

CITY OF RAYMORE, MISSOURI

FINANCIAL STATEMENTS

OCTOBER 31, 2009

CITY OF RAYMORE, MISSOURI
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CITY OF RAYMORE, MISSOURI
LIST OF PRINCIPAL OFFICERS
OCTOBER 31, 2009
MAYOR

Juan I. Alonzo Mayor

CITY COUNCIL

John Seimears Ward I

Kevin Kellogg Ward I

Mike Medsker Ward II

Jeffrey Cox Ward II

Monique Lewis Ward III

Jeffrey Adams Ward III

Charlene Hubach Ward IV

Peter Kerckhoff Ward IV

CITY MANAGER

Eric Berlin City Manager

MANAGEMENT TEAM

Jim Feuerborn Assistant City Manager

Jeanie Woerner City Clerk

Kris Turnbow Chief of Police

Cynthia Watson Finance Director

Jim Cadoret Community Development Director

Janet Snook Parks and Recreation Director

Gene Thompson Economic Development Director

Mike Krass Public Works Director/City Engineer

DANA F. COLE & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of Raymore, Missouri

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Raymore, Missouri, as of and for the year ended October 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Raymore, Missouri as of October 31, 2009, and the respective changes in financial position and cash flows, where applicable thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and budgetary comparison information on pages 4 through 12 and 49 through 56 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 method 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 City's basic financial statements. The other supplemental information on pages 57 through 58 is presented for purposes of additional analysis and is not required to be a part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Dana F Cole + Company, LLP

Overland Park, Kansas
April 7, 2010

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial department for the City of Raymore, Missouri offers readers of the City of Raymore, Missouri's financial statements this narrative overview and analysis of the financial activities of the City of Raymore, Missouri for the fiscal year ended October 31, 2009. We encourage readers to consider the information presented here in conjunction with the City's financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in total dollars.

FINANCIAL HIGHLIGHTS

The assets of the City of Raymore, Missouri exceeded its liabilities at the close of the most recent fiscal year by \$87,203,989. Of this amount, \$10,107,594 represents unrestricted net assets and may be used to fund ongoing obligations.

Total net assets increased by \$66,749. This increase is primarily attributable to operating efficiency, a reduction on long-term liability and an increase in capital assets.

As of the close of the 2009 fiscal year, the City of Raymore, Missouri's combined governmental fund balances totaled \$14,116,762. This is a decrease from the previous fiscal year of \$9,739,229. This decrease is primarily attributable to the payment of debt principal and capital outlay.

Total debt for the City of Raymore, Missouri decreased during the current fiscal year by \$5,511,049. This decrease is primarily attributable to refunding the Leasehold Revenue Bonds and certain General Obligation Bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Raymore, Missouri's basic financial statements. The City of Raymore, Missouri's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplemental information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Raymore, Missouri's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City of Raymore, Missouri's assets and liabilities, with the difference between the two reported as net assets. Over time and in consideration of other factors from the notes to the financial statements, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Raymore, Missouri is improving or deteriorating.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Financial Statements (Continued)

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City of Raymore, Missouri that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Raymore, Missouri include general government, public safety (police), public works, community development, economic development, and parks and recreation, among other departments. Business-type activities of the City of Raymore, Missouri include water and sewer operations.

The government-wide financial statements can be found beginning on page 13 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

The City of Raymore, Missouri maintains 12 individual governmental funds in six categories. Information for the General Fund, Transportation Fund, Debt Service Fund, Storm Water Fund, and Capital Improvement Fund are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances, while the other funds are categorized under the headings of Park and Recreation Fund and Nonmajor Governmental Funds. Specific data from the remaining funds is presented beginning on page 57 of the financial statements.

The City of Raymore, Missouri adopts an annual appropriated budget for its General Fund and other funds. A budgetary statement has been provided within this analysis for the General Fund to demonstrate compliance with this budget for City departments represented by that fund. Actual expenses for the fund are included in the net assets report. The budgetary amounts presented here include any amendments presented to the City Council during the fiscal year.

**City of Raymore, Missouri's
Departmental Budget to Actual Expense Report**

<u>Department</u>	<u>Budget</u>	<u>Actual</u>
Administration	898,022	680,853
Information Technology	256,028	226,613
Economic Development	222,754	196,648
Community Development	594,592	573,337
Engineering	411,197	371,449
Streets and Roads	859,642	695,189
Buildings and Grounds	311,222	311,016
Stormwater	187,752	183,627
Municipal Court	139,706	137,541
Finance	518,236	505,845
Police	2,941,397	2,788,671
Emergency Preparedness	<u>124,070</u>	<u>110,873</u>
Totals	<u>7,464,618</u>	<u>6,781,662</u>

Proprietary Funds

The City of Raymore, Missouri maintains five proprietary funds. Of these funds, the Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Proprietary Funds (Continued)

statements, and is the primary operational fund associated with this group. The City of Raymore, Missouri uses the Enterprise Fund to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic Proprietary Fund financial statements can be found beginning on page 22 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Raymore, Missouri's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds and the funds are primarily represented by accounts which are held in escrow for development or development conditions.

The basic Fiduciary Fund financial statement can be found on page 26 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 27 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of government's financial position. In the case of the City of Raymore, Missouri, assets exceeded liabilities by \$87,203,989 at the close of the fiscal year.

The largest portion of the City of Raymore, Missouri's net assets, 77.4%, reflects its investment in capital assets (land, buildings, machinery, equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. The City of Raymore, Missouri uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Raymore, Missouri's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

City of Raymore, Missouri
Statement of Net Assets
(in thousands of dollars)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
ASSETS						
Current and other assets	15,334	25,531	9,838	10,239	25,172	35,770
Capital assets	<u>57,721</u>	<u>51,089</u>	<u>37,205</u>	<u>39,528</u>	<u>94,926</u>	<u>90,617</u>
Total assets	<u>73,055</u>	<u>76,620</u>	<u>47,043</u>	<u>49,767</u>	<u>120,098</u>	<u>126,387</u>
LIABILITIES						
Long-term liabilities outstanding	27,898	33,008	2,629	3,029	30,527	36,037
Other liabilities	<u>1,530</u>	<u>2,128</u>	<u>837</u>	<u>923</u>	<u>2,367</u>	<u>3,051</u>
Total liabilities	<u>29,428</u>	<u>35,136</u>	<u>3,466</u>	<u>3,952</u>	<u>32,894</u>	<u>39,088</u>
NET ASSETS						
Invested in capital assets, net of related debt	30,259	18,495	37,205	36,547	67,464	55,042
Restricted	8,543	18,293	1,090	1,949	9,633	20,242
Unrestricted	<u>4,825</u>	<u>4,696</u>	<u>5,282</u>	<u>7,319</u>	<u>10,107</u>	<u>12,015</u>
Total net assets	<u>43,627</u>	<u>41,484</u>	<u>43,577</u>	<u>45,815</u>	<u>87,204</u>	<u>87,299</u>

Additionally, a portion of the City of Raymore, Missouri's net assets (20% in all funds combined) represents resources that are subject to restrictions. The remaining balance of unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors. It should be noted that, in the operational funds General, Park and Enterprise, the City voluntarily "restricts" 20% of the budgeted operational expenditures to assure ongoing operations.

At the end of the current fiscal year, the City of Raymore, Missouri is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

**City of Raymore, Missouri's
Statement of Changes in Net Assets**
(in thousands of dollars)

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
REVENUES						
Program revenues						
Charges for services	1,450	1,510	4,847	5,286	6,297	6,796
Operating grants and contributions	92	77			92	77
Capital grants and contributions	303	2,703		1,111	303	3,814
General revenues						
Property tax	3,359	3,139			3,359	3,139
Sales tax	4,669	4,678			4,669	4,678
Franchise tax	2,260	2,605			2,260	2,605
Other taxes	499	532			499	532
Other revenue	<u>913</u>	<u>1,027</u>	<u>208</u>	<u>428</u>	<u>1,121</u>	<u>1,455</u>
Total revenues	<u>13,545</u>	<u>16,271</u>	<u>5,055</u>	<u>6,825</u>	<u>18,600</u>	<u>23,096</u>
EXPENSES						
Administration	673	1,071			673	1,071
Information technology	227	246			227	246
Economic development	197	212			197	212
Community development	573	611			573	611
Engineering	371	420			371	420
Streets and roads	695	785			695	785
Buildings and grounds	314	262			314	262
Stormwater	184	179			184	179
Municipal Court	138	132			138	132
Finance	506	467			506	467
Police	2,789	2,859			2,789	2,859
Emergency Management	111	115			111	115
Depreciation	3,413	3,036			3,413	3,036
Parks and Recreation	871	782			871	782
Water and Sewer			6,146	6,146	6,146	6,146
Interest on long-term debt	<u>1,325</u>	<u>2,142</u>			<u>1,325</u>	<u>2,142</u>
Total expenses	<u>12,387</u>	<u>13,319</u>	<u>6,146</u>	<u>6,146</u>	<u>18,533</u>	<u>19,465</u>
INCREASE (DECREASE) BEFORE TRANSFERS						
	1,158	2,952	(1,091)	679	67	3,631

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

**City of Raymore, Missouri's
Statement of Changes in Net Assets (Continued)**
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
TRANSFERS	<u>847</u>	<u>(653)</u>	<u>(847)</u>	<u>653</u>	<u> </u>	<u> </u>
INCREASE (DECREASE) IN NET ASSETS	2,005	2,299	(1,938)	1,332	67	3,631
NET ASSETS, beginning of year	41,484	38,090	45,815	43,658	87,299	81,748
TOTAL RESTATEMENTS	<u>138</u>	<u>1,095</u>	<u>(300)</u>	<u>825</u>	<u>(162)</u>	<u>1,920</u>
NET ASSETS, end of year	<u>43,627</u>	<u>41,484</u>	<u>43,577</u>	<u>45,815</u>	<u>87,204</u>	<u>87,299</u>

Governmental Activities

Governmental activities increased the City of Raymore, Missouri's net assets by \$2,004,561 which was offset by a decrease in Business-Type activities of \$1,937,812, therefore leading to a current year increase of \$66,749 in net assets. The net assets were restated by a total of \$162,076 which caused the City's total net assets to decrease \$95,327.

