
	32,338	53,052	\$
	32,338	53,052	\$
	1,799,331	1,461,072	\$
	Maintenance General Plant		
	Maintenance substation labor		
	Maintenance overhead line labor		
	Maintenance signal labor		
	Street light		
	City projects labor		
	General plant labor		
	Uniforoms		
	Telephone expense		
	Office supplies		
	Repairs		
	Plant expenses/maintenance		
	Miscellaneous equipment		
	Structures and improvements		
	Miscellaneous equipment maintenance		
	General plant expenses		
	Materails and supplies		
	Rentals		
	270	270	
	5,835	9,068	
	8,278	10,466	
	1290	1290	
	1,577	49	
	664	664	
	70	70	
	374	374	
	-	-	
	2,037	2,037	
	599	599	
	103	103	
	13	13	
	10,456	10,456	
	115,158	115,158	
	132,037	132,037	
	5,271	5,271	
	1,064	1,064	
	36,963	41,792	
	2,631	1,718	
	32,338	53,052	\$
	32,338	53,052	\$

Years Ended June 30, 2009 and 2008  
Comparative Statement of Operating Expenses by Department  
Electric Department  
Board of Public Works  
City of Hannibal, Missouri

	2009	2008
<b>Fringe Benefits</b>		
Social security expense	\$ 126,186	\$ 122,462
Medical and dental benefits	422,794	375,997
Lager benefits	243,305	245,712
1,214	1,503	
9,824	11,914	
3,258	3,300	
806,581	760,888	
Other benefits	\$ 105,908	\$ 45,042
Uncollectible accounts expense	28,693	1,086
Vacation and personal expense	3,470	87,484
Sick leave expense	138,071	133,612
Depreciation	\$ 898,314	\$ 921,371
Total Operating Expenses	\$ 21,013,116	\$ 16,309,474

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008  
City of Hannibal, Missouri  
Board of Public Works  
Electric Department  
Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

		2009		2008	
<b>Superintendent and Supervisors</b>					
Administrator salaries	\$ 51,242	\$ 72,488			
Customer accounts supervisor labor	12,556	12,143			
Operating supervisor engineering labor	32,199	7,359			
Maintenance supervisor engineering labor	27,923	26,562			
Years Ended June 30, 2009 and 2008					
Comparative Statement of Operating Expenses by Department					
Water Department					
Board of Public Works					
City of Hannibal, Missouri					
<b>Administrative</b>					
Salaries	\$ 35,112	\$ 35,990			
Outside service fees	3,086	3,53			
1,266	3,901	3,788			
1,686	2,939	2,948			
2,400	1,164	5,948			
2,400	1,164	7,292			
1,250	1,164	5,291			
1,139	96,909	15,000			
59	100	11,500			
59	100	15,000			
(2,709)	(785)	5,156			
25,370	(2,709)	5,156			
Dues	38	(785)			
Safety incentives	562	287			
Railroad permits	81	81			
Injuries and damages expense	534	509			
SCADA/Information Systems					
Salaries - Info. systems	\$ 15,145	\$ 15,164			
Contract outside services	1,963	948			
Training/meetings/travel	396	540			
Hardware	32	58			
Software	169	97			
Phone/airtime charges	169	97			
Office supplies	536	1,802			
Outside service fees	2,572	2,122			
Maintenance	25,789	16,105			
Salaries - SCADA	53,910	56,829			
Office equipment & furniture	2,510	2,499			
Training/meetings/travel	428	111			
Office supplies and expenses	33	83			
Office equipment/travel	121	34			
Safety equipment/meals	46	163			

