CITY OF PORTAGEVILLE

Audited Financial Statements

Year ended April 30, 2025

CITY OF PORTAGEVILLE
Table of Contents
April 30, 2025

FINANCIAL SECTION

Financial Section

SCHERER, GRAYHAM & CLARK, LLP
CERTIFIED PUBLIC ACCOUNTANTS

RAY D. GRAYHAM, CPA
TIFFANY S. CLARK, CPA
JOHN W. SCHERER, CPA

204 N. JACKSON – P.O. BOX 609
KENNETT, MO 63857-0609
(573) 888-4569
FAX (573) 888-6668

201 N. 14TH ST - P.O. BOX 1305
PARAGOULD, AR 72451-1305
(870) 236-6946
FAX (870) 236-6947

RAY@KENNETTCPAS.COM
TIFFANY@KENNETTCPAS.COM
JOHN@KENNETTCPAS.COM

INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Portageville
301 East Main Street
Portageville, MO 63873

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of City of Portageville, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Portageville's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, and each major fund of the City of Portageville, as of April 30, 2025, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Portageville 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 City of Portageville's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Portageville'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 of Portageville'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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2025, on our consideration of the City of Portageville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Portageville's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Portageville's internal control over financial reporting and compliance.

Scherer, Grayham & Clark, LLP

SCHERER, GRAYHAM & CLARK, LLP
Certified Public Accountants

Kennett, Missouri
December 11, 2025

Basic Financial Statements

Government-Wide Financial Statements

CITY OF PORTAGEVILLE
Statement of Net Position - Modified Cash Basis
April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Investments	$ 108,672.92	$ (19,082.53)	$ 89,590.39
Restricted Cash and Investments	60,948.92	768,574.65	829,523.57
Total Assets	$ 169,621.84	$ 749,492.12	$ 919,113.96
Liabilities			
Payroll Liabilities	$ 18,811.17	$ 0.00	$ 18,811.17
Total Liabilities	18,811.17	0.00	18,811.17
Net Position			
Reserved for Restricted Purposes	60,948.92	768,574.65	829,523.57
Unrestricted	89,861.75	(19,082.53)	70,779.22
Total Net Position	150,810.67	749,492.12	900,302.79
Total Liabilities and Net Position	$ 169,621.84	$ 749,492.12	$ 919,113.96

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

CITY OF PORTAGEVILLE
Statement of Activities - Modified Cash Basis
For the year ended April 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues
Primary Government:				
Governmental Activities:				
General and Administrative	$ (2,205,406.45)	$ 31,270.26	$ 118,126.31	$ (2,056,009.88)
Health	(47,721.58)	349.82	0.00	(47,371.76)
Park	(53,209.80)	0.00	1,500.00	(51,709.80)
Street	(406,718.09)	12,354.87	0.00	(394,363.22)
REAP	(42,338.78)	0.00	42,419.79	81.01
Crime Reduction	0.00	36.22	0.00	36.22
Total Governmental Activities	(2,755,394.70)	44,011.17	162,046.10	(2,549,337.43)
Business-Type Activities:				
Water	(517,721.96)	736,318.30	0.00	218,596.34
Sewer	(574,917.98)	423,486.94	0.00	(151,431.04)
Solid Waste	(353,687.88)	392,817.22	0.00	39,129.34
Meter	0.00	11,200.00	0.00	11,200.00
Total Business-Type Activities	(1,446,327.82)	1,563,822.46	0.00	117,494.64
Total Primary Government	(4,201,722.52)	1,607,833.63	162,046.10	(2,431,842.79)

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

CITY OF PORTAGEVILLE
Statement of Activities - Modified Cash Basis
For the year ended April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Change in Net Position:			
Net (Expenses) Revenues	$(2,549,337.43)	$ 117,494.64	$(2,431,842.79)
General Revenues:			
Taxes:			
Property Taxes	341,458.61	0.00	341,458.61
Franchise Taxes	320,272.99	0.00	320,272.99
Sales Taxes	882,778.70	0.00	882,778.70
Gasoline Taxes	119,646.22	0.00	119,646.22
Interest Earned	612.38	102.12	714.50
Miscellaneous	218,098.34	0.00	218,098.34
Transfers	166,081.71	(166,081.71)	0.00
Total General Revenues and Transfers	2,048,948.95	(165,979.59)	1,882,969.36
Change in Net Position	(500,388.48)	(48,484.95)	(548,873.43)
Net Position - Beginning of Year	651,199.15	797,977.07	1,449,176.22
Net Position - End of Year	$ 150,810.67	$ 749,492.12	$ 900,302.79

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

Fund Financial Statements

CITY OF PORTAGEVILLE
Balance Sheet - Governmental Funds - Modified Cash Basis
April 30, 2025