Revenues were down in the governmental activities funds, primarily due to decreases in capital contributions associated with capital projects. Tax revenues remained fairly steady. Charges for services show a decrease due to the slow-down in the economy.

Expenses in the governmental funds were down by a total of \$933,702. Of this amount, \$816,402, or 87%, of the decrease is attributable to interest on paid off and refinanced long-term debt. The remaining 13%, or \$117,300, is associated with decreased departmental spending in the governmental activities funds.

Business-Type Activities

Business-type activities decreased the City of Raymore, Missouri's net assets by \$1,937,812. The primary elements associated with this decrease are attributable to decreased contributed capital and transfers.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Raymore, Missouri uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds

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

As of the end of the current fiscal year, the City of Raymore, Missouri's governmental funds reported combined ending balances of \$14,116,762. As stated earlier, the decrease is primarily attributable to the payment of debt principal and capital outlay. \$5,464,837 (39%) of the total fund balances represents unreserved or unrestricted fund balance, which is available for spending at the government's discretion. This is an increase of \$68,745 over the previous fiscal year. The remaining fund balance is reserved or restricted to indicate that it is not available for new spending because it is either already committed or held for contingency.

The General Fund is the chief operating fund of the City of Raymore, Missouri. At the end of the current fiscal year, unreserved, undesignated fund balance of the General Fund represented 97% the entire \$3,948,817 General Fund balance. As a measure of the General Fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures. Total fund balance represents 55% of the total General Fund expenditures \$7,164,951.

The total fund balance in the City of Raymore, Missouri's General Fund increased \$920,667 compared to the previous fiscal year. The key factor associated with this increase was decreased departmental spending.

The Debt Service Fund has a total fund balance of \$1,069,676, of which the entire balance is reserved for the payment of debt service. The net decrease in fund balance during the current fiscal year in the Debt Service Fund was \$3,816,714. The government's debt service levy on property for the fiscal year was 0.7170.

Proprietary Fund

The City of Raymore, Missouri's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The City of Raymore, Missouri utilized five different proprietary funds. Of these, the primary operating fund is the Enterprise Fund.

Unrestricted net assets in this Proprietary Fund at the end of the year amounted to \$5,282,292. This is down from the previous year's amount of \$7,318,612. Total net assets in this fund decreased by \$1,937,812. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Raymore, Missouri's business-type activities.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Raymore, Missouri's investment in capital assets for its governmental and business-type activities as of the end of the fiscal year is \$94,925,441 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

The investment total listed below represents an increase from the previous year of \$4,309,187. This increase is primarily attributable to the increase of \$4,329,123 in additional infrastructure.

City of Raymore, Missouri
Capital Assets
(in thousands of dollars)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land and construction in progress	7,300	3,375	501	896	7,801	4,271
Buildings, improvements, and related office equipment	12,993	11,366	354	354	13,347	11,720
Machinery, equipment, and vehicles	2,223	2,368	1,258	1,302	3,481	3,670
Infrastructure	<u>63,691</u>	<u>59,362</u>	<u>70,453</u>	<u>69,825</u>	<u>134,144</u>	<u>129,187</u>
	86,207	76,471	72,566	72,377	158,773	148,848
Less accumulated depreciation	<u>28,486</u>	<u>25,383</u>	<u>35,361</u>	<u>32,850</u>	<u>63,847</u>	<u>58,233</u>
Capital assets, net of depreciation	<u>57,721</u>	<u>51,088</u>	<u>37,205</u>	<u>39,527</u>	<u>94,926</u>	<u>90,615</u>

Long-Term Debt

At the end of the current fiscal year, the City of Raymore, Missouri had total debt outstanding of \$30,036,563. As stated previously, this is a decrease in total debt of \$5,537,029, all of which was retired debt on still existing issues.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Long-Term Debt (Continued)

**City of Raymore, Missouri
Outstanding Debt**

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds	21,290	26,107			21,290	26,107
Revenue bonds			2,575	2,980	2,575	2,980
Notes payable	276	471			276	471
Special obligation bonds	3,820	3,995			3,820	3,995
Capital appreciation bonds	436	513			436	513
Certificates of Participation	1,640				1,640	
Leasehold bonds		<u>2,020</u>				<u>2,020</u>
Total	<u>27,462</u>	<u>33,106</u>	<u>2,575</u>	<u>2,980</u>	<u>30,037</u>	<u>36,086</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Raymore, Missouri's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 100 Municipal Circle, Raymore, Missouri 64083.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
OCTOBER 31, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	6,193,179	6,232,834	12,426,013
Investments	992,375	1,161,965	2,154,340
Taxes receivable	1,194,923		1,194,923
Accounts receivable, net	95,583	890,325	985,908
Interest receivable	8,442	7,624	16,066
Prepaid expenses	81,614	22,692	104,306
Inventory	57,017	37,050	94,067
Restricted cash	665,796	106,687	772,483
Restricted investments	5,686,110	1,316,383	7,002,493
Bond issuance cost - net of amortization	359,647	62,744	422,391
Capital assets			
Land	3,030,480	337,399	3,367,879
Construction in progress	4,269,438	163,630	4,433,068
Other capital assets, net of accumulated depreciation	<u>50,420,661</u>	<u>36,703,833</u>	<u>87,124,494</u>
TOTAL ASSETS	<u>73,055,265</u>	<u>47,043,166</u>	<u>120,098,431</u>
LIABILITIES			
Accounts payable	765,482	453,072	1,218,554
Accrued expenses	92,795	10,079	102,874
Meter deposits		323,505	323,505
Accrued bond interest	672,294	50,458	722,752
Long-term liabilities			
Due within one year	1,520,999	474,231	1,995,230
Due in more than one year	<u>26,376,706</u>	<u>2,154,821</u>	<u>28,531,527</u>
TOTAL LIABILITIES	<u>29,428,276</u>	<u>3,466,166</u>	<u>32,894,442</u>
NET ASSETS			
Invested in capital assets, net of related debt	30,259,016	37,204,862	67,463,878
Restricted for:			
Debt service	1,069,676	1,089,846	2,159,522
Infrastructure/capital projects	7,472,995		7,472,995
Unrestricted	<u>4,825,302</u>	<u>5,282,292</u>	<u>10,107,594</u>
TOTAL NET ASSETS	<u>43,626,989</u>	<u>43,577,000</u>	<u>87,203,989</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2009

Functions/programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets	
					Governmental Activities	Business-Type Activities
Primary government						
Governmental activities						
Administration	650,892	266,084		303,372	(81,436)	(81,436)
Information Technology	226,613				(226,613)	(226,613)
Economic Development	196,648				(196,648)	(196,648)
Community Development	573,337	524,372			(48,965)	(48,965)
Engineering	371,449				(371,449)	(371,449)
Streets and Roads	695,189				(695,189)	(695,189)
Building and Grounds	311,016				(311,016)	(311,016)
Stormwater	207,387				(207,387)	(207,387)
Municipal Court	137,541				(137,541)	(137,541)
Finance	505,845				(505,845)	(505,845)
Police	2,788,671	390,434			(2,398,237)	(2,398,237)
Emergency preparedness	110,873		91,701		(19,172)	(19,172)
Parks and Recreation	872,029	269,069			(602,960)	(602,960)
Interest on long-term debt	1,325,298				(1,325,298)	(1,325,298)
Depreciation	3,412,991				(3,412,991)	(3,412,991)
Total governmental activities	<u>12,385,779</u>	<u>1,449,959</u>	<u>91,701</u>	<u>303,372</u>	<u>(10,540,747)</u>	<u>(10,540,747)</u>
Business-type activities						
Water and Sewer	6,145,487	4,846,651				(1,298,836)
Total primary government	<u>18,531,266</u>	<u>6,296,610</u>	<u>91,701</u>	<u>303,372</u>	<u>(10,540,747)</u>	<u>(11,839,583)</u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General revenues						
Taxes						
Property tax				3,358,679		3,358,679
Sales taxes				4,669,535		4,669,535
Other				498,876		498,876
Franchise fees				2,259,873		2,259,873
Investment income				323,373	208,481	531,854
Loss on sale of assets				(8,015)		(8,015)
Refunds and reimbursements				559,165		559,165
Miscellaneous revenue				36,365		36,365
Transfers				847,457	(847,457)	
Total general revenues				<u>12,545,308</u>	<u>(638,976)</u>	<u>11,906,332</u>
CHANGE IN NET ASSETS				2,004,561	(1,937,812)	66,749
NET ASSETS, beginning of year				41,484,303	45,815,013	87,299,316
Restatement of net assets				<u>138,125</u>	<u>(300,201)</u>	<u>(162,076)</u>
NET ASSETS, beginning of year, as restated				<u>41,622,428</u>	<u>45,514,812</u>	<u>87,137,240</u>
NET ASSETS, end of year				<u>43,626,989</u>	<u>43,577,000</u>	<u>87,203,989</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
BALANCE SHEET - MODIFIED ACCRUAL BASIS
GOVERNMENTAL FUNDS
OCTOBER 31, 2009