Years Ended June 30, 2009 and 2008

Comparative Statement of Operating Expenses by Department

Water Department

Board of Public Works

City of Hannibal, Missouri

SCADA/Information Systems (Concluded)		
	2009	2008
Miscellaneous	\$ 95,290	\$ 105,950
Transportation	-	347
Water Department	321	-
Comparative Statement of Operating Expenses by Department	Years Ended June 30, 2009 and 2008	
<b>City of Hannibal, Missouri</b>		
<b>Board of Public Works</b>		
Customer Accounts	43,781	\$ 37,739
Custodial services	1,953	-
Customer accounts wages	14,435	27
Customer accounts and records - contract services	538	922
Customer accounts and records - travel	-	27
Customer accounts and records - postage	16,132	14,259
Telephone	33	283
Advertising	45	31
Miscellaneous	101	74
MO sales tax payable	-	64
Primacy fee	66,179	84,943
Collectors office expense	20,354	20,279
Principality fee	8,196	8,196
In lieu of franchise tax	187,162	10,081
Meter reading labor	\$ 33,651	\$ 33,924
Uniform services	751	812
Maintenance equipment labor	25,799	38,218
Maintenance equipment - uniforms	2,619	5,228
Maintenance equipment - repairs	300	1,018
General plant expenses - maintenance	17,475	\$ 27,417
General plant expenses - buildings	5,050	4,366
Miscellaneous equipment	788	39
General plant expenses - repairs	35	35
Structures and improvements	1,882	1,882
General plant expenses - maintenance	332	9
General plant expenses	128	98
Telephone	52	51

Water Distribution		Maintenance General Plant (Concluded)	
		2009	2008
Maintenance pumping labor	\$ 206,421	\$ 153,646	
Purification plant labor	10,409	2,366	
General plant labor	2,399	22,366	
Services labor	8,593	2,208	
Metering labor	20,095	2,567	
Buildings and ground maintenance	127,986	6,964	
Maintenance storage tanks	144,330	18,357	
Unifrom services	19,230	2,505	
New construction	7,530	4,428	
Rigging of ways/assements	-	14,981	
Training/meeting/travel	1,442	-	
Equipment maintenance	1,532	4,969	
Safety equipment/meetings	8,599	310	
Dig rights	747	987	
Equipment maintenance	3,650	1,878	
Materials equipment expenses	8,296	8,077	
Transportation equipment	36,796	28,784	
Miscellaneous equipment	3,650	39,859	
Maintenance mains	92,020	92,020	
Small tools and equipment	560	12	
Memberships/dues	9	-	
CDL licenses Fees	2,341	3,172	
Cell phones/mobiles	70	115	
Small distribution mains	1,121	1,121	
Unifrom services/tessing	17,034	17,034	
New construction	11,440	228,094	
Purification operation supervision	50,513	235,198	
Water Treatment	\$ 50,618	\$ 50,618	
Utilities/phone	69	-	
Legal services	5,098	-	
Engineering/consulting	2,089	-	
Training/meeting/travel	1,745	1,856	
Safety equipment/meals	1,487	1,671	
Office supplies	326	346	
Utilities/phone	7,668	8,981	
Equipment maintenance	8,101	2,783	
Small equipment purchases	17,423	1,494	

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

### City of Hannibal, Missouri Board of Public Works

Water Distribution (Concluded)			
		2009	2008
Chlorine	Structure maintenance		
11,037	8,074	46,892	40,121
530	5,792	245,963	191,648
4,366	1,784	17,228	16,889
Lime	Fluoride	17,228	16,889
Aluminum	Carbon	145,935	79,138
Chlorine	Coag aid	2,325	-
191,648	Raw water polymer	4,607	5,409
40,121	Materials and supplies	7,208	10,797
16,889	Permit/licensing fees	1,415	1,415
79,138	Miscellaneous supplies	12,835	-
16,889	Purification lab supplies	9,969	-
79,138	Purchased power	69,932	-
145,935	Building and ground maintenance	81,270	899,844
17,228	Building equipment	5,409	-
16,889	Maintenance pumping equipment	3,110	407
16,889	Telephone	44	407
79,138	Legal services	7,700	-
145,935	Water pumping	\$	\$
17,228	Water services	69,838	67,900
16,889	FICA/Medicare	302,011	302,011
16,889	Medicai/dental benefits	278,375	278,375
16,889	Laggers benefit	134,335	134,335
16,889	Life insurance benefit	755	845
16,889	Wellness benefit	2,730	2,730
16,889	Disability benefit	2,173	2,173
16,889	Unemployment benefit	2,156	2,156
16,889	Other Adminstrative Costs	507,735	509,904
16,889	Sick leave accrual expense	51,768	51,768
16,889	Vacation and personal expense	37,916	5,072
16,889	Uncollectible expense	5,433	8,780
16,889	Other Adminstrative Costs	16,391	16,391
16,889	Depreciation	506,601	511,503
16,889	Total Operating Expenses	3,494,368	\$ 1,660,554