	General	Sales Tax
Assets		
Cash and Investments	$ 44,092.02	$ (23,750.31)
Restricted Cash and Investments	16,988.20	0.00
Total Assets	$ 61,080.22	$ (23,750.31)
Liabilities		
Payroll Liabilities	$ 18,811.17	$ 0.00
Total Liabilities	18,811.17	0.00
Fund Balances		
Restricted	16,988.20	0.00
Unassigned	25,280.85	(23,750.31)
Total Fund Balances	42,269.05	(23,750.31)
Total Liabilities and Fund Balances	$ 61,080.22	$ (23,750.31)

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

Health	Park	Street	REAP	Crime Reduction	Total Governmental Funds
$ 0.00	$ 87,546.78	$ 0.00	$ 0.00	$ 784.43	$ 108,672.92
47,920.10	2,257.19	(8,115.67)	1,899.10	0.00	60,948.92
$ 47,920.10	$ 89,803.97	$ (8,115.67)	$ 1,899.10	$ 784.43	$ 169,621.84
$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 18,811.17
0.00	0.00	0.00	0.00	0.00	18,811.17
47,920.10	2,257.19	(8,115.67)	1,899.10	0.00	60,948.92
0.00	87,546.78	0.00	0.00	784.43	89,861.75
47,920.10	89,803.97	(8,115.67)	1,899.10	784.43	150,810.67
$ 47,920.10	$ 89,803.97	$ (8,115.67)	$ 1,899.10	$ 784.43	$ 169,621.84

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

CITY OF PORTAGEVILLE
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position - Modified Cash Basis
For the year ended April 30, 2025

Total Governmental Fund Balances	$ 150,810.67
Net Position of Governmental Activities	$ 150,810.67

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

CITY OF PORTAGEVILLE
Statement of Receipts, Disbursements and Changes in Fund Balances - Governmental Funds - Modified Cash Basis
For the year ended April 30, 2025

	General	Sales Tax
Revenues:		
Property Taxes and Penalties	$ 228,966.91	$ 0.00
Franchise Taxes	320,272.99	0.00
Sales Taxes	87,053.98	764,308.96
Gasoline Taxes	0.00	0.00
Licenses and Permits	13,762.57	0.00
Court Fines	17,257.69	0.00
Charges for Services	250.00	0.00
Capital Grants	115,290.31	0.00
Interest Earned	8.88	570.60
Contributions	2,836.00	0.00
Miscellaneous	206,940.07	0.00
Total Revenues	992,639.40	764,879.56
Expenditures:		
Employee Wages & Benefits	1,175,871.91	0.00
Maintenance, Operations and Contractual Services	439,627.22	0.00
Facilities and Equipment	19,066.72	0.00
General and Administrative	570,840.60	0.00
Total Expenditures	2,205,406.45	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,212,767.05)	764,879.56
Other Financing Sources (Uses):		
Operating Transfers In	1,133,954.35	139,412.07
Operating Transfers (Out)	(334,234.93)	(894,247.43)
Net Other Financing Sources (Uses)	799,719.42	(754,835.36)
Net Change in Fund Balances	(413,047.63)	10,044.20
Fund Balances - Beginning of Year	455,316.68	(33,794.51)
Fund Balances - End of Year	$ 42,269.05	$ (23,750.31)

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

Health	Park	Street	REAP	Crime Reduction	Total Governmental Funds
$ 61,513.48	$ 50,978.22	$ 0.00	$ 0.00	$ 0.00	$ 341,458.61
0.00	0.00	0.00	0.00	0.00	320,272.99
0.00	0.00	31,415.76	0.00	0.00	882,778.70
0.00	0.00	119,646.22	0.00	0.00	119,646.22
349.82	0.00	0.00	0.00	0.00	14,112.39
0.00	0.00	0.00	0.00	36.22	17,293.91
0.00	0.00	12,354.87	0.00	0.00	12,604.87
0.00	0.00	0.00	42,419.79	0.00	157,710.10
20.34	8.49	2.76	1.31	0.00	612.38
0.00	1,500.00	0.00	0.00	0.00	208,440.07
0.00	3,505.00	7,653.27	0.00	0.00	218,098.34
61,883.64	55,991.71	171,072.88	42,421.10	36.22	2,088,924.51
31,752.06	0.00	260,798.75	0.00	0.00	1,468,422.72
11.88	35,882.02	86,470.27	42,201.00	0.00	604,192.39
12,822.73	0.00	1,911.80	0.00	0.00	33,801.25
3,134.91	17,327.78	57,537.27	137.78	0.00	648,978.34
47,721.58	53,209.80	406,718.09	42,338.78	0.00	2,755,394.70
14,162.06	2,781.91	(235,645.21)	82.32	36.22	(666,470.19)
15,002.96	11,974.52	141,630.55	5,426.69	0.00	1,447,401.14
(33,939.32)	(12,971.89)	0.00	(5,925.86)	0.00	(1,281,319.43)
(18,936.36)	(997.37)	141,630.55	(499.17)	0.00	166,081.71
(4,774.30)	1,784.54	(94,014.66)	(416.85)	36.22	(500,388.48)
52,694.40	88,019.43	85,898.99	2,315.95	748.21	651,199.15
$ 47,920.10	$ 89,803.97	$ (8,115.67)	$ 1,899.10	$ 784.43	$ 150,810.67

