

CITY OF RAYMORE, MISSOURI



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED OCTOBER 31, 2010



City of Raymore, Missouri

Comprehensive Annual Financial Report

**For Fiscal Year
Ended October 31, 2010**

**Prepared by
Cynthia Watson, Finance Director**

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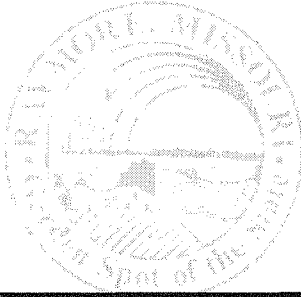
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Introductory Section



City of Raymore

2009-2010

Principal Officials and Department Heads

Mayor and City Council

Juan I. Alonzo, Mayor

| | |
|---------------------------------|----------|
| Jeffrey Stevens | Ward I |
| Kevin Kellogg | Ward I |
| Mike Medsker | Ward II |
| Jeffrey Cox | Ward II |
| Dutch Becker | Ward III |
| Jeffrey Adams | Ward III |
| Charlene Hubach | Ward IV |
| Peter Kerckhoff (Mayor Pro Tem) | Ward IV |

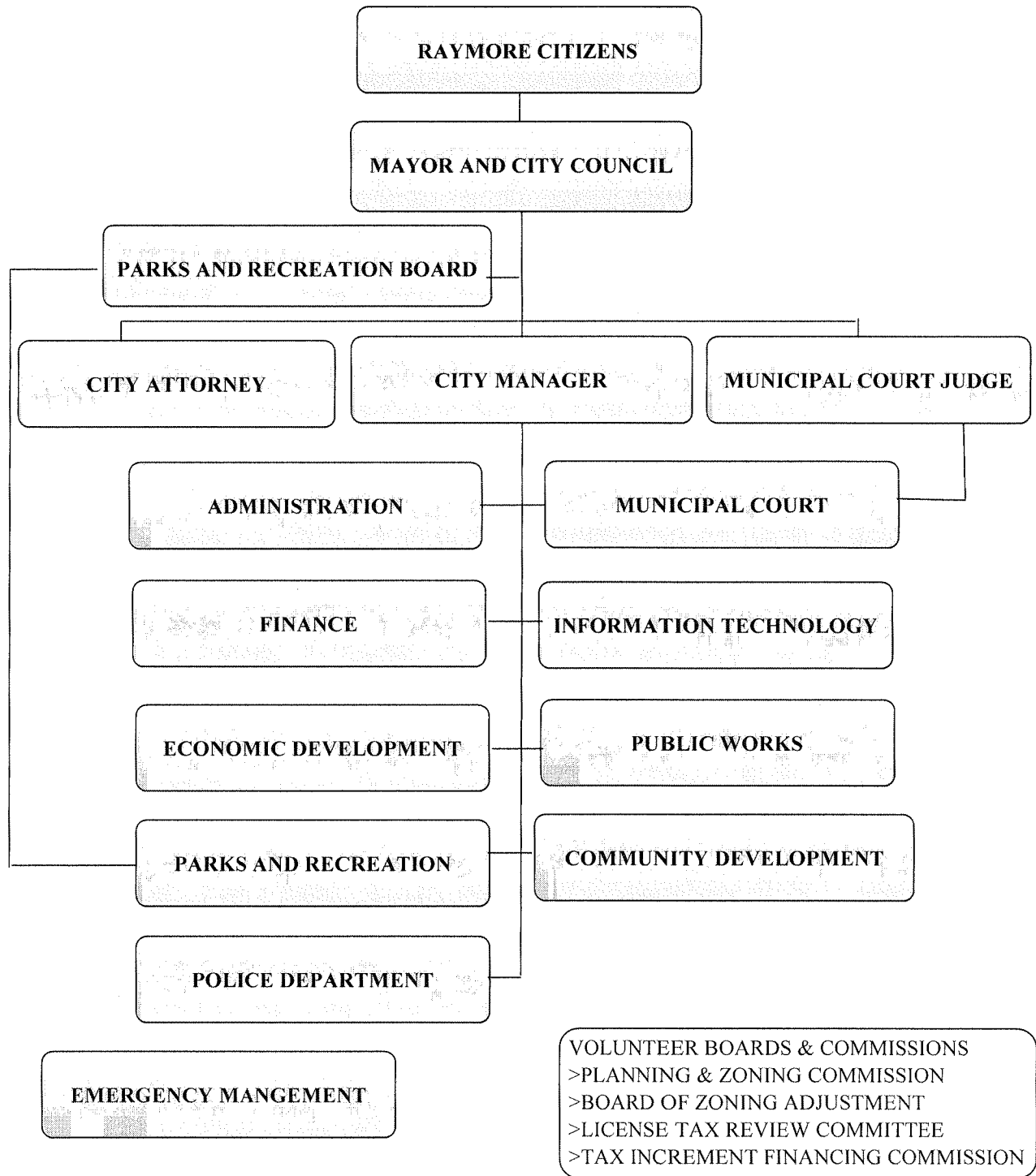
City Manager and Management Team

Eric Berlin, City Manager

| | |
|----------------|-------------------------------------|
| 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 | Park & Recreation Director |
| Gene Thompson | Economic Development Director |
| Mike Krass | Public Works Director/City Engineer |

CITY OF RAYMORE, MISSOURI

ORGANIZATIONAL CHART





City of Raymore

100 Municipal Circle
Raymore, Missouri 64083
(816) 331-0488 • Fax (816) 331-8724

April 29, 2011

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Raymore.

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended October 31, 2010.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Dana F. Cole & Company LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Raymore's financial statements for the year ended October 31, 2010. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

Raymore was initially platted in 1874, incorporated on March 20, 1877, and became a Fourth Class city on March 5, 1988. The City is almost 20 square miles in area and is located approximately 23 miles south of Downtown Kansas City in the west central part of the state. The present estimated population of the City is 19,206. Located in northwestern Cass County along U.S. 71 Highway, Raymore's recent history is dominated by rapid growth. Raymore is one of the fastest growing communities in the area, consistently placing among the top communities in monthly statistics of new residential construction in the Kansas City Metropolitan area. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Raymore is a council/manager form of government. The City adopted its Charter in November 1997. The City Council consists of eight-members with two members elected from each of the four wards. The Council members serve two-year, staggered terms. The Mayor is elected at large and serves a three-year term and presides over meetings of the City Council. The City Manager is appointed by the Mayor with the advice and consent of the City Council as the chief administrative officer of the City.