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

City of Hannibal, Missouri  
Board of Public Works  
Water Department

Superintendent and Supervisors		2009		2008	
Salaries	\$ 50,777	\$ 71,268			
Customer accounts sup labor	12,556				
Operational supervisor engineering labor	32,665				
Maintainance supervisor engineering labor	27,923				
12,144					
1,268					
352					
416					
3,788					
1,265					
3,901					
1,900					
2,400					
192					
122					
1,214					
1,868					
2,938					
5,947					
7,291					
109,140					
15,000					
3,406					
3,536					
287					
552					
100					
59					
1,218					
170					
1,097					
1,127					
180,867	\$				
161,265					
<b>SCADA/Information Systems</b>					
Salaries-Info. Systems	\$ 15,164	\$ 15,145			
Contract outside services					
Training/meetings/travel	392				
Phone/airtime charges	169				
Hardware	2,572				
Software	2,122				
Maintenance of hardware	25,915				
Salaries	53,910				
Office supplies and expense	56,829				
Traveling/meeting/travel	111				
Office equipment	428				
Small equipment	33				
Office equipment/travel	83				
Training/meetings	121				
Salaries	1,100				
Office supplies and expense	163				
Traveling/meeting	46				
Small equipment/meals	347				
Office supplies and expense	32				
Transportation	321				
Advertising	339				

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

### City of Hannibal, Missouri Board of Public Works

		SCADA/Information Systems (Concluded)	
		2009	2008
CUSTOMER ACCOUNTS			
Customer accounts wages	\$ 43,781	\$ 37,739	
Janitorial services	1,953	-	
Outside services	538	922	27
Training/meeting/travel	13,917	15,738	73
Postage	33	45	31
Telephone	283	33	64
Miscellaneous	74	-	30
Credit card processing fee	-	-	8,257
Advertising	7	8,301	8,196
Sewer connect fees	10,081	153,665	162,200
Call collectors office expense	233,252	\$ 233,651	\$ 33,310
Meter reading labor			
Lift station	\$ 20,300	\$ 25,094	
Maintenance meter labor	(11)	44,944	5,228
WWTP labor	41,303	2,619	2,619
Uniforms	300	1,018	5,228
General plant repairs	-	300	2,619
General plant expenses	25	52	7
Telephone	51	39	7
Office supplies	52	133	133
Miscellaneous equipment	788	4,364	5,050
Building expenses	1,750	1,144	4,144
Structures and improvement	107	460	460
General plant expenses	2,900	1,750	1,750
Materials and supplies	135	135	135
Rents	135	135	135
	\$ 74,538	\$ 86,432	

City of Hannibal, Missouri  
Board of Public Works  
Sewer Department  
Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

Sewer Collection		Sewer Treatment	
Minimize sewage sewer collect labor	\$ 187,559	\$ 222,918	Supervision WWTP
Interdepartmental labor	7,952	-	Operation WWTP labor
City projects labor	8,404	-	Engineering services
WWTP labor	2,477	-	Uniforoms
General plant labor	7,309	8,667	10,109
Lift station labor	110	110	38,785
General plant labor	328	-	288,975
City projects labor	181	-	307,220
WWTP labor	2,477	-	54,470
General plant labor	7,309	8,667	\$ 33,265
Lift station labor	110	110	\$ 350,245
General plant labor	328	-	\$ 430,196
Lift station equipment	14,984	14,984	
Engineering consulting	4,871	4,871	
Safety equipment/meals	8,733	8,733	
Small station tools and equipment	3,944	3,944	
Maintainance tools and equipment	2,771	2,771	
Lift station equipment	1,037	1,037	
Right of ways	4,268	4,268	
Stormwater sewers	22,204	22,204	
Material sewers	-	-	
Material and supplies	9,675	9,675	
Dig rights	987	987	
CDL license fees	33	-	
Sewer expenses	129	129	
Maintainance of mobile radios	1,792	1,792	
Maintainance lift stations	16,319	16,319	
Maintainance Bear Creek Dam	1,869	1,869	
Maintainance storm sewers	8,346	8,346	
4,102	15,311	15,311	
4,102	3,283	2,719	
Structures and improvements	2,160	(2,160)	
Bio-Solids	19,602	21,135	
Maintenance equipment	49,652	7,223	
Uniforoms	33,667	11,573	
Engineering services	20,924	15,521	
Supervision WWTP	288,975	10,109	
Operation WWTP labor	307,220	38,785	
Sewer Treatment	54,470	307,220	