	General Fund	Park and Recreation Fund	Trans- portation Fund	Debt Service Fund	Capital Improvement Fund	Storm Water Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
ASSETS								
Cash (claim on cash) and cash equivalents	2,805,235	582,238	180,957	407,743	343,570	311,584	1,561,852	6,193,179
Investments	507,438	98,405	42,888	176,111	60,486	52,691	54,356	992,375
Taxes receivable	754,695	87,757	144,872	4,778	144,872	57,949		1,194,923
Interest receivable	3,177	769	650	1,187	893	36	1,730	8,442
Other receivables	44,168	1,041					50,374	95,583
Prepaid items	73,601	8,013						81,614
Inventory	57,017							57,017
Restricted cash	24,054	138,390	23,501	479,851				665,796
Restricted investments		400,000	4,874,646	6	358,101	53,357		5,686,110
TOTAL ASSETS	4,269,385	1,316,613	5,267,514	1,069,676	907,922	475,617	1,668,312	14,975,039
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	234,708	70,523	456,003			3,444	804	765,482
Accrued expenses	84,860	7,935						92,795
Total liabilities	319,568	78,458	456,003			3,444	804	858,277
FUND BALANCES								
Reserved for:								
Prepaid items	73,601	8,013						81,614
Debt service				1,069,676				1,069,676
Capital projects			4,867,719		907,922	53,357	1,643,997	7,472,995
Other purposes	24,054	3,586	(56,208)					27,640
Unreserved	3,852,162	1,226,556				418,816		5,441,326
Unreserved, reported in nonmajor Special revenue funds							23,511	23,511
Total fund balances	3,949,817	1,238,155	4,811,511	1,069,676	907,922	472,173	1,667,508	14,116,762
TOTAL LIABILITIES AND FUND BALANCES	4,269,385	1,316,613	5,267,514	1,069,676	907,922	475,617	1,668,312	14,975,039

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
RECONCILIATION OF THE BALANCE SHEET - MODIFIED ACCRUAL BASIS
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
OCTOBER 31, 2009

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balance - total governmental funds	14,116,762
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	86,206,906
Less accumulated depreciation	<u>(28,486,327)</u>
	57,720,579

Bond interest expense was accrued for governmental activities.	(672,294)
--	-----------

Governmental funds report the effect of issuance costs, premiums, and discounts when the debt is first issued, whereas these amounts are deferred and amortized in the government-wide statements.

Bond discount	37,428
Bond premiums	(105,485)
Bond cost, net of amortization	<u>359,647</u>
	291,590

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Notes payable	(276,000)
Capital appreciation bonds	(435,563)
General obligation bonds	(21,290,000)
Special obligation bonds	(3,820,000)
Certificates of participation	<u>(1,640,000)</u>
	(27,461,563)

Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(368,085)</u>
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NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>43,626,989</u>
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See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - MODIFIED ACCRUAL BASIS - GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2009

	General Fund	Park and Recreation Fund	Trans- portation Fund	Debt Service Fund	Capital Improvement Fund	Storm Water Sales Tax Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES								
Taxes								
Property	1,140,421	310,025	149,742	1,758,491				3,358,679
Sales	1,998,968	442,669	890,089		890,228	447,581		4,669,535
Franchise	2,259,873						125,009	2,259,873
Other	373,867				2,863			498,876
Charges for services	245,282	269,069		17,939				517,214
Fines and forfeitures	390,434							408,373
Licenses, fees, and permits	524,372							524,372
Intergovernmental	91,701							91,701
Interest	40,032	28,258	135,684	89,627	8,142	1,588	20,042	323,373
Grants	110,270		60,123		310,139	303,372		303,372
Refunds and reimbursements	29,961	6,404					78,633	559,165
Miscellaneous								36,365
Total revenues	<u>7,205,181</u>	<u>1,056,425</u>	<u>1,235,638</u>	<u>1,866,057</u>	<u>1,211,372</u>	<u>752,541</u>	<u>223,684</u>	<u>13,550,898</u>
EXPENDITURES								
Current								
Administration	680,853							680,853
Information Technology	226,613							226,613
Economic Development	196,648							196,648
Community Development	573,337							573,337
Engineering	371,449							371,449
Streets	695,189							695,189
Building and grounds	311,016					23,760		311,016
Stormwater	183,627							207,387
Court	137,541							137,541
Finance	505,845							505,845
Police	2,788,671							2,788,671
Emergency Management	110,873							110,873
Parks and Recreation		869,848						869,848
Capital outlay	202,662	2,300,839	6,454,594		309,082	156,998	387,713	9,811,888
Debt service								
Principal	178,027	505,000		4,382,002	175,000	1,532,000		6,772,029
Interest and fiscal fees	1,600	19,544		1,175,842	169,726	62,254		1,428,966
Total expenditures	<u>7,163,951</u>	<u>3,695,231</u>	<u>6,454,594</u>	<u>5,557,844</u>	<u>653,808</u>	<u>1,775,012</u>	<u>387,713</u>	<u>25,688,153</u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - MODIFIED ACCRUAL BASIS - GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2009

	General Fund	Park and Recreation Fund	Trans- portation Fund	Debt Service Fund	Capital Improvement Fund	Storm Water Sales Tax Fund	Other Nonmajor Funds	Total Governmental Funds
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>41,230</u>	<u>(2,638,806)</u>	<u>(5,218,956)</u>	<u>(3,691,787)</u>	<u>557,564</u>	<u>(1,022,471)</u>	<u>(164,029)</u>	<u>(12,137,255)</u>
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of assets	694						41,900	42,594
Bond proceeds		410,000				1,230,000		1,640,000
Bond issuance costs						(45,674)		(45,674)
Operating transfers in	1,449,542	101,319	218,792				547,072	2,316,725
Operating transfers out	<u>(569,799)</u>	<u>(30,132)</u>	<u>(500,000)</u>	<u>(124,927)</u>	<u>(61,319)</u>	<u>(183,091)</u>		<u>(1,469,268)</u>
Total other financing sources (uses)	<u>880,437</u>	<u>481,187</u>	<u>(281,208)</u>	<u>(124,927)</u>	<u>(61,319)</u>	<u>1,001,235</u>	<u>588,972</u>	<u>2,484,377</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	921,667	(2,157,619)	(5,500,164)	(3,816,714)	496,245	(21,236)	424,943	(9,652,878)
FUND BALANCE, beginning of year,	3,053,282	3,395,774	10,372,894	4,886,390	411,677	493,409	1,242,565	23,855,991
Restatement of fund balance	(25,132)		(61,219)					(86,351)
FUND BALANCE, beginning of year as restated	<u>3,028,150</u>	<u>3,395,774</u>	<u>10,311,675</u>	<u>4,886,390</u>	<u>411,677</u>	<u>493,409</u>	<u>1,242,565</u>	<u>23,769,640</u>
FUND BALANCE, end of year	<u>3,949,817</u>	<u>1,238,155</u>	<u>4,811,511</u>	<u>1,069,676</u>	<u>907,922</u>	<u>472,173</u>	<u>1,667,508</u>	<u>14,116,762</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - MODIFIED ACCRUAL BASIS
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2009

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

Net change in fund balances - total governmental funds	(9,652,878)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital outlay	9,871,140	
Depreciation	<u>(3,412,991)</u>	
		6,458,149

Governmental funds report proceeds from the sale of assets as a revenue. However, in the statement of activities, the excess of the cost less the accumulated depreciation on those assets sold are a reduction of the sale price to determine the gain or loss. This is the amount by which the cost exceeded depreciation on those assets.