The Council members set the policy for the City and the City Manager is responsible for administering this policy in the day-to-day activities of City operations. Department Heads for municipal operations report to the City Manager.

The City of Raymore provides a wide range of services, including police, building and code enforcement; the construction and maintenance of highways, street and other infrastructure; and parks and recreational activities. The City of Raymore owns and operates its own water and sewer systems, which functions, in essence, as a department of the City of Raymore and therefore has been included as an integral part of the City of Raymore's financial statements.

The council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of Raymore's financial planning and control. The budget is prepared by fund and department (e.g., police). Departmental transfers not changing fund balance may be made with approval of the City Manager and Finance Director. Transfers between departments, however, need special approval from the governing council.

Factors affecting Financial Condition

Local Economy. The City of Raymore is mostly residential with a large variety of housing. The City has been one of the fastest growing communities in Missouri over the past ten years. The City of Raymore is served by three state highways (71, 58, and J) providing convenient commuter access to the various cultural, educational, social, industrial and marketing institutions of the region.

The major retailers in the City of Raymore are Wal-Mart, Price Chopper, and Lowes. Many major infrastructure projects are completed or near completion. The new 71 Hwy interchange in the southwestern part of Raymore opened in 2010. The project has provided the groundwork for significant industrial, commercial and residential development in that corridor. This has also stimulated interest in other developments throughout the City.

Long-Term Financial Planning. Fiscal Year 2010 proved to be a challenging year on the economic front. Although staff anticipated a drastic slow down in growth, a small increase in revenue was projected. To address this financial challenge, the city focused on cost containment efforts to meet the fiscal priorities to residents and prepare the City for long-term financial health and stability. Staff continued to monitor revenues and expenditures closely throughout the year.