**City of Hannibal, Missouri**  
**Board of Public Works**  
 Sewer Department  
 Comparative Statement of Operating Expenses by Department  
 Years Ended June 30, 2009 and 2008

Sewer Treatment (Concluded)			
		2009	2008
Safety equipment/meals			
Postage	1,797		
Telephone	616		
955	3,219		
3,211	18,310		
31,430	656		
5,571	693		
2,497	475		
11,886	4,062		
5,446	31,256		
37,480	33,361		
12,337	6,875		
9,725	7,354		
100	100		
25	20,295		
13,591	25		
193,905	278,328		
5,431	5,432		
Water purchased WTP	850,568	\$	848,325
WTP purchased Power			
Operating lift stations - electric			
CDL license fees			
Mo fertilizer sales and expense			
Lab supplies and expense			
Materials and supplies			
Polymer			
Liquid oxygen			
Chlorine			
Miscellaneous supplies and expense			
Transpotation			
Miscellaneous equipment purchases			
Comminication equipment			
Maintenance equipment			
Telephone			
Postage			
Safety equipment/meals			
Sewer Treatment (Concluded)			
Sewer Department			
Comparative Statement of Operating Expenses by Department			
Years Ended June 30, 2009 and 2008			
Comparative Statement of Operating Expenses by Department			
Sewer Department			
City of Hannibal, Missouri			
Board of Public Works			
2009			
2008			

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 2009 and 2008

Years Ended June 30, 2009 and 2008

Comparative Statement of Operating Expenses by Department

Sewer Department

City of Hannibal, Missouri

Board of Public Works

## **Supplementary Schedules**

**City of Hannibal, Missouri**  
**Board of Public Works**  
 Electric Department  
 Plant Assets and Depreciation Schedule  
 Year Ended June 30, 2009

	<u>Cost 7/1/2008</u>	<u>Additions</u>	<u>Retirements and Other</u>	<u>Cost 6/30/2009</u>	<u>Accumulated Depreciation 7/1/2008</u>	<u>Depreciation for the Year</u>	<u>Retirements</u>	<u>Accumulated Depreciation 6/30/2009</u>
Land and land rights	\$ 20,062	\$ -	\$ -	\$ 20,062	\$ -	\$ -	\$ -	\$ -
Clearing land & right of way	1,627	-	-	1,627	-	-	-	28,351
Structures & improvements	33,973	-	-	33,973	27,726	625	-	780,889
Station equipment	1,165,670	-	-	1,165,670	755,733	25,156	-	78,953
Transmission towers & fixtures	78,953	-	-	78,953	-	-	-	561,369
Poles & fixtures	604,015	-	-	604,015	557,572	3,797	-	471,223
Overhead conduit & device	471,843	-	-	471,843	471,134	89	-	200
Underground conduit & device	200	-	-	200	200	-	-	-
Road	9,523	-	-	9,523	5,951	476	-	6,427
Land and land rights	99,193	-	-	99,193	-	-	-	-
Plant structure & improvements	38,637	-	-	38,637	38,637	-	-	38,637
Station equipment	7,137,169	-	-	7,137,169	2,338,970	364,501	-	2,703,471
Poles, towers & fixtures	2,019,503	-	-	2,019,503	1,212,038	75,888	-	1,287,926
Overhead conduit & device	2,082,446	-	-	2,082,446	1,341,000	82,339	-	1,423,339
Underground conduit	30,725	-	-	30,725	10,701	1,478	-	12,179
Underground conduit & device	180,432	-	-	180,432	115,933	8,524	-	124,457
Line transformers	1,547,969	-	-	1,547,969	1,185,385	40,350	-	1,225,735
Services	333,839	-	-	333,839	271,707	8,843	-	280,550
Meters	2,894,920	-	-	2,894,920	3,037,490	295,213	150,514	445,727
Install on customer premise	3,225	-	-	3,225	1,613	322	-	1,935
Leased property - customer premise	2,227	-	-	2,227	1,380	111	-	1,491
Street Light & Signal	956,424	-	-	956,424	638,155	29,746	-	667,901
Structures & Improvements	1,039,364	-	-	1,039,364	992,915	4,079	-	996,994
Office furniture & equipment	524,220	-	-	524,220	502,662	409,287	33,068	39,857
Transportation	895,257	-	-	895,257	916,092	619,444	61,948	402,498
Tools - shop & garage	36,520	-	-	36,520	36,520	29,586	1,586	31,172
Power operated equipment	7,551	-	-	7,551	7,551	7,551	-	7,551
Communication equipment	24,555	1,063	-	24,555	25,618	18,969	1,069	20,038
Miscellaneous equipment	93,844	-	-	93,844	71,523	3,805	-	75,328
<b>Total Utility Plant in Service</b>	<b>\$ 22,333,886</b>	<b>\$ 189,777</b>	<b>\$ 46,867</b>	<b>\$ 22,476,796</b>	<b>\$ 11,497,276</b>	<b>\$ 898,314</b>	<b>\$ 39,857</b>	<b>\$ 12,355,733</b>
<b>Construction in Progress</b>	<b>\$ 1,764,264</b>	<b>\$ 6,911,514</b>	<b>\$ 142,570</b>	<b>\$ 8,533,208</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Utility Plant</b>	<b>\$ 24,098,150</b>	<b>\$ 7,101,291</b>	<b>\$ 189,437</b>	<b>\$ 31,010,004</b>	<b>\$ 11,497,276</b>	<b>\$ 898,314</b>	<b>\$ 39,857</b>	<b>\$ 12,355,733</b>