Asset dispositions	(360,730)	
Accumulated depreciation	<u>310,120</u>	
		(50,610)

The issuance of long-term debt (e.g., bonds, loan, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding debt, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of

CITY OF RAYMORE, MISSOURI
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - MODIFIED ACCRUAL BASIS
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED OCTOBER 31, 2009

these differences in the treatment of long-term debt
 and related items:

Debt principal payments	6,772,029	
Proceeds from issuance of debt	(1,640,000)	
Bond issuance costs	45,674	
Decrease in accrued bond interest expense	124,996	
Amortization of premiums, discounts, and bond costs	<u>(21,328)</u>	
		5,281,371
Some expenses in the statement of activities that do not require the use of current financial resources and, therefore, are not reported as expenditures in govern- mental funds.		
Compensated absences		<u>(31,471)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>2,004,561</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
OCTOBER 31, 2009

	<u>Enterprise Fund</u>
ASSETS	
Current Assets	
Cash and cash equivalents	6,232,834
Investments	1,161,965
Accounts receivable, net	890,325
Interest receivable	7,624
Inventory	37,050
Prepaid expenses	22,692
Total current assets	<u>8,352,490</u>
Noncurrent Assets	
Restricted cash	106,687
Restricted investments	1,316,383
Bond issuance cost - net of amortization	62,744
Capital assets	
Land	337,399
Construction in progress	163,630
Other capital assets, net of accumulated depreciation	36,703,833
Total noncurrent assets	<u>38,690,676</u>
TOTAL ASSETS	<u>47,043,166</u>
LIABILITIES	
Current Liabilities	
Accounts payable	453,072
Accrued expenses	10,079
Accrued bond interest	50,458
Meter deposits	323,505
Current portion of long-term obligations	474,231
Total current liabilities	<u>1,311,345</u>
Noncurrent Liabilities	
Noncurrent portion of long-term obligations	<u>2,154,821</u>
TOTAL LIABILITIES	<u>3,466,166</u>
NET ASSETS	
Invested in capital assets, net of related debt	37,204,862
Restricted for:	
Debt service	1,089,846
Unrestricted	<u>5,282,292</u>
TOTAL NET ASSETS	<u>43,577,000</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2009

	Enterprise Fund
OPERATING REVENUES	
Charges for service	4,695,919
Penalties	143,703
Miscellaneous	7,029
Total operating revenues	4,846,651
OPERATING EXPENSES	
Personal services	700,398
Contractual services	1,461,753
Commodities	1,119,735
Utilities/maintenance	93,395
Depreciation	2,566,720
Amortization	12,968
Total operating expenses	5,954,969
OPERATING LOSS	(1,108,318)
NONOPERATING REVENUES (EXPENSES)	
Investment income	208,481
Bond interest and fees	(190,518)
Total nonoperating revenues (expenses)	17,963
LOSS BEFORE TRANSFERS	(1,090,355)
TRANSFERS	
Transfers in	124,927
Transfers out	(972,384)
Net transfers	(847,457)
CHANGE IN NET ASSETS	(1,937,812)
NET ASSETS, beginning of year	45,815,013
Restatement of net assets	(300,201)
NET ASSETS, beginning of year, as restated	45,514,812
NET ASSETS, end of year	43,577,000

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	4,862,516
Payments to suppliers	(2,769,115)
Payments to employees	(694,114)
Other receipts (claims)	<u>7,029</u>
Net cash provided by operating activities	<u>1,406,316</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	124,927
Transfers to other funds	<u>(972,384)</u>
Net cash used in noncapital financing activities	<u>(847,457)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(563,647)
Long-term debt payments	(405,000)
Interest and fiscal fees paid on long-term debt	<u>(200,570)</u>
Net cash used in capital and related financing activities	<u>(1,169,217)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	255,161
(Increase) decrease in investments	<u>6,299,978</u>
Net cash provided by investing activities	<u>6,555,139</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,944,781
CASH AND CASH EQUIVALENTS, beginning of year	<u>394,740</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>6,339,521</u></u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2009

ALLOCATION OF CASH	
Unrestricted	6,232,834
Restricted	<u>106,687</u>
	<u>6,339,521</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating loss	<u>(1,108,318)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	2,579,688
Loss on disposal of assets	19,434
(Increase) decrease in:	
Receivables	28,811
Inventory	(37,050)
Prepaid expenses	(6,839)
Increase (decrease) in:	
Accounts payable	(69,777)
Accrued expenses	810
Compensated absences	5,474
Meter deposits	<u>(5,917)</u>
Total adjustments	<u>2,514,634</u>
Net cash provided by operating activities	<u>1,406,316</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
OCTOBER 31, 2009

	<u>TIF Fund</u>	<u>Escrow Fund</u>
ASSETS		
Cash and cash equivalents	9,665	9,899
Accounts receivable		7,577
Interest receivable		990
Investments at fair value	<u>826,170</u>	<u>882,020</u>
 TOTAL ASSETS	 <u>835,835</u>	 <u>900,486</u>
 LIABILITIES		
Due to others	835,835	
Due to escrow agents	<u> </u>	<u>900,486</u>
 TOTAL LIABILITIES	 <u>835,835</u>	 <u>900,486</u>
 NET ASSETS	 <u><u>- 0 -</u></u>	 <u><u>- 0 -</u></u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The City of Raymore, Missouri (the City) was incorporated in 1877 and covers an area of approximately twenty square miles in Cass County, Missouri. Raymore is a constitutionally approved charter city operating under the mayor/city manager/council form of government. The City Manager is the chief administrative officer of the City. The City provides services to its approximately 17,688 residents in many areas, including law enforcement, water and sewer services, community enrichment and development and various social services. Fire protection services are provided by a fire district which is a separate governmental entity. Primary and secondary education services are provided by the Raymore-Peculiar School District, also a separate governmental entity.

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," and includes all component units of which the City appointed a voting majority of the units' board and the City is either able to impose its will on the unit or a financial benefit or burden relationship exists.

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City, including joint agreements, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the City exercises oversight responsibility, which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters, scope of public service and special financing relationships.

City management has determined that one entity, outside of the primary government, be considered a component unit and has blended the unit into the City's financial statements.

Raymore Municipal Assistance Corporation

The Raymore Municipal Assistance Corporation (MAC) was created to lessen the burden of the government of the City of Raymore, Missouri by financing, acquiring, leasing or subleasing property to the City. The City of Raymore, Missouri is the sole member of the MAC and the Board of Directors are appointed by the Raymore City Council.

The financial activity of the MAC consists of leasehold revenue bonds issued, and a lease agreement with the City of Raymore, Missouri to fund repayment of the bonds. Although it is legally separate from the City, the MAC is reported as if it were part of the primary government (blended) because its sole purpose is to serve the primary government exclusively.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

The City is voluntarily acting in a fiduciary capacity to account for the transactions of TIF Bonds and Escrow Accounts. The Community Improvement Districts are to account for the collections and disbursements of incremental ad valorem taxes and corresponding bond payments related to projects under redevelopment contracts. The City is not financially responsible for the debt of the Districts and is reported in the financial statements as an Agency Fund. The Escrow Accounts are to account for certain revenues received by the City that are not considered an asset of the City. Since the collections of money are not to be spent for City use, the Escrow Accounts are reported in the financial statements as an Agency Fund.

B. BASIS OF PRESENTATION

Government-Wide Statements

The statement of net assets and statement of activities report information on the City as a whole. They include all funds of the City except for fiduciary funds. The effects of inter-fund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues or receipts, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Statement No. 34 sets forth minimum criteria for the determination of major funds, which should have a specific community focus.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

The funds of the City are described below:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (other than those in Proprietary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position. The following are the City's Governmental Fund Types:

General Fund - The General Fund is the principal operating fund of the City and accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are financed through revenues received by the General Fund.

Special Revenue Funds - The Special Revenue Funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are restricted to finance particular functions or activities of the City.

Major Special Revenue Funds

Park and Recreation Fund - Accounts for revenues received and expenditures paid for recreational services provided by the Park and Recreation Board.

Transportation Fund - Established to account for intergovernmental road tax for construction and maintenance of City roads.

Storm Water Sales Tax - Established by vote of constituents to account for sales taxes received and expenditures for storm water control.

Nonmajor Special Revenue Fund

Development Projects Fund - Established to account for cash payments related to development districts which are expected to be repaid to the City by such districts.

The Debt Service Fund accounts for the accumulation of resources used for the payment of principal, interest and fiscal charges on long-term general obligation debt.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

The Capital Projects Funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by Enterprise Funds.

Nonmajor Capital Improvement Funds

Public Works Facility - Established to construct and furnish new public works building.

Municipal Complex Fund - Established to complete and upgrade City Hall and account for tax anticipation note regarding property near City Hall.

Capital Improvement Fund - Established to be used to construct or purchase capital assets.

Capital Projects Fund - Established to use excise tax to construct or purchase capital assets.

V.E.R.P. Fund - Established to purchase capital assets with transfers from other funds.

Proprietary Fund Type

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is based upon determination of net income.

The Water and Sanitary Sewer Fund accounts for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing water and sewer services on a continuing basis be financed or recovered primarily through user charges on where the periodic determination of net income or loss is deemed appropriate.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

Fund Financial Statements (Continued)

Fiduciary Fund Types

Fiduciary funds are used to account for assets by the City in a trustee capacity or as an agent for individuals, other governmental units and/or other funds.

The Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the City holds for others in an agency capacity.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

The government-wide financial statements are reported using the economic resources management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property tax, sales taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (Continued)

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

The City applies all applicable pronouncements of the Financial Accounting Standards Board (FASB) in accounting and reporting for proprietary activities issued on or before November 30, 1989, unless the pronouncements conflict with applicable Governmental Accounting Standards Board (GASB) guidance as prescribed by GASB Statement No. 20. No pronouncements of the FASB issued after November 30, 1989 have been adopted.

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

D. BUDGETS

Budgets for the City are prepared and adopted on the modified cash basis of accounting for all governmental funds. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The City Council approved amendments to the budget during the year. The actual results of operations are presented in comparison to the budgets on the combined statement of revenues, expenditures and changes in fund balances - budget and actual - all governmental fund types. All governmental funds have a legally adopted annual budget. Appropriations lapse at year end, but may be reappropriated in the following year.

E. CASH AND INVESTMENTS

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less.

The City's investment policies are structured to conform to Missouri Statute 30.270. The City is authorized to invest in U.S. Treasury Obligations, U.S. Government Agency Securities and instruments of Government Sponsored Corporations, Certificates of Deposit at Commercial Banks and S & L Associations, and Repurchase Agreements. Investments are reported at fair value.