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

CITY OF PORTAGEVILLE
Reconciliation of the Statement of Receipts, Disbursements
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities - Modified Cash Basis
For the year ended April 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ (500,388.48)
Change in Net Position of Governmental Activities	$ (500,388.48)

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

CITY OF PORTAGEVILLE
Statement of Net Position - Proprietary Funds - Modified
Cash Basis
April 30, 2025

	Water	Sewer	Solid Waste	Meter	Total Proprietary Funds
Assets					
Cash and Investments	$ (41,383.71)	$ 0.00	$ 22,301.18	$ 0.00	$ (19,082.53)
Restricted Cash and Investments	1,068.80	294,148.66	373,387.59	99,969.60	768,574.65
Total Assets	$ (40,314.91)	$ 294,148.66	$ 395,688.77	$ 99,969.60	$ 749,492.12
Net Position					
Reserved for Restricted Purposes	$ 1,068.80	$ 294,148.66	$ 373,387.59	$ 99,969.60	$ 768,574.65
Unrestricted	(41,383.71)	0.00	22,301.18	0.00	(19,082.53)
Total Net Position	$ (40,314.91)	$ 294,148.66	$ 395,688.77	$ 99,969.60	$ 749,492.12

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

CITY OF PORTAGEVILLE
Statement of Receipts, Disbursements and Changes in Net Position - Proprietary Funds - Modified Cash Basis
For the year ended April 30, 2025

	Water	Sewer	Solid Waste	Meter	Total Proprietary Funds
Operating Revenues					
Charges for Services:					
Collections	$ 705,158.55	$ 419,394.20	$ 392,817.22	$ 0.00	$ 1,517,369.97
Other	42,359.75	4,092.74	0.00	0.00	46,452.49
Total Operating Revenues	747,518.30	423,486.94	392,817.22	0.00	1,563,822.46
Operating Expenses					
Employee Wages and Benefits	289,600.73	300,400.59	0.00	0.00	590,001.32
Maintenance, Operations and Contractual Services	40,277.17	33,481.51	0.00	0.00	73,758.68
Facilities and Equipment	41,996.23	127,885.79	0.00	0.00	169,882.02
Meter Refunds	10,795.81	0.00	0.00	0.00	10,795.81
General and Administrative	135,052.02	113,150.09	353,687.88	0.00	601,889.99
Total Operating Expenses	517,721.96	574,917.98	353,687.88	0.00	1,446,327.82
Operating Income (Loss)	229,796.34	(151,431.04)	39,129.34	0.00	117,494.64
Non-Operating Revenues (Expenses)					
Interest Earned	93.86	0.00	8.26	0.00	102.12
Transfers	(209,015.67)	115,242.75	(72,763.23)	454.44	(166,081.71)
Total Non-Operating Revenues (Expenses)	(208,921.81)	115,242.75	(72,754.97)	454.44	(165,979.59)
Change in Net Position	20,874.53	(36,188.29)	(33,625.63)	454.44	(48,484.95)
Net Position - Beginning of Year	(61,189.44)	330,336.95	429,314.40	99,515.16	797,977.07
Net Position - End of Year	$ (40,314.91)	$ 294,148.66	$ 395,688.77	$ 99,969.60	$ 749,492.12

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

CITY OF PORTAGEVILLE
Statement of Cash Flows - Modified Cash Basis -
Proprietary Funds
Year Ended April 30, 2025

	Water	Sewer	Solid Waste	Meter	Total Proprietary Funds
Cash Flows from Operating Activities:					
Receipts from Customers	$ 747,518.30	$ 423,486.94	$ 392,817.22	$ 0.00	$ 1,563,822.46
Payments to Suppliers	(186,125.00)	(274,517.39)	(353,687.88)	0.00	(814,330.27)
Payments to Employees	(289,600.73)	(300,400.59)	0.00	0.00	(590,001.32)
Payments from (to) Other Funds	(209,015.67)	115,242.75	(72,763.23)	454.44	(166,081.71)
Net Cash Provided by Operating Activities	62,776.90	(36,188.29)	(33,633.89)	454.44	(6,590.84)
Cash Flows from Investing Activities:					
Interest Income	93.86	0.00	8.26	0.00	102.12
Net Cash Provided (Used) by Investing Activities	93.86	0.00	8.26	0.00	102.12
Cash Flows from Financing Activities:					
Lease Payments	(41,996.23)	0.00	0.00	0.00	(41,996.23)
Net Cash Provided (Used) by Financing Activities	(41,996.23)	0.00	0.00	0.00	(41,996.23)
Net Increase in Cash and Cash Equivalents	20,874.53	(36,188.29)	(33,625.63)	454.44	(48,484.95)
Balance - Beginning of Year	(61,189.44)	330,336.95	429,314.40	99,515.16	797,977.07
Balance - End of Year	$ (40,314.91)	$ 294,148.66	$ 395,688.77	$ 99,969.60	$ 749,492.12