These efforts continued through the fiscal year 2011 budget process to ensure sound financial position. The General Fund expenditures were budgeted at an increase of 2.66% over the previous year's budget. Two staffing positions were eliminated based on recommendation of an organization study conducted during 2010, while still addressing the Mayor and Council priorities and maintaining or expanding current service levels.

The City of Raymore's policy is to maintain a contingency fund balance in the three operating funds equal to 20 percent of annual operating expenditures. The fund balance in the General Fund, Park Fund, and Enterprise Fund all fall within the policy guidelines set by Council for budgetary and planning purposes.

The City of Raymore prepares a five-year Capital Improvement Plan (CIP) for constructing, maintaining and replacing the City's infrastructure. In preparing the budget, needs are assessed, public improvements are prioritized and costs are projected. This budget is reviewed annually and projects are reprioritized and the financial condition of the City is evaluated.

Major Initiatives. The City of Raymore continues to be an active and growing community. 60 building permits were issued during fiscal year 2010. With the recent economic downturn, both residential and commercial permits have slowed down.

The City's population has grown from 587 in 1970, 3,154 in 1980, 5,592 in 1990, 11,146 in 2000 and in the 2010 census to an estimated population of 19,206.

As a growing community, it is important for the City to maintain the ability to provide services to all citizens. The Public Works staff is continuing to work with consultants to meet our needs for the future. During the past year the water master plan was updated and staff continues to search for an additional water source.

Capital projects of approximately seven million dollars were constructed during the year using proceeds of General Obligation Bonds, water connection fees, transportation, excise, capital improvement and storm water taxes for buildings, street, storm sewer and water improvements.

In July 2010, the City Council and management team participated in a strategic goal-setting session. Elected officials assessed the City progress in achieving the long-term goals that were established in 2009 as well as implemented the results of the Organizational study conducted earlier in 2010. Staff reports on the status of the goals on a quarterly basis.

Financial Information. Management of the City is responsible for establishing and maintaining internal control designed to ensure that assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise assets, liabilities, equities, revenues and expenditures.

Budgetary control is maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Capital Projects Funds, Special Revenue Funds, Debt Service Fund, Internal Service Funds and Enterprise Funds are included in the annual appropriated budget. The level of budget control is established at the department level with Finance closely monitoring weekly activity.

Single Audit. As a recipient of federal, state, and county financial assistance, the City is also responsible for ensuring that adequate control is in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is subject to periodic evaluation by the management of the City.

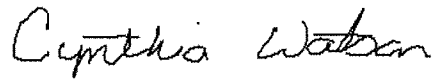
As a part of the City's single audit, tests are made to determine the adequacy of internal control, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year ended October 31, 2010 provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations.

Awards and Acknowledgements

The government received for the sixth consecutive year the GFOA's Distinguished Budget Presentation Award for its annual budget document dated October 31, 2009. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report was accomplished through the efforts of the Finance Department in cooperation with the City's auditors, Dana F. Cole & Company LLP. I wish to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I am also deeply grateful to all departments that help us to provide the statistical information. Credit must also be given to the Mayor and the Governing Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Raymore's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Cynthia Watson". The signature is written in a cursive, flowing style.

Cynthia Watson
Finance Director



Financial Section

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, 2010 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Raymore, Missouri as of October 31, 2010, 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.

In accordance with Government Auditing Standards, we have also issued our report dated April 29, 2011 on our consideration of the City of Raymore, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and budgetary comparison information on pages 9 through 17 and 54 through 57 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 accompanying introductory section, other supplementary section, statistical section, and the Schedule of Expenditures of Federal Awards as required by U.S. Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations" as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Dana J Cole + Company, LLP

Overland Park, Kansas
April 29, 2011

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, 2010. 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 \$91,472,607. Of this amount, \$9,842,829 represents unrestricted net assets and may be used to fund ongoing obligations.

Total net assets increased by \$4,268,618. 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 2010 fiscal year, the City of Raymore, Missouri's combined governmental fund balances totaled \$11,069,882. This is a decrease from the previous fiscal year of \$14,116,762. This decrease is primarily attributable to the payment of debt principal and capital outlay.

Total long-term debt for the City of Raymore, Missouri decreased during the current fiscal year by \$1,534,376 as the City serviced all long-term obligations as planned.