F. RESTRICTED CASH AND INVESTMENTS

Certain cash and investment accounts are restricted for construction projects, debt service, and compliance with bond covenants.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. PREPAIDS AND INVENTORIES

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Inventories, consisting of materials and supplies, are valued at lower of cost or market. Cost is determined using first-in, first-out (FIFO) basis.

H. ACCOUNTS RECEIVABLE

Accounts receivable is stated net of allowances. Receivables in the fund statements include receivables to be collected within 60 days after year end.

I. CAPITAL ASSETS

Capital assets are expensed when purchased for fund statement presentation in governmental funds. Capital assets purchased in the Proprietary Fund for fund statement presentation and in all government-wide financial statements are reported as an asset and depreciated.

As the City did not include fixed asset accounting prior to October 31, 2003, a list of capital assets purchased prior to October 31, 2002, was prepared using various sources. Capital assets were valued at historical cost or estimated historical cost if actual was unavailable. Capital assets since October 31, 2003, are recorded at cost except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Accumulated depreciation as of October 31, 2002, was established on capital assets purchased prior to October 31, 2002. Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows.

Building and building improvements	25 - 50 years
Land improvements	10 - 20 years
Office equipment and furniture	7 - 10 years
Computer equipment, hardware and software	3 - 5 years
Machinery and equipment	7 - 15 years
Vehicles	5 - 10 years
Infrastructure	30 - 40 years

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. LONG-TERM DEBT

In the government-wide and proprietary fund financial statements, outstanding debt is reported as liabilities. Bond issuance costs and bond discounts or premiums are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

K. COMPENSATED ABSENCES

Under terms of the City's personal policy, city employees are granted vacation and sick leave in varying amounts based upon length of service. In the event of termination, an employee is paid for accumulated vacation up to a maximum accumulation of 320 hours and is paid for one out of every four days of sick leave and unused prior to date of termination.

L. EQUITY CLASSIFICATION

Government-Wide Statements

Net assets are displayed in three components:

Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets consists of net assets with constraints placed on the use either by external groups, such as creditors, grantors, contributors or laws and regulations of other governments; or through constitutional provision or enabling legislation.

Unrestricted net assets do not meet the definition of "restricted."

Fund Statements

Governmental fund equity is classified as fund balance. If applicable, fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. USE OF ESTIMATES

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

NOTE 2. CASH AND INVESTMENTS

The City maintains a cash and investment pool which is available for use by most funds. Each fund type's portion of this pool is displayed on the combined balance sheet as pooled cash and investments. Interest earned is allocated to the funds on the basis of month end cash and investment balances in those funds. Cash and investments are separately held by some of the City's funds.

The funds of the City must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the City's agent bank in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Custodial credit risk for deposits is the risk that in the event of a failure of a depository financial institution, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of any outside party. The City's policy required deposits to be 100 percent secured by collateral valued at market less the amount covered by the FDIC. As of October 31, 2009, none of the City's bank balances with financial institutions was exposed to custodial credit risk.

Investments

Authorized Investments - The City is authorized to invest in U.S. obligation, U.S. governmental agency securities and instrumentalities of government-sponsored corporations and time-open agreements.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy requires operating funds to be invested to coincide with projected cash flow needs.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

As of October 31, 2009, the City had the following investments.

<u>Investment Type</u>	<u>Maturity Date</u>	<u>Yield %</u>	<u>Rating</u>	<u>Fair Value</u>
FNMA Discount Note	12/28/09	0.43	AAA	1,994,167
FHLMC Discount Note	01/27/10	0.14	AAA	2,498,824
FHCB Discount Note	07/20/11	1.24	AAA	1,001,206
Certificate of Deposit	04/12/10	0.19		2,000,000
Certificate of Deposit	02/22/10	1.69		446,463
Certificate of Deposit	05/29/10	1.25		392,586
Certificate of Deposit	06/26/10	1.20		647,670
Investments held in trust	Various	Various		<u>1,884,107</u>
Total investments				10,865,023
Less: Investments allocated to Fiduciary Funds				<u>(1,708,190)</u>
Total investments allocated to City Funds				<u>9,156,833</u>

<u>Investment</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Governmental Activities	992,375	5,686,110	6,678,485
Business-Type Activities	<u>1,161,965</u>	<u>1,316,383</u>	<u>2,478,348</u>
	<u>2,154,340</u>	<u>7,002,493</u>	<u>9,156,833</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. All investments are securities of government-sponsored agencies.

Concentration of Credit Risk - The City's investment policy is to apply the prudent-person rule: Investments will be made with judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering probable safety of their capital as well as the probable income to be derived.

Bond escrow accounts are held and invested by escrow trust agencies which are required to invest as stated in agreement in accordance with state law.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended October 31, 2009 was as follows:

	Restated Balances at October 31, <u>2008</u>	<u>Additions</u>	Retire- ments	Balance December 31, <u>2009</u>
<u>Governmental Activities</u>				
Capital assets, not being depreciated				
Land	1,423,566	1,606,914		3,030,480
Construction-in-progress	<u>1,951,692</u>	<u>4,258,972</u>	(1,941,226)	<u>4,269,438</u>
Total capital assets not being depreciated	<u>3,375,258</u>	<u>5,865,886</u>	(1,941,226)	<u>7,299,918</u>
Capital assets, being depreciated				
Intangible property	65,898	89,989		155,887
Buildings and improvements	11,301,080	1,285,559		12,586,639
Office equipment and furniture	55,165		(7,395)	47,770
Computer equipment and software	181,684	20,872		202,556
Machinery and equipment	938,659	207,317	(114,010)	1,031,966
Vehicles	1,192,134	238,096	(239,325)	1,190,905
Infrastructure	<u>59,362,142</u>	<u>4,329,123</u>		<u>63,691,265</u>
Total capital assets being depreciated	<u>73,096,762</u>	<u>6,170,956</u>	(360,730)	<u>78,906,988</u>
Less accumulated depreciation for:				
Intangible property	7,767	12,487		20,254
Buildings and improvements	1,575,875	340,743		1,916,618
Office equipment and furniture	39,182	3,218	(6,163)	36,237
Computer equipment and software	120,318	23,441		143,759
Machinery and equipment	488,229	105,513	(77,752)	515,990
Vehicles	755,929	135,327	(226,205)	665,051
Infrastructure	<u>22,396,156</u>	<u>2,792,262</u>		<u>25,188,418</u>
Total accumulated depreciation	<u>25,383,456</u>	<u>3,412,991</u>	(310,120)	<u>28,486,327</u>
Total capital assets, being depreciated, net	<u>47,713,306</u>	<u>2,757,965</u>	(50,610)	<u>50,420,661</u>
Governmental activities capital assets, net	<u>51,088,564</u>	<u>8,623,851</u>	(1,991,836)	<u>57,720,579</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

	Restated Balances at October 31, <u>2008</u>	<u>Additions</u>	Retire- ments	Balance December 31, <u>2009</u>
<u>Business-Type Activities</u>				
Capital assets, not being depreciated				
Land	337,399			337,399
Construction-in-progress	<u>558,811</u>	<u>106,840</u>	<u>(502,021)</u>	<u>163,630</u>
Total capital assets not being depreciated	<u>896,210</u>	<u>106,840</u>	<u>(502,021)</u>	<u>501,029</u>
Capital assets, being depreciated				
Buildings and improvements	353,741			353,741
Vehicle and equipment	530,068	30,824	(75,623)	485,269
Intangible property	772,590			772,590
Infrastructure	<u>69,825,041</u>	<u>627,683</u>		<u>70,452,724</u>
Total capital assets being depreciated	<u>71,481,440</u>	<u>658,507</u>	<u>(75,623)</u>	<u>72,064,324</u>
Less accumulated depreciation				
Intangible property	92,604	38,629		131,233
Building and improvements	47,406	8,754		56,160
Vehicle and equipment	362,169	28,516	(56,189)	334,496
Infrastructure	<u>32,347,781</u>	<u>2,490,821</u>		<u>34,838,602</u>
Total accumulated depreciation	<u>32,849,960</u>	<u>2,566,720</u>	<u>(56,189)</u>	<u>35,360,491</u>
Total capital assets, being depreciated, net	<u>38,631,480</u>	<u>(1,908,213)</u>	<u>(19,434)</u>	<u>36,703,833</u>
Business-type activities - Capital assets, net	<u>39,527,690</u>	<u>(1,801,373)</u>	<u>(521,455)</u>	<u>37,204,862</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT

Governmental Activities

Changes in the debt for the year ended October 31, 2009, consisted of the following:

	Balance November 1, <u>2008</u>	<u>Additions</u>	<u>Retirements</u>	Balance October 31, <u>2009</u>	Due in One <u>Year</u>
General Obligation Bonds	25,595,000		(4,305,000)	21,290,000	695,000
Leasehold Revenue Bonds	2,020,000		(2,020,000)	- 0 -	- 0 -
Special Obligation Refunding Bonds	3,995,000		(175,000)	3,820,000	175,000
Capital Appreciation Bonds	512,565		(77,002)	435,563	69,842
Notes payable	471,027		(195,027)	276,000	18,000
Certificates of Partici- pation		1,640,000		1,640,000	185,000
Compensated absences	336,614	368,085	(336,614)	368,085	368,085
Bond premium	117,758		(12,273)	105,485	12,273
Bond discount	<u>(39,629)</u>		<u>2,201</u>	<u>(37,428)</u>	<u>(2,201)</u>
Total governmental long-term liabilities	<u>33,008,335</u>	<u>2,008,085</u>	<u>(7,118,715)</u>	<u>27,897,705</u>	<u>1,520,999</u>