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

CITY OF PORTAGEVILLE
Statement of Cash Flows - Modified Cash Basis -
Proprietary Funds
Year Ended April 30, 2025

	Water	Sewer	Solid Waste	Meter	Total Proprietary Funds
Reconciliation to Statement of Net Position					
Cash and Cash Equivalents	$ (41,383.71)	$ 0.00	$ 22,301.18	$ 0.00	$ (19,082.53)
Segregated Cash and Cash Equivalents	1,068.80	294,148.66	373,387.59	99,969.60	768,574.65
Total Cash and Cash Equivalents - End of Year	$ (40,314.91)	$ 294,148.66	$ 395,688.77	$ 99,969.60	$ 749,492.12
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	$ 271,792.57	$ (151,431.04)	$ 39,129.34	$ 0.00	$ 159,490.87
Changes in Assets:					
Payments from (to) Other Funds	(209,015.67)	115,242.75	(72,763.23)	454.44	(166,081.71)
Net Cash Provided by Operating Activities	$ 62,776.90	$ (36,188.29)	$ (33,633.89)	$ 454.44	$ (6,590.84)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Portageville operates under an elected Mayor/Council form of government. The City's major operations include public safety (police and fire), highways and streets, water services, sewer services, solid waste services, recreation and parks, and general administrative services.

As discussed further in Note 1.C, the City's financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements of the Financial Accounting Standards Board (FASB) that do not conflict with or contradict GASB pronouncements.

A. Financial Reporting Entity

The City's reporting entity includes the mayor/council and all related organizations for which the City exercises oversight responsibility.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility.

The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include but are not limited to the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters.

The other criterion used to evaluate potential component units for inclusion in or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities.

The City has determined that no other outside entity meets the above criteria and, therefore, no other agency has been included as a component unit in the City's financial statements. In addition, the City is not aware of any entity which would exercise such oversight that would result in the City being considered a component unit of said entity.

B. Basic Financial Statements

Government-Wide Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements distinguish government-wide activities, generally supported by taxes and City general revenues from business-type activities, generally financed in whole or in part with fees charged to external customers.

Fund Financial Statements

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

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the financial reporting entity are described below:

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

Sales Tax Fund - The Sales Tax Fund was established by City ordinance to account for the general sales tax.

Street Fund - The Street Fund was established by City ordinance to account for the taxes and charges to maintain streets within the City.

Water Fund - The Water Fund was established to account for the management of water to citizens.

Sewer Fund - The Sewer Fund was established to account for the management of sewer services to citizens.

Solid Waste Fund - The Solid Waste Fund was established to account for the management of trash services within the City.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting as defined in item 2 below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

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

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using a modified cash basis of accounting. The basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures when they result from cash transactions with a provision for depreciation in the government-wide statement and the proprietary fund statements. This basis is a comprehensive basis of accounting other than principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting.

All government-wide financial statements would be presented on the accrual basis of accounting.

D. Assets, Liabilities, and Equity

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value.

Inventories

The City does not maintain inventory cost records. Inventory is deemed to be immaterial and accounted for using the purchase method in which supplies are charged to expenditures when purchased.

Restricted Assets

Restricted assets include cash and investments that are restricted as to their use.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are reported in the government-wide or fund financial statements. All long-term debts are reported as liabilities in the government-wide statements. The long-term debt consists primarily of capital leases payable and rural development loans. Long-term debts for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Equity Classification

Government-Wide Statements - Equity is classified as net position and displayed in two components:

1. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

2. Unrestricted net position - All other net resources that do not meet the definition of "restricted."

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted as needed. The City's policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance in that order.

Fund Financial Statements - The City uses clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Non-spendable fund balance - amounts that are not in a spendable form (such as prepaids) or are required to be maintained intact;

2. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

3. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

4. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

5. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City Council or the City Manager through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

E. Revenues, Expenditures, and Expenses

Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenue in each activity:

Governmental Activities	Licenses, Permits, Fees, Grants, and Donations

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.

2. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.

3. Interfund reimbursements - Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.

4. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type

activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.

2. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities, except for the net amount of transfers between governmental and business-type activities which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

G. Uses of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

H. Restricted Net Position

A portion of net position has been reserved to represent the value of assets restricted for specific purposes as listed below.

General Fund	$ 16,988.20
Health Fund	47,920.10
Park Fund	2,257.19
Street Fund	(8,115.67)
REAP Fund	1,899.10
Water Fund	1,068.80
Sewer Fund	294,148.66
Solid Waste Fund	373,387.59
Meter Fund	99,969.60
Total Restricted Net Position	$ 829,523.57

I. Vacation and Sick Leave

Vacation time, personal business days, and sick leave are considered as expenditures in the year paid. Such amounts unused and which are vested in the employee are not allowed to accumulate.

J. Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on all taxable real and personal property of the City in November. Taxes become payable December 31, and are considered delinquent thereafter. Property tax revenues are recognized when they are collected.

L. Pensions

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

N. Subsequent Events

Management has evaluated subsequent events through December 11, 2025, the date which the financial statements were available to be issued.

NOTE 2 - DEPOSITS

The City complies with various restrictions on deposits and investments which are imposed by state statutes as follows:

Deposits - Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At April 30, 2025, the carrying amount of the City's deposits was $919,114 and the bank balance was $1,321,424. Of that bank balance, $500,000 was covered by federal depository insurance and $821,424 was covered by collateral held in the City's name.

NOTE 3 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property. Taxes are levied on October 1, 2024, for collection during this year. The tax rates assessed at the time were as follows:

General Revenue	$0.6997/100 assessed valuation
Health	$0.1849/100 assessed valuation
Parks & Recreation	$0.1500/100 assessed valuation

NOTE 4 - LEASES

Lease (Lessee) agreements are summarized as follows:

Description	Date	Terms	Amount	Interest Rate	Total Liability	Balance April 30, 2025
Body Cameras	11/1/2023	60 Months	Various	0.000 %	$ 36,662.90	$ 22,854.21
Total Lease Payments						$ 22,854.21

The City entered into a Subscription Based Software Agreement with Axon Enterprise for body cameras and software on November 1, 2023. No interest rate was calculated. The agreement has a term of 5 years.

Annual Requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30,	Principal	Interest
2026	$ 7,321.31	$ 0.00
2027	7,614.17	0.00
2028	7,918.73	0.00
Total	$ 22,854.21	$ 0.00

NOTE 5 - LONG-TERM OBLIGATIONS

Following is a summary of changes in the long-term debt from governmental activities included on the government-wide Statement of Net Assets for the year ended April 30, 2025:

	Balance April 30, 2024	Additions	Retirements	Balance April 30, 2025
Wastewater Improvement System	$ 2,752,059.02	$ 0.00	$ 70,019.20	$ 2,682,039.82
Solar Panels	113,929.37	0.00	9,030.34	104,899.03
Auto Read Meters	135,479.46	0.00	67,062.87	68,416.59
Fire Tanker	307,200.00	0.00	12,027.00	295,173.00
Totals	$ 3,308,667.85	$ 0.00	$ 158,139.41	$ 3,150,528.44

On September 22, 2016, the City entered into an agreement with Rural Development to fund improvements to the wastewater system. As of August 18, 2020, $3,000,000 was advanced to the City to reimburse project costs. The note bears interest at the rate of 1.50% per annum. Payments are due the 18th of each month. The note matures on June 18, 2055. The note balance as of April 30, 2025 was $2,682,039.82.

On April 11, 2019, the City entered into a lease-purchase agreement with First State Bank & Trust to fund the purchase of solar panels. On April 11, 2019, $196,123 was advanced to the City to for the purchase of solar panels. The lease-purchase agreement bears interest at the rate of 5.00% per annum. Payments are due on April 1st of each year. The lease-purchase agreement matures on April 1, 2034. The lease-purchase agreement balance as of April 30, 2025 was $104,899.03.

On August 2, 2021, the City entered in a lease-purchase agreement with First State Community Bank to fund the purchase of auto read meters. On September 2, 2021, $332,695 was advanced to the City for the purchase of auto read meters. The lease-purchase agreement bears interest at the rate of 1.98% per annum. Payments are due on February 1st each year. The lease-purchase agreement matures on February 1, 2026. The lease-purchase agreement balance as of April 30, 2025 was $68,416.59.

On May 13, 2022, the City entered into an lease-purchase agreement with Rural Development to fund the purchase of a fire tanker. On February 5, 2025, $307,200 was advanced to the City for the purchase of a fire tanker. The lease-purchase agreement bears interest at the rate of 2.50% per annum. Payments are due on February 5th of each year. The lease-purchase agreement matures on February 5, 2044. The lease-purchase balance as of April 30, 2025 was $295,173.00.