The accompanying notes are an integral part of these financial statements.

**City of Hannibal, Missouri**  
**Board of Public Works**

Water Department  
 Plant Assets and Depreciation Schedule  
 Year Ended June 30, 2009

	<b>Cost 7/1/2008</b>	<b>Additions</b>	<b>Retirements and Other</b>	<b>Cost 6/30/2009</b>	<b>Accumulated Depreciation 7/1/2008</b>	<b>Depreciation for the Year</b>	<b>Retirements</b>	<b>Accumulated Depreciation 6/30/2009</b>
<b>Land</b>								
<b>Purification Plan:</b>								
Filtration Plan								
<b>Pumping Plant:</b>								
Pumping plant and equipment								
<b>Distribution Plant:</b>								
Reservoir								
Booster stations	\$ 108,675	\$ -	\$ -	\$ 108,675	\$ -	\$ -	\$ -	\$ -
Distribution mains	5,909,093	1,350,975	-	7,260,068	2,387,832	123,787	-	2,511,619
Structures	2,434,647	-	-	2,434,647	429,156	54,935	-	484,091
Meters	3,975,605	-	-	3,975,605	386,758	39,733	-	426,491
Services	521,778	-	-	521,778	271,228	17,451	-	288,679
Hydrants	7,213,961	708,499	-	7,922,460	1,781,617	90,325	-	1,871,942
Transportation equipment	385,297	-	-	385,297	166,991	32,214	-	199,205
Tools and equipment	1,571,649	46,669	-	1,618,318	175,356	83,627	-	258,983
Other equipment	721,047	-	-	721,047	479,620	10,304	-	489,924
Total Utility Plant In Service	610,408	-	-	610,408	372,078	15,970	-	388,048
Construction in Progress	294,672	-	-	294,672	195,731	11,380	-	207,111
Total Utility Plant	188,594	-	-	188,594	113,599	11,414	-	125,013
	54,531	-	-	54,531	35,993	2,642	-	38,635
	<b>\$ 23,989,957</b>	<b>\$ 2,106,143</b>	<b>\$ -</b>	<b>\$ 26,096,100</b>	<b>\$ 6,795,959</b>	<b>\$ 493,782</b>	<b>\$ -</b>	<b>\$ 7,289,741</b>
<b>General Plant:</b>								
Office equipment								
Communication equipment	\$ 217,251	\$ 12,654	\$ 20,521	\$ 209,384	\$ 175,258	\$ 15,059	\$ 19,387	\$ 170,930
Structures and improvements	12,613	-	-	12,613	9,281	747	-	10,028
	175,147	\$ 12,654	\$ 20,521	\$ 397,144	\$ 158,520	1,915	-	160,435
	<b>\$ 405,011</b>	<b>\$ 12,654</b>	<b>\$ 20,521</b>	<b>\$ 397,144</b>	<b>\$ 343,059</b>	<b>\$ 17,721</b>	<b>\$ 19,387</b>	<b>\$ 341,393</b>
Total Utility Plant In Service	\$ 24,394,968	\$ 2,118,797	\$ 20,521	\$ 26,493,244	\$ 7,139,018	\$ 511,503	\$ 19,387	\$ 7,631,134
Construction in Progress	1,965,639	865,783	2,106,142	725,280	-	-	-	-
Total Utility Plant	<b>\$ 26,360,607</b>	<b>\$ 2,984,580</b>	<b>\$ 2,126,663</b>	<b>\$ 27,218,524</b>	<b>\$ 7,139,018</b>	<b>\$ 511,503</b>	<b>\$ 19,387</b>	<b>\$ 7,631,134</b>