General Obligation Bonds

\$4,625,000 General Obligation Refunding Bonds, Series 2004, dated December 2004; due in annual installments varying from year to year until March 1, 2016; interest at 3.5% to 4%. 4,625,000

\$14,400,000 General Obligation Bonds, Series 2007, dated August 6, 2007; due in annual installments varying from year to year until maturity in March 2027; interest at 4.25% to 6.5%. 14,400,000

\$2,515,000 General Obligation Bonds, Series 2008 (Refunding 1999), dated March 25, 2008, due in annual installments varying from year to year until maturity in March 2019, interest at 3.3 % to 4%. 2,265,000

Total general obligation bonds 21,290,000

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

General Obligation Bonds (Continued)

Aggregate annual principal and interest payments applicable to the general obligation bonds are:

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	695,000	888,896
2011	780,000	863,223
2012	1,120,000	828,328
2013	1,250,000	782,248
2014	1,365,000	732,916
2015 - 2019	3,365,000	3,200,958
2020 - 2024	6,255,000	2,242,471
2025 - 2027	<u>6,460,000</u>	<u>460,576</u>
	<u>21,290,000</u>	<u>9,999,616</u>

Certificates of Participation

\$1,640,000 Certificates of Participation; due in annual installments varying from year to year until maturity on April 1, 2017; interest from 1.85% to 3.70%.

1,640,000

Aggregate annual principal and interest payments applicable to the leasehold revenue bonds are:

<u>Year Ending October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	185,000	46,319
2011	190,000	42,470
2012	195,000	37,846
2013	200,000	32,510
2014	205,000	26,483
2015 - 2019	<u>665,000</u>	<u>36,373</u>
	<u>1,640,000</u>	<u>222,001</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Special Obligation Refunding Bonds

\$4,345,000 Special Obligation Refunding Bonds, Series 2006, dated December 1, 2006; due in annual installments varying from year to year until maturity in March 2023; interest at 4.1% to 4.5%.

3,820,000

Aggregate annual principal and interest payments applicable to the special obligation refunding bonds are:

<u>Year Ending</u> <u>October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	175,000	161,819
2011	200,000	153,850
2012	200,000	145,500
2013	210,000	137,069
2014	215,000	128,276
2015 - 2019	1,240,000	491,441
2020 - 2023	<u>1,580,000</u>	<u>168,671</u>
	<u>3,820,000</u>	<u>1,386,626</u>

Capital Appreciation Bonds

\$295,085 Capital Appreciation Bonds, Series 1997, dated July 7, 1997; due in annual installments varying from year to year until maturity in March 2011; interest at 5.1% to 5.35%.

133,190

\$302,373 Capital Appreciation Bonds, Series 2000, dated September 1, 2000; due in annual installments varying from year to year until maturity in March 2015; interest at 5.75%.

302,373

Total capital appreciation bonds 435,563

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Capital Appreciation Bonds (Continued)

Aggregate annual principal and interest payments applicable to the capital appreciation bonds are:

Year Ending <u>October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	69,842	170,158
2011	63,348	176,652
2012	- 0 -	- 0 -
2013	- 0 -	- 0 -
2014	- 0 -	- 0 -
2015 - 2019	<u>302,373</u>	<u>382,627</u>
	<u>435,563</u>	<u>729,437</u>

Notes Payable

Note payable, Department of Natural Resources, dated December 1, 2002, with final payment due January 1, 2023; interest at 1.6%. Note secured by tax revenues.

276,000

Aggregate annual principal and interest payments applicable to notes payable are:

Year Ending <u>October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	18,000	4,272
2011	18,000	3,984
2012	18,000	3,696
2013	19,000	3,400
2014	19,000	3,096
2015 - 2019	98,000	10,848
2020 - 2023	<u>86,000</u>	<u>2,800</u>
	<u>276,000</u>	<u>32,096</u>

Compensated Absences

Compensated absences are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

General	335,503
Park	<u>32,582</u>
	<u>368,085</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Business-Type Activities

Changes in the debt for the year ended October 31, 2009, consisted of the following:

	Balance November 1, <u>2008</u>	Addi- tions	Retire- ments	Balance October 31, <u>2009</u>	Due in One Year
Water Pollution Control Revenue Bonds	1,630,000		(285,000)	1,345,000	305,000
Combined Revenue and Refunding Bonds	110,000		(35,000)	75,000	35,000
Water Revenue Bonds	1,240,000		(85,000)	1,155,000	90,000
Compensated absences Bond Premium	37,864 <u>11,607</u>	43,338 <u> </u>	(37,864) <u>(893)</u>	43,338 <u>10,714</u>	43,338 <u>893</u>
 Total governmental long-term liabilities	 <u>3,029,471</u>	 <u>43,338</u>	 <u>(443,757)</u>	 <u>2,629,052</u>	 <u>474,231</u>

Revenue Bonds

<p>\$4,350,000 June 1, 1992, Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1 992A, due in annual installments varying from year to year until maturity on July 1, 2013; interest at 4.5% to 6.55%.</p>	1,345,000
<p>\$930,000 April 1, 1998 Combined Waterworks and Sewerage System Refunding Revenue Bonds; due in annual installments varying from year to year until maturity on June 1, 2011; interest at 4.5% to 5%.</p>	75,000
<p>\$1,800,000 December 1, 1999 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1 999B; due in annual installments varying from year to year until maturity on July 1, 2019; interest at 4.125% to 5.75%.</p>	1,155,000
<p>Total revenue bonds</p>	<p><u>2,575,000</u></p>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Aggregate annual principal and interest payments applicable to the revenue bonds are:

Year Ending <u>October 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	430,000	154,684
2011	460,000	128,456
2012	445,000	100,419
2013	475,000	72,621
2014	110,000	42,821
2015 - 2019	<u>655,000</u>	<u>115,514</u>
	<u>2,575,000</u>	<u>614,515</u>

NOTE 5. PROPERTY TAXES

The City's property tax is levied each November on the assessed value as of the prior January 1 for all property located in the City. Assessed valuations are established by the Cass County Assessor. The county collects the property tax and remits it to the City on a monthly basis.

The assess value for property located in the City as of January 1, 2008, on which the fiscal year 2009 levy was based is as follows:

Real estate	213,155,457
Personal property	<u>35,867,073</u>
	<u>249,022,530</u>

The City is permitted by Missouri State Statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than payment of principal and interest on long-term debt, up to \$.20 for recreation, and in unlimited amounts for the payment of principal and interest on long-term debt. The City's property tax levies for the year ended October 31, 2009, per \$100 assessed valuation, were as follows:

General operating	0.4647
Parks and Recreation	0.1251
Debt service	<u>0.7170</u>
	<u>1.3068</u>

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

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 6. INTERFUND TRANSACTIONS

	Transfers In					Total
	General	Parks and Recreation	Transpor- tation	Nonmajor Funds	Enterprise	
<u>Transfers Out:</u>						
General Fund		40,000	218,792	311,007		569,799
Parks and Recreation				30,132		30,132
Transportation	350,000			150,000		500,000
Debt Service					124,927	124,927
Capital Projects		61,319				61,319
Nonmajor Funds	183,091					183,091
Enterprise	<u>916,451</u>			<u>55,933</u>		<u>972,384</u>
Total	<u>1,449,542</u>	<u>101,319</u>	<u>218,792</u>	<u>547,072</u>	<u>124,927</u>	<u>2,441,652</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7. PENSION PLAN

Plan Description

The City of Raymore, Missouri participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section RSMo 70.600-70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334.

Funding Status

The City of Raymore, Missouri's full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate. The current rate is 9.8% (general), 10.9% (police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (Continued)

Funding Status (Continued)

For 2009, the political subdivision's annual pension cost of \$481,425 was equal to the required and actual contributions. The required contribution was determined as part of the February 29, 2008 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 28, 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, (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement 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 investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 28, 2009 was 21 years.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/07	442,609	100	- 0 -
6/30/08	449,073	100	- 0 -
6/30/09	481,425	100	- 0 -

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/28/07	4,780,239	5,381,756	601,517	89%	4,066,660	15%
2/28/08	5,800,529	6,117,241	316,712	95%	4,257,093	7%
2/28/09	4,875,131	6,612,558	1,737,427	74%	4,611,361	38%

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 changes in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual variations, please contact the LAGERS office in Jefferson City.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants. Investments are managed by the plan's trustee under several investment options. The choice of the investment option(s) is made by the participants.

NOTE 9. RISK MANAGEMENT

The City is a member of the Mid-America Regional Council Insurance Trust (MARCIT), a not-for-profit corporation consisting of local governments and political subdivisions. MARCIT was formed as a public entity risk retention pool operating as a common risk management and insurance program to cover health and dental, workers' compensation and property and casualty claims for its members. MARCIT has been established as assessable pools and accounting records are maintained for each line of coverage on a policy-year basis. The City pays annual premiums to MARCIT for all coverage types.

The agreement with MARCIT provides that MARCIT will be self-sustaining through member premiums. MARCIT has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MARCIT has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. MARCIT has not had deficiencies in any of the past three fiscal years. The City has not incurred any claims which have exceeded its coverage in any of the past three fiscal years.