Five year current maturities of long-term obligations are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 161,309.15	$ 53,813.85	$ 215,123.00
2027	94,755.25	50,577.68	145,332.93
2028	96,654.36	48,678.57	145,332.93
2029	98,626.63	46,706.30	145,332.93
2030	100,639.29	44,693.64	145,332.93
2031-2035	520,515.98	191,342.73	711,858.71
2036-2040	508,466.63	144,168.37	652,635.00
2041-2045	532,753.02	100,149.36	632,902.38
2046-2050	494,336.55	59,763.45	554,100.00
2051-2055	532,912.59	21,187.41	554,100.00
2056	9,558.99	12.62	9,571.61
Totals	$ 3,150,528.44	$ 761,093.98	$ 3,911,622.42

NOTE 6 - PENSION PLAN

A. Summary of Significant Accounting Policies

The City participates in the Missouri Local Government Employees Retirement System (LAGERS). The financial statements of the City were prepared using the modified cash basis of accounting. Therefore, employer contributions are recognized when paid and the City's net pension liability and deferred outflows and inflows of resources related to pensions are not recorded in these financial statements.

B. Plan Description

The City of Portageville defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. 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 the responsibility of LAGERS 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, and may be accessed at www.molagers.org.

C. 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) 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 receive a reduced allowance.

	February 29, 2024
Benefit Multiplier:	1.25%
Final Average Salary:	5 Years
Member Contributions:	0.00%

D. Benefit Changes After Retirement

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.

E. 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 10.7% (General) and 6.9% (Police) of annual covered payroll.

The City's contributions to LAGERS were $116,905 for the year ended June 30, 2024.

NOTE 7 - INTEREST EXPENSE

Interest cost totaling $56,983.59 was incurred during the year ended April 30, 2025.

NOTE 8 - INTERFUND TRANSFERS

The following is a summary of the amounts transferred from and to other funds:

	Transferred From	Transferred To
General Fund	$ 0.00	$ 799,719.42
Sales Tax Fund	754,835.36	0.00
Health Fund	18,936.36	0.00
Park Fund	997.37	0.00
Street Fund	0.00	141,630.55
REAP Fund	499.17	0.00
Crime Reduction Fund	0.00	0.00
Water Fund	209,015.67	0.00
Sewer Fund	0.00	115,242.75
Solid Waste Fund	72,763.23	0.00
Meter Fund	0.00	454.44
	$ 1,057,047.16	$ 1,057,047.16

NOTE 9 - RISK OF LOSS

The City is exposed to risks of loss through claims on property owned, damage to property owned, official and employee liability, workers' compensation claims, and risk of loss of employee or individual injury. The City handles these risks of loss through the purchase of commercial insurance policies. No significant reduction in insurance coverage occurred during the year. Also, there have been no settlement amounts that have exceeded insurance coverage.

SUPPLEMENTAL INFORMATION

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - General Fund -
Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenues:				
Property Taxes and Penalties	$ 321,000.00	$ 321,000.00	$ 228,966.91	$ (92,033.09)
Franchise Taxes	335,000.00	335,000.00	320,272.99	(14,727.01)
Sales Taxes	0.00	0.00	87,053.98	87,053.98
Licenses and Permits	10,000.00	10,000.00	13,762.57	3,762.57
Court Fines	20,700.00	20,700.00	17,257.69	(3,442.31)
Charges for Services	0.00	0.00	250.00	250.00
Capital Grants	33,000.00	33,000.00	115,290.31	82,290.31
Interest Earned	100.00	100.00	8.88	(91.12)
Contributions	300.00	300.00	2,836.00	2,536.00
Miscellaneous	46,650.00	46,650.00	206,940.07	160,290.07
Total Revenues	766,750.00	766,750.00	992,639.40	225,889.40
Expenditures:				
General and Administrative	581,355.00	581,355.00	1,065,965.41	484,610.41
Police	948,830.00	948,830.00	1,070,459.36	121,629.36
Fire	70,840.00	70,840.00	68,981.68	(1,858.32)
Total Expenditures	1,601,025.00	1,601,025.00	2,205,406.45	604,381.45
Excess (Deficiency) of Revenues Over (Under) Expenditures	(834,275.00)	(834,275.00)	(1,212,767.05)	(378,492.05)
Other Financing Sources (uses):				
Operating Transfers In	0.00	0.00	1,133,954.35	1,133,954.35
Operating Transfers (Out)	0.00	0.00	(334,234.93)	(334,234.93)
Net Other Financing Sources (Uses)	0.00	0.00	799,719.42	799,719.42
Net Change in Fund Balances	(834,275.00)	(834,275.00)	(413,047.63)	421,227.37
Fund Balance - Beginning of Year	455,316.68	455,316.68	455,316.68	0.00
Fund Balance - End of Year	$ (378,958.32)	$ (378,958.32)	$ 42,269.05	$ 421,227.37