The accompanying notes are an integral part of these financial statements.

**City of Hannibal, Missouri**  
**Board of Public Works**  
**Sewer Department**

Plant Assets and Depreciation Schedule  
Year Ended June 30, 2009

	<u>Cost 7/1/2008</u>	<u>Additions</u>	<u>Retirements and Other</u>	<u>Cost 6/30/2009</u>	<u>Accumulated Depreciation 7/1/2008</u>	<u>Depreciation for the Year</u>	<u>Accumulated Depreciation 6/30/2009</u>
Land and land rights	\$ 492,898	\$ -	\$ -	\$ 492,898	\$ 9,174,017	\$ 423,922	\$ 9,597,939
Treatment plant	17,229,952	8,934	-	17,238,886	250,454	72,654	77,663
Storm sewers	250,454	-	-	250,454	8,548,756	4,035,702	4,210,936
Sanitary sewers	141,274	-	-	8,690,030	1,387,905	146,437	215,359
Sewer connections	-	-	-	1,387,905	Office furniture and equipment	68,922	
Transportation equipment	286,405	12,655	20,521	278,539	286,405	258,652	13,528
Tools and equipment	421,400	-	-	421,400	421,400	120,194	31,252
Office building and improvement	122,206	-	-	122,206	122,206	105,568	3,762
Laboratory equipment	114,042	-	-	114,042	114,042	62,339	1,325
Communication equipment	23,423	-	-	23,423	23,423	21,367	685
Other equipment	8,878	-	-	8,878	8,878	6,608	368
Structures	455,297	44,952	-	500,249	455,297	297,908	26,229
	37,737	-	-	37,737	37,737	2,646	324,137
Total Utility Plant in Service	\$ 29,379,353	\$ 207,815	\$ 20,521	\$ 29,566,647	\$ 14,304,092	\$ 752,882	\$ 19,386
Construction in Progress	118,110	117,543	195,160	40,493	-	-	\$ 15,037,588
<b>Total Utility Plant</b>	<b>\$ 29,497,463</b>	<b>\$ 325,358</b>	<b>\$ 215,681</b>	<b>\$ 29,607,140</b>	<b>\$ 14,304,092</b>	<b>\$ 752,882</b>	<b>\$ 19,386</b>
							<b>\$ 15,037,588</b>

Description	Interest Rate	Maturity Date	Book Value	Market Value
Unrestricted Temporary Cash Investments:				
F&M Bank and Trust Co - Certificate of Deposit	2.31%	8/27/2009	506,865	506,865
F&M Bank and Trust Co - Certificate of Deposit	2.31%	9/17/2009	553,177	553,177
F&M Bank and Trust Co - Certificate of Deposit	2.50%	7/16/2009	600,000	600,000
F&M Bank and Trust Co - Certificate of Deposit	2.31%	12/24/2009	504,983	504,983
Total Unrestricted Temporary Cash Investments			\$ 2,165,025	\$ 2,165,025
Water				
Bank of New York Mellon Trust Company N.A.			\$ 1,113,476	\$ 1,113,476
Unrestricted Temporary Cash Investments:				
Debt Service Fund - Water:				
Project Funds - UMB Bank				
Debt Service Reserve - Sewer:				
Money Market Funds - UMB Bank				
Total Restricted Investments			\$ 748,308	\$ 748,308
Debt Service Fund - Water:				
Project Funds - UMB Bank				
Debt Service Reserve - Sewer:				
Money Market Funds - UMB Bank				
Total Restricted Investments			\$ 4,026,809	\$ 4,026,809
Total Investments				