NOTE 10. LITIGATION

As of October 31, 2009, the City had unsettled claims. These claims are at various stages and at this time, outcomes cannot be predicted. The City is vigorously defending each claim. There has been no provision for possible loss included in these financial statements.

NOTE 11. CONTRIBUTED CAPITAL

When new housing divisions are developed, the developer pays for the cost of streets, sidewalks and storm drains, sewer and water lines. Upon completion of the division, the developer gives this infrastructure to the City to maintain in future years. The City Engineering Department estimates the cost of this contribution and Finance Department reviews the estimation and records the infrastructure, which is depreciated over a period of time.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 12. RESTATEMENT OF NET ASSETS AND FUND BALANCES

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net capital assets	224,476	(300,201)
Accounts receivable	<u>(86,351)</u>	<u>(300,201)</u>
Total restatement of net assets	<u>138,125</u>	<u>(300,201)</u>

Net Capital Assets

The beginning balance of net capital assets has been restated to reflect the addition of certain assets that were not included with the City's prior audit for governmental activities and for the removal of certain assets that were capitalized rather than expensed as an operating expense in the prior year.

Accounts Receivable

The beginning balance of accounts receivable was restated to reduce certain revenue accounts in the General and Transportation Funds as of October 31, 2008.

NOTE 13. COMMITMENTS

As of October 31, 2009, the City had outstanding commitments totaling \$1,914,860 for various contracts.

NOTE 14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 7, 2010, the date of which the financial statements were available for issue.

On December 1, 2009, the City paid \$1,282,222 from the Capital Projects Fund to the Hubach Hill Road and North Cass Parkway Transportation Development District in accordance with the provisions of the Cooperative Agreement between the City and the District.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED OCTOBER 31, 2009

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	1,163,697	1,163,697	1,140,421	(23,276)
Sales taxes	2,005,646	2,005,646	1,998,968	(6,678)
Franchise fees	1,509,820	1,509,820	2,259,873	750,053
Other taxes	355,290	355,290	373,867	18,577
Charges for services	201,600	201,600	245,282	43,682
Fines and forfeitures	311,465	311,465	390,434	78,969
Licenses, fees and permits	653,550	653,550	524,372	(129,178)
Intergovernmental	36,000	36,000	91,701	55,701
Interest	85,670	85,670	40,032	(45,638)
Refunds and reimbursements	7,000	7,000	110,270	103,270
Miscellaneous	47,400	47,400	29,961	(17,439)
Total revenues	<u>6,377,138</u>	<u>6,377,138</u>	<u>7,205,181</u>	<u>828,043</u>
EXPENDITURES				
General Government				
Administrative				
Personnel services	518,780	518,780	465,432	53,348
Commodities	27,455	27,455	24,039	3,416
Maintenance and utilities	2,110	2,110	711	1,399
Contractual services	349,677	349,677	190,671	159,006
Total administrative	<u>898,022</u>	<u>898,022</u>	<u>680,853</u>	<u>217,169</u>
Information Technology				
Personnel services	123,711	123,711	125,067	(1,356)
Commodities	37,690	38,476	35,436	3,040
Utilities	1,620	1,620	1,431	189
Contractual services	91,371	92,221	64,679	27,542
Total information technology	<u>254,392</u>	<u>256,028</u>	<u>226,613</u>	<u>29,415</u>
Economic Development				
Personnel services	156,508	156,508	154,075	2,433
Commodities	2,800	2,800	2,051	749
Contractual services	63,446	63,446	40,522	22,924
Total economic development	<u>222,754</u>	<u>222,754</u>	<u>196,648</u>	<u>26,106</u>

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED OCTOBER 31, 2009

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Community Development				
Personnel services	515,788	515,788	517,965	(2,177)
Commodities	18,402	18,402	10,635	7,767
Maintenance and utilities	600	600	789	(189)
Contractual services	60,652	59,802	43,948	15,854
Total community development	<u>595,442</u>	<u>594,592</u>	<u>573,337</u>	<u>21,255</u>
Engineering				
Personnel services	365,905	365,905	352,211	13,694
Commodities	18,292	18,292	8,799	9,493
Maintenance and utilities	6,000	6,000	1,758	4,242
Contractual services	21,000	21,000	8,681	12,319
Total engineering	<u>411,197</u>	<u>411,197</u>	<u>371,449</u>	<u>39,748</u>
Streets				
Personnel services	303,091	303,091	267,663	35,428
Commodities	119,081	119,081	20,085	98,996
Maintenance and utilities	80,250	80,250	75,664	4,586
Contractual services	349,720	349,720	327,702	22,018
Capital outlay	7,500	7,500	4,075	3,425
Total streets	<u>859,642</u>	<u>859,642</u>	<u>695,189</u>	<u>164,453</u>
Building and Grounds				
Personnel services	102,462	102,462	103,010	(548)
Commodities	1,195	1,195	408	787
Maintenance and utilities	152,930	167,930	169,004	(1,074)
Contractual services	39,635	39,635	38,594	1,041
Total building and grounds	<u>296,222</u>	<u>311,222</u>	<u>311,016</u>	<u>206</u>
Stormwater				
Personnel services	148,775	148,775	154,095	(5,320)
Commodities	2,537	2,537	1,493	1,044
Maintenance and utilities	9,800	9,800	5,872	3,928
Contractual services	26,640	26,640	22,167	4,473
Total stormwater	<u>187,752</u>	<u>187,752</u>	<u>183,627</u>	<u>4,125</u>

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED OCTOBER 31, 2009

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Court				
Personnel services	110,114	110,114	113,822	(3,708)
Commodities	2,353	2,353	1,746	607
Contractual services	27,239	27,239	21,973	5,266
Total court	<u>139,706</u>	<u>139,706</u>	<u>137,541</u>	<u>2,165</u>
Finance				
Personnel services	392,612	392,612	391,865	747
Commodities	12,795	13,095	11,808	1,287
Maintenance and utilities	4,200	4,200	4,743	(543)
Contractual services	109,415	108,329	97,429	10,900
Total finance	<u>519,022</u>	<u>518,236</u>	<u>505,845</u>	<u>12,391</u>
Police				
Personnel services	2,539,728	2,539,728	2,504,122	35,606
Commodities	264,947	264,947	170,934	94,013
Maintenance and utilities	24,600	24,600	29,391	(4,791)
Contractual services	112,122	112,122	84,224	27,898
Total police	<u>2,941,397</u>	<u>2,941,397</u>	<u>2,788,671</u>	<u>152,726</u>
Emergency preparedness				
Personnel services	79,676	79,676	78,768	908
Commodities	28,025	28,025	20,465	7,560
Maintenance and utilities	10,844	10,844	6,000	4,844
Contractual services	5,525	5,525	5,640	(115)
Total emergency preparedness	<u>124,070</u>	<u>124,070</u>	<u>110,873</u>	<u>13,197</u>
Nondepartmental				
Capital outlay			202,662	(202,662)
Debt service - principal	72,956	72,956	178,027	(105,071)
Debt service - interest			1,600	(1,600)
Total nondepartmental	<u>72,956</u>	<u>72,956</u>	<u>382,289</u>	<u>(309,333)</u>
Total expenditures	<u>7,522,574</u>	<u>7,537,574</u>	<u>7,163,951</u>	<u>373,623</u>

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED OCTOBER 31, 2009

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,145,436)	(1,160,436)	41,230	1,201,666
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of assets			694	694
Transfer in	1,382,281	1,382,281	1,449,542	67,261
Transfers out	(626,007)	(569,799)	(569,799)	
Total other financing sources (uses)	756,274	812,482	880,437	67,955
NET CHANGE IN FUND BALANCE	(389,162)	(347,954)	921,667	1,269,621
FUND BALANCE, beginning of year			3,053,282	
Restatement of fund balance			(25,132)	
FUND BALANCE, beginning of year, restated			3,028,150	
FUND BALANCE, end of year			3,949,817	