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Sales Tax Fund - Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual	Actual
	Original	Final	(Modified Cash Basis)	Over (Under) Final Budget
Revenues:				
Sales Taxes	$ 850,000.00	$ 850,000.00	$ 764,308.96	$ (85,691.04)
Interest Earned	0.00	0.00	570.60	570.60
Total Revenues	850,000.00	850,000.00	764,879.56	(85,120.44)
Expenditures:				
General and Administrative	50.00	50.00	0.00	(50.00)
Total Expenditures	50.00	50.00	0.00	(50.00)
Excess (Deficiency) of Revenues Over (Under) Expenditures	849,950.00	849,950.00	764,879.56	(85,070.44)
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	139,412.07	0.00
Operating Transfers (Out)	0.00	0.00	(894,247.43)	(894,247.43)
Net Other Financing Sources (Uses)	0.00	0.00	(754,835.36)	(754,835.36)
Net Change in Fund Balances	849,950.00	849,950.00	10,044.20	(839,905.80)
Fund Balances - Beginning of Year	(33,794.51)	(33,794.51)	(33,794.51)	0.00
Fund Balances - End of Year	$ 816,155.49	$ 816,155.49	$ (23,750.31)	$ (839,905.80)

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Health Fund - Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenues:				
Property Taxes and Penalties	$ 72,000.00	$ 72,000.00	$ 61,513.48	$ (10,486.52)
Licenses and Permits	1,000.00	1,000.00	349.82	(650.18)
Interest Earned	0.00	0.00	20.34	20.34
Total Revenues	73,000.00	73,000.00	61,883.64	(11,116.36)
Expenditures:				
Health	57,400.00	57,400.00	47,721.58	(9,678.42)
Total Expenditures	57,400.00	57,400.00	47,721.58	(9,678.42)
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,600.00	15,600.00	14,162.06	(1,437.94)
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	15,002.96	15,002.96
Operating Transfers (Out)	0.00	0.00	(33,939.32)	(33,939.32)
Net Other Financing Sources (Uses)	0.00	0.00	(18,936.36)	(18,936.36)
Net Change in Fund Balances	15,600.00	15,600.00	(4,774.30)	(20,374.30)
Fund Balances - Beginning of Year	52,694.40	52,694.40	52,694.40	0.00
Fund Balances - End of Year	$ 68,294.40	$ 68,294.40	$ 47,920.10	$ (20,374.30)

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Park Fund - Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenues:				
Property Taxes and Penalties	$ 60,900.00	$ 60,900.00	$ 50,978.22	$ (9,921.78)
Interest Earned	10.00	10.00	8.49	(1.51)
Contributions	0.00	0.00	1,500.00	1,500.00
Miscellaneous	0.00	0.00	3,505.00	3,505.00
Total Revenues	60,910.00	60,910.00	55,991.71	(4,918.29)
Expenditures:				
Park	1,700.00	1,700.00	53,209.80	51,509.80
Total Expenditures	1,700.00	1,700.00	53,209.80	51,509.80
Excess (Deficiency) of Revenues Over (Under) Expenditures	59,210.00	59,210.00	2,781.91	(56,428.09)
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	11,974.52	11,974.52
Operating Transfers (Out)	(59,200.00)	(59,200.00)	(12,971.89)	46,228.11
Net Other Financing Sources (Uses)	(59,200.00)	(59,200.00)	(997.37)	58,202.63
Net Change in Fund Balances	10.00	10.00	1,784.54	1,774.54
Fund Balances - Beginning of Year	88,019.43	88,019.43	88,019.43	0.00
Fund Balances - End of Year	$ 88,029.43	$ 88,029.43	$ 89,803.97	$ 1,774.54

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Street Fund - Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenues:				
Sales Taxes	$ 31,500.00	$ 31,500.00	$ 31,415.76	$ (84.24)
Gasoline Taxes	110,000.00	110,000.00	119,646.22	9,646.22
Charges for Services	15,000.00	15,000.00	12,354.87	(2,645.13)
Interest Earned	60.00	60.00	2.76	(57.24)
Miscellaneous	10,000.00	10,000.00	7,653.27	(2,346.73)
Total Revenues	166,560.00	166,560.00	171,072.88	4,512.88
Expenditures:				
Street	364,860.00	364,860.00	406,718.09	41,858.09
Total Expenditures	364,860.00	364,860.00	406,718.09	41,858.09
Excess (Deficiency) of Revenues Over (Under) Expenditures	(198,300.00)	(198,300.00)	(235,645.21)	(37,345.21)
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	141,630.55	141,630.55
Operating Transfers (Out)	0.00	0.00	0.00	0.00
Net Other Financing Sources (Uses)	0.00	0.00	141,630.55	141,630.55
Net Change in Fund Balances	(198,300.00)	(198,300.00)	(94,014.66)	104,285.34
Fund Balances - Beginning of Year	85,898.99	85,898.99	85,898.99	0.00
Fund Balances - End of Year	$ (112,401.01)	$ (112,401.01)	$ (8,115.67)	$ 104,285.34