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 comprises three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplemental information and 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.

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).

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

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 18 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.

The City of Raymore, Missouri maintains 16 individual governmental funds in six categories. Information for the General Fund, Park and Recreation 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 58 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

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Statements

Governmental Funds (Continued)

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**

| Department | Final Budget | Actual |
|------------------------|------------------|------------------|
| Administrative | 1,054,340 | 748,404 |
| Information Technology | 296,674 | 265,880 |
| Economic Development | 211,980 | 202,353 |
| Community Development | 601,965 | 518,327 |
| Engineering | 418,969 | 409,720 |
| Streets | 872,186 | 871,857 |
| Building and Grounds | 345,768 | 341,388 |
| Stormwater | 223,666 | 221,593 |
| Court | 143,084 | 133,874 |
| Finance | 523,050 | 508,103 |
| Police | 2,786,415 | 2,619,306 |
| Emergency preparedness | <u>100,304</u> | <u>95,353</u> |
| Totals | <u>7,578,401</u> | <u>6,936,158</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 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, sewer, and trash 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 26 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 Funds financial statement can be found on page 30 of this report.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

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 31 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 \$91,468,669 at the close of the fiscal year.

The largest portion of the City of Raymore, Missouri's net assets, 83.0%, 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
Statement of Net Assets
(in thousands of dollars)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|----------------------------|---------------|-----------------------------|---------------|----------------|----------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| ASSETS | | | | | | |
| Current and other assets | 12,663 | 15,334 | 7,319 | 9,838 | 19,982 | 25,172 |
| Capital assets | <u>65,606</u> | <u>57,721</u> | <u>37,569</u> | <u>37,205</u> | <u>103,175</u> | <u>94,926</u> |
| Total assets | <u>78,269</u> | <u>73,055</u> | <u>44,888</u> | <u>47,043</u> | <u>123,157</u> | <u>120,098</u> |
| LIABILITIES | | | | | | |
| Other liabilities | 1,861 | 27,898 | 831 | 2,629 | 2,692 | 30,527 |
| Long-term debt | <u>26,796</u> | <u>1,530</u> | <u>2,197</u> | <u>837</u> | <u>28,993</u> | <u>2,367</u> |
| Total liabilities | <u>28,657</u> | <u>29,428</u> | <u>3,028</u> | <u>3,466</u> | <u>31,685</u> | <u>32,894</u> |
| NET ASSETS | | | | | | |
| Invested in capital assets, net of related debt | 40,540 | 30,259 | 35,414 | 37,205 | 75,954 | 67,464 |
| Restricted | 4,113 | 8,543 | 1,562 | 1,090 | 5,675 | 9,633 |
| Unrestricted | <u>4,959</u> | <u>4,825</u> | <u>4,884</u> | <u>5,282</u> | <u>9,843</u> | <u>10,107</u> |
| Total net assets | <u>49,612</u> | <u>43,627</u> | <u>41,860</u> | <u>43,577</u> | <u>91,472</u> | <u>87,204</u> |

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Additionally, a portion of the City of Raymore, Missouri's net assets (6.2% 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" by policy 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's
Statement of Changes in Net Assets**
(in thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | |
|------------------------------------|----------------------------|---------------|-----------------------------|--------------|---------------|---------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| REVENUES | | | | | | |
| Program revenues | | | | | | |
| Charges for services | 1,145 | 1,450 | 5,903 | 4,847 | 7,048 | 6,297 |
| Operating grants and contributions | 590 | 92 | | | 590 | 92 |
| Capital grants and contributions | 5,128 | 303 | | | 5,128 | 303 |
| General revenues | | | | | | |
| Property taxes | 3,864 | 3,359 | | | 3,864 | 3,359 |
| Sales taxes | 4,219 | 4,669 | | | 4,219 | 4,669 |
| Franchise taxes | 2,479 | 2,260 | | | 2,479 | 2,260 |
| Other taxes | 534 | 499 | | | 534 | 499 |
| Other revenue | 381 | 913 | 145 | 208 | 526 | 1,121 |
| Total revenues | <u>18,340</u> | <u>13,545</u> | <u>6,048</u> | <u>5,055</u> | <u>24,388</u> | <u>18,600</u> |
| EXPENSES | | | | | | |
| Administration | 851 | 673 | | | 851 | 673 |
| Information technology | 285 | 227 | | | 285 | 227 |
| Economic development | 202 | 197 | | | 202 | 197 |
| Community development | 524 | 573 | | | 524 | 573 |
| Engineering | 497 | 371 | | | 497 | 371 |
| Streets and roads | 4,132 | 695 | | | 4,132 | 695 |
| Buildings and grounds | 521 | 314 | | | 521 | 314 |
| Stormwater | 237 | 184 | | | 237 | 184 |
| Municipal Court | 134 | 138 | | | 134 | 138 |
| Finance | 508 | 506 | | | 508 | 506 |
| Police | 2,659 | 2,789 | | | 2,659 | 2,789 |