City of Hannibal, Missouri  
Board of Public Works  
Schedule of Investments  
June 30, 2009

## **Comparative Statement of Operating Factors**

	Unit	2009	2008
Population served per 2000 Census	17,757	17,757	51.01
Number of customers per 100 population	51.16	60,869	63,216
Maximum peak load operation	KW	1,746.35	1,357.11
Investment per capita	\$	72.42	76.56
Total revenue per \$100.00 investment	\$	93.57%	88.40%
Ratio of total operation expense to total operating revenue	%		
Operating profit (loss) per \$100.00 investment			
Total purchased power cost per Kwh	\$	0.0534	0.0334
Average price received per Kwh sold	\$	0.0849	0.0647
Operating profit (loss) per Kwh sold	\$	0.0058	0.0078
Average residential use	Kwh	11,913	11,962
Total Kwh purchased	Kwh	275,953,182	299,947,726
Total Kwh sold	Kwh	264,519,462	285,078,788
Customers at end of year:			
Residential	7,823	7,791	1,134
Commercial	125	125	1,137
Industrial	9,085	9,058	1,133

Comparative Statement of Operating Factors  
Years Ended June 30, 2009 and 2008

**City of Hannibal, Missouri**  
**Board of Public Works**  
**Electric Department**

	Unit	2008	2009	17,757	Population served per 2000 Census	Number of customers per 100 population	Capacity per day	Maximum production per day	Average production per day	Investment per 1,000 gallons sold	Total Revenue per \$100.00 investment	Ratio of operating expenses to operating revenue	Operating profit (loss) per \$100.00	Average price received per 1,000 gallons	Average cost per 1,000 gallons	Customers at end of year:	Residential	Commercial	Industrial	Other public authorities	Interdepartmental	Other public authorities	Commercial	Residential	7,646
Consumption for Year:																									
Residential	Gallon	339,749,700	364,262,900																						
Commercial	Gallon	151,887,000	173,320,700																						
Industrial	Gallon	208,164,700	263,530,000																						
Other public authorities	Gallon	162,744,400	162,253,600																						
Interdepartmental	Gallon	1,467,300	1,567,200																						
City use (Fires, street cleaning, etc.) and lost water	Gallon	123,159,499	101,307,755																						
Filtration plant - washing filter, filling basins, etc.	Gallon	229,579,801	323,288,345																						
Total gallons received from pumping station/filterd		1,216,752,400	1,389,530,500																						

City of Hannibal, Missouri  
Board of Public Works  
Water Department  
Comparative Statement of Operating Factors  
Years Ended June 30, 2009 and 2008

**City of Hannibal, Missouri**  
**Board of Public Works**  
**Sewer Department**  
**Comparative Statement of Operating Factors**  
**Years Ended June 30, 2009 and 2008**

	Unit	2009	2008
Population served per 2000 Census	17,757	17,757	
Number of customers per 100 population	43.11	43.05	
Investment per capita	\$ 1,667.35	\$ 1,661.17	
Total revenue per \$100.00 investment	\$ 10.85	\$ 10.84	
Ratio of total operation expense to total operating revenue	% 101.30%	% 101.79%	
Operating profit (loss) per \$100.00 investment	\$ (0.14)	\$ (0.19)	
Total treatment cost per million gallons	\$ 2,673.59	\$ 2,342.02	
Average price received per million gallons treated	\$ 2,514.78	\$ 2,184.98	
Operating profit (loss) per million gallons treated	\$ (34.31)	\$ (41.27)	
Total gallons treated	Gallons 1,216,752,400	Gallons 1,389,530,500	
Total gallons from water plant	Gallons 1,161,267,597	Gallons 1,185,494,845	
Customers at end of year	6,858	6,840	
Commercial	777	785	
Industrial	20	19	
	7,655	7,644	