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - REAP Fund - Modified Cash Basis
For the year ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenues:				
Capital Grants	$ 0.00	$ 0.00	$ 42,419.79	$ 42,419.79
Interest Earned	0.00	0.00	1.31	1.31
Total Revenues	0.00	0.00	42,421.10	42,421.10
Expenditures:				
REAP	0.00	0.00	42,338.78	42,338.78
Total Expenditures	0.00	0.00	42,338.78	42,338.78
Excess (Deficiency) of Revenues Over (Under) Expenditures	0.00	0.00	82.32	82.32
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	5,426.69	5,426.69
Operating Transfers (Out)	0.00	0.00	(5,925.86)	(5,925.86)
Net Other Financing Sources (Uses)	0.00	0.00	(499.17)	(499.17)
Net Change in Fund Balances	0.00	0.00	(416.85)	(416.85)
Fund Balances - Beginning of Year	2,315.95	2,315.95	2,315.95	0.00
Fund Balances - End of Year	$ 2,315.95	$ 2,315.95	$ 1,899.10	$ (416.85)

CITY OF PORTAGEVILLE
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Crime Reduction Fund - Modified Cash Basis
For the Year Ended April 30, 2025

	Budgeted Amounts		Actual (Modified Cash Basis)	Actual Over (Under) Final Budget
	Original	Final		
Revenue:				
Charges for Services	$ 0.00	$ 0.00	$ 36.22	$ 36.22
Total Revenues	0.00	0.00	36.22	36.22
Expenditures:				
Crime Reduction	0.00	0.00	0.00	0.00
Total Expenditures	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	0.00	0.00	36.22	36.22
Other Financing Sources (Uses):				
Operating Transfers In	0.00	0.00	0.00	0.00
Operating Transfers (Out)	0.00	0.00	0.00	0.00
Net Other Financing Sources (Uses)	0.00	0.00	0.00	0.00
Net Change in Fund Balances	0.00	0.00	36.22	36.22
Fund Balances - Beginning of Year	748.21	748.21	748.21	0.00
Fund Balances - End of Year	$ 748.21	$ 748.21	$ 784.43	$ 36.22

Note 1 - Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 67, RSMo, the City adopts a budget for each fund.

2. Beginning in February, the Board of Alderman, Mayor, City Accountant, and City Clerk hold meetings once or twice a month to develop a budget for the fiscal year which begins May 1. These meetings continue into April when the final draft is completed. The budget includes estimated receipts and proposed disbursements for all City funds. Budgeted disbursements cannot exceed beginning available monies plus estimated receipts for the year.

3. In May, the budget is legally enacted by a vote of the Outgoing Council.

4. Subsequent to its formal approval of the budget, the Council has the authority to make necessary adjustments to the budget by formal vote of the Council. Budgeted amounts are as originally adopted, or as amended by the Council.

5. Budgets for City funds are prepared and adopted on the modified cash basis (budget basis), recognizing receipts when collected and disbursements when paid.

FEDERAL COMPLIANCE SECTION

SCHERER, GRAYHAM & CLARK, LLP
CERTIFIED PUBLIC ACCOUNTANTS

RAY D. GRAYHAM, CPA
TIFFANY S. CLARK, CPA

JOHN W. SCHERER, CPA

204 N. JACKSON – P.O. BOX 609
KENNETT, MISSOURI 63857-0609
(573) 888-4569
FAX (573) 888-6668

RAY@KENNETTCPAS.COM
TIFFANY@KENNETTCPAS.COM

JOHN@KENNETTCPAS.COM

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

To the Mayor and City Council
City of Portageville

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of City of Portageville, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise City of Portageville's basic financial statements, and have issued our report thereon dated December 11, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Portageville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do no express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Scherer, Grayham & Clark, LLP

SCHERER, GRAYHAM & CLARK, LLP
Certified Public Accountants

Kennett, Missouri
December 11, 2025

CITY OF PORTAGEVILLE
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis of accounting: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes __X__ no
- Significant deficiencies identified? _____ yes __X__ none reported

Noncompliance material to financial statements noted? _____ yes __X__ no

Section II - Financial Statement Findings

No findings were noted that are required to be reported.

CITY OF PORTAGEVILLE
Summary Schedule of Prior Audit Findings
For the Year Ended April 30, 2025

Financial Statement Findings

No findings were noted that were required to be reported.

City of Portageville

301 E Main St - Portageville, MO 63873

CORRECTIVE ACTION PLAN

For the Year Ended April 30, 2025

There were no findings that would require a corrective action plan for 2025.