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED OCTOBER 31, 2009

	Park and Recreation Fund			Transportation Fund			Storm Water Sales Tax Fund			Total Major Special Revenue Funds		
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES												
Taxes												
Property	302,752	302,752	310,025	7,273	143,567	143,567	149,742	6,175	446,319	446,319	459,767	13,448
Sales	454,575	454,575	442,669	(11,906)	909,150	909,150	890,089	(19,061)	1,818,300	1,818,300	1,780,339	(37,961)
Charges for services	259,376	259,376	269,069	9,693					259,376	259,376	269,069	9,693
Grants					4,593	4,593	135,684	131,091	42,187	42,187	303,372	161,185
Interest	36,369	36,369	28,258	(8,111)			60,123	60,123			165,530	123,343
Refunds and reimbursements									7,810	7,810	6,404	(1,406)
Miscellaneous	7,810	7,810	6,404	(1,406)								
Total revenues	<u>1,060,882</u>	<u>1,060,882</u>	<u>1,056,425</u>	<u>(4,457)</u>	<u>1,057,310</u>	<u>1,057,310</u>	<u>1,235,638</u>	<u>178,328</u>	<u>455,800</u>	<u>455,800</u>	<u>3,044,604</u>	<u>167,240</u>
EXPENDITURES												
Personnel services	532,232	532,232	534,707	(2,475)					532,232	532,232	534,707	(2,475)
Commodities	45,514	60,314	47,867	12,447					45,514	60,314	47,867	12,447
Maintenance and utilities	85,295	122,795	100,285	22,510					85,295	122,795	100,285	22,510
Contractual services	212,253	212,253	186,989	25,264					212,253	212,253	210,749	1,504
Capital outlay	1,600,000	1,740,000	2,300,839	(560,839)	902,000	902,000	6,454,594	(5,552,594)	2,602,000	2,742,000	8,912,431	(6,170,431)
Debt service												
Principal	52,283	52,283	505,000	(452,717)					261,413	261,413	2,037,000	(1,775,587)
Interest and fiscal fees			19,544	(19,544)							81,798	(81,798)
Total expenditures	<u>2,527,577</u>	<u>2,719,877</u>	<u>3,695,231</u>	<u>(975,354)</u>	<u>902,000</u>	<u>902,000</u>	<u>6,454,594</u>	<u>(5,552,594)</u>	<u>3,738,707</u>	<u>3,931,007</u>	<u>11,924,837</u>	<u>(7,993,830)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,466,695)</u>	<u>(1,658,995)</u>	<u>(2,638,806)</u>	<u>(979,811)</u>	<u>155,310</u>	<u>155,310</u>	<u>(5,218,956)</u>	<u>(5,374,266)</u>	<u>146,670</u>	<u>146,670</u>	<u>(8,880,233)</u>	<u>(7,523,218)</u>
OTHER FINANCING SOURCES (USES)												
Bond proceeds			410,000	410,000							1,640,000	1,640,000
Bond issuance costs											(45,674)	(45,674)
Transfers in	101,319	101,319	101,319		275,000	218,792	218,792		376,319	320,111	320,111	
Transfers out	(30,132)	(30,132)	(30,132)		(500,000)	(500,000)	(500,000)		(680,051)	(680,051)	(713,223)	(33,172)
Total other financing sources (uses)	<u>71,187</u>	<u>71,187</u>	<u>481,187</u>	<u>410,000</u>	<u>(225,000)</u>	<u>(281,208)</u>	<u>(281,208)</u>		<u>(149,919)</u>	<u>(149,919)</u>	<u>1,201,214</u>	<u>1,606,828</u>
NET CHANGE IN FUND BALANCE	<u>(1,395,508)</u>	<u>(1,587,808)</u>	<u>(2,157,619)</u>	<u>(569,811)</u>	<u>(69,690)</u>	<u>(125,898)</u>	<u>(5,500,164)</u>	<u>(5,374,266)</u>	<u>(3,249)</u>	<u>(3,249)</u>	<u>(7,679,019)</u>	<u>(5,962,064)</u>
FUND BALANCE, beginning of year			3,395,774			10,372,894					14,262,077	
Restatement of fund balance						(61,219)					(61,219)	
FUND BALANCE, beginning of year, as restated			3,395,774			10,311,675					14,200,858	
FUND BALANCE, end of year			1,238,155			4,811,511					6,521,839	

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR DEBT SERVICE FUND
YEAR ENDED OCTOBER 31, 2009

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes				
Property	1,765,402	1,765,402	1,758,491	(6,911)
Fines and forfeitures	8,827	8,827	17,939	9,112
Interest	20,270	20,270	89,627	69,357
Total revenues	1,794,499	1,794,499	1,866,057	71,558
EXPENDITURES				
Principal	1,909,052	1,909,052	4,382,002	(2,472,950)
Interest and fiscal fees	76,362	76,362	1,175,842	(1,099,480)
Total expenditures	1,985,414	1,985,414	5,557,844	(3,572,430)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(190,915)	(190,915)	(3,691,787)	(3,500,872)
OTHER FINANCING SOURCES (USES)				
Transfers out	(129,955)	(129,955)	(124,927)	5,028
NET CHANGE IN FUND BALANCE	(320,870)	(320,870)	(3,816,714)	3,649,016
FUND BALANCE, beginning of year			4,886,390	
FUND BALANCE, end of year			1,069,676	

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR CAPITAL IMPROVEMENT FUND
YEAR ENDED OCTOBER 31, 2009

	Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes				
Sales	909,150	909,150	890,228	(18,922)
Charges for services			2,863	2,863
Intergovernmental		378,061		(378,061)
Refunds and reimbursements			310,139	310,139
Interest	4,848	4,848	8,142	3,294
Total revenues	913,998	1,292,059	1,211,372	(80,687)
EXPENDITURES				
Capital outlay	575,000	953,061	309,082	643,979
Debt service				
Principal	344,756	344,756	175,000	169,756
Interest and fiscal fees	3,200	3,200	169,726	(166,526)
Total expenditures	922,956	1,301,017	653,808	647,209
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,958)	(8,958)	557,564	566,522
OTHER FINANCING SOURCES (USES)				
Transfers out	(61,319)	(61,319)	(61,319)	
NET CHANGE IN FUND BALANCE	(70,277)	(70,277)	496,245	566,522
FUND BALANCE, beginning of year			411,677	
FUND BALANCE, end of year			907,922	

CITY OF RAYMORE, MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The reported budgetary data represents the final approved budget after amendments, as adopted by the City Council. The City follows these procedures in establishing the budgetary data reflected in the basic financial statements.

Prior to October 1, the budget officer submits to the City Council a proposed operating budget for the fiscal year commencing the following November 1. The operating budget includes proposed expenditures and the means of financing them.

A public hearing is conducted to obtain taxpayer comments. Prior to this hearing, the budget document is made available for public inspection.

Prior to November 1, the budget is legally enacted through passage of an ordinance.

Any transfer of budgeted amounts between object levels within any fund or any revisions that alter the total expenditures of any fund must be approved by the City Council. Overspending of budgeted object levels within a department must be approved by the Finance Director and/or City Manager.

Budgets are prepared on the modified accrual basis of accounting which corresponds to the fund statements.

Actual expenditures may not legally exceed the budgeted expenditures in any budgeted fund. For the fiscal year ended October 31, 2009, expenditures in the Parks and Recreation and Transportation Funds exceeded budgeted expenditures as the City spent funds on capital outlay for projects approved in fiscal year 2007. The City also exceeded budgeted expenditures in the Storm Water Sales Tax and Debt service funds as the City refunded debt which was approved in previous ordinances.

OTHER SUPPLEMENTARY INFORMATION

CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET - MODIFIED ACCRUAL BASIS
OCTOBER 31, 2009

	Special	Capital Improvement Funds				Total Capital Improvement Funds	Total Nonmajor Governmental Funds
	Revenue Fund	Development Projects Fund	Public Works Fund	Capital Projects Fund	Municipal Complex Fund		
ASSETS							
ASSETS							
Cash (claim on cash) and cash equivalents	(26,073)	86,482	1,232,369	22,536	246,538	1,587,925	1,561,852
Investments	14	13,040		3,027	38,275	54,342	54,356
Receivables, net	50,374						50,374
Interest receivable		88	1,368	20	254	1,730	1,730
TOTAL ASSETS	<u>24,315</u>	<u>99,610</u>	<u>1,233,737</u>	<u>25,583</u>	<u>285,067</u>	<u>1,643,997</u>	<u>1,668,312</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	804						804
FUND BALANCES							
Reserved for:							
Capital projects		99,610	1,233,737	25,583	285,067	1,643,997	1,643,997
Unreserved	23,511						23,511
Total fund balances	<u>23,511</u>	<u>99,610</u>	<u>1,233,737</u>	<u>25,583</u>	<u>285,067</u>	<u>1,643,997</u>	<u>1,667,508</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>24,315</u>	<u>99,610</u>	<u>1,233,737</u>	<u>25,583</u>	<u>285,067</u>	<u>1,643,997</u>	<u>1,668,312</u>

CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - MODIFIED ACCRUAL BASIS
YEAR ENDED OCTOBER 31, 2009

	Special Revenue	Capital Improvement Funds				Total	Total Nonmajor Governmental Funds
	Fund	Public Works Fund	Capital Projects Fund	Municipal Complex Fund	V.E.R.P. Fund		
REVENUES							
Taxes							
Other			125,009			125,009	125,009
Investment income	2	1,144	12,797	350	5,749	20,040	20,042
Refunds and reimbursements	<u>10,346</u>		<u>68,287</u>			<u>68,287</u>	<u>78,633</u>
Total revenues	<u>10,348</u>	<u>1,144</u>	<u>206,093</u>	<u>350</u>	<u>5,749</u>	<u>213,336</u>	<u>223,684</u>
EXPENDITURES							
Capital outlay				<u>30,376</u>	<u>357,337</u>	<u>387,713</u>	<u>387,713</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>10,348</u>	<u>1,144</u>	<u>206,093</u>	<u>(30,026)</u>	<u>(351,588)</u>	<u>(174,377)</u>	<u>(164,029)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from the sale of assets					41,900	41,900	41,900
Transfers in			150,000		397,072	547,072	547,072
Total other financing sources (uses)			<u>150,000</u>		<u>438,972</u>	<u>588,972</u>	<u>588,972</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	10,348	1,144	356,093	(30,026)	87,384	414,595	424,943
FUND BALANCE, beginning of year	<u>13,163</u>	<u>98,466</u>	<u>877,644</u>	<u>55,609</u>	<u>197,683</u>	<u>1,229,402</u>	<u>1,242,565</u>
FUND BALANCE, end of year	<u>23,511</u>	<u>99,610</u>	<u>1,233,737</u>	<u>25,583</u>	<u>285,067</u>	<u>1,643,997</u>	<u>1,667,508</u>