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| EXPENSES (Continued) | | | | | | |
| Emergency Management | 104 | 111 | | | 104 | 111 |
| Depreciation | | 3,413 | | | | 3,413 |
| Parks and Recreation | 980 | 871 | | | 980 | 871 |
| Water and Sewer | | | 7,266 | 6,146 | 7,266 | 6,146 |
| Interest/fiscal | <u>1,220</u> | <u>1,325</u> | | | <u>1,220</u> | <u>1,325</u> |
| Total expenses | <u>12,854</u> | <u>12,387</u> | <u>7,266</u> | <u>6,146</u> | <u>20,120</u> | <u>18,533</u> |
| | | | | | | |
| INCREASE (DECREASE) BEFORE TRANSFERS | 5,486 | 1,158 | (1,218) | (1,091) | 4,268 | 67 |
| | | | | | | |
| TRANSFERS | <u>499</u> | <u>847</u> | <u>(499)</u> | <u>(847)</u> | | |
| | | | | | | |
| CHANGE IN NET ASSETS | 5,985 | 2,005 | (1,717) | (1,938) | 4,268 | 67 |
| | | | | | | |
| NET ASSETS, BEGINNING | <u>43,627</u> | <u>41,622</u> | <u>43,577</u> | <u>45,515</u> | <u>87,204</u> | <u>87,137</u> |
| | | | | | | |
| NET ASSETS, ENDING | <u>49,612</u> | <u>43,627</u> | <u>41,860</u> | <u>43,577</u> | <u>91,472</u> | <u>87,204</u> |

Governmental Activities

Governmental activities increased the City of Raymore, Missouri's net assets by \$5,985,314 which was offset by a decrease in Business-Type activities of \$1,716,696, therefore leading to a current year increase of \$4,268,618 in net assets.

Revenues were up in the governmental activities funds, primarily due to increases in capital grants and contributions associated with capital projects. Tax revenues remained fairly steady. Charges for services show an increase over the prior year, rebounding slightly from the slow down in the economy.

Expenses in the governmental activities were up by a total of \$468,581. The prior year depreciation shown was allocated throughout the associated departments in FY10, which primarily explains the increase in the Street and Parks departments.

Business-Type Activities

Business-type activities decreased the City of Raymore, Missouri's net assets by \$1,716,696 as costs associated with providing the services exceeded related revenues.

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

Governmental Funds

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 98.2% the entire \$4,508,214 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 64.1% of the total General Fund expenditures \$7,032,972.

The total fund balance in the City of Raymore, Missouri's General Fund increased \$558,397 compared to the previous fiscal year. The key factor associated with this increase was decreased operational spending.

The Debt Service Fund has a total fund balance of \$910,021, 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 \$159,655. 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 \$4,883,880. This is down from the previous year's amount of \$5,282,292. Total net assets in this fund decreased by \$1,716,696. 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.

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 \$103,175,443 (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 \$8,250,002. This increase is primarily attributable to the increase of \$11,708,402 in additional infrastructure.

Additional information on the City's capital assets can be found in the Note 3 on pages 41 to 43 of this report.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Raymore, Missouri

Capital Assets

(in thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|----------------------------|---------------|-----------------------------|---------------|----------------|----------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Land and construction in progress | 7,155 | 7,300 | 703 | 501 | 7,858 | 7,801 |
| Buildings, improvements, and related office equipment | 13,401 | 12,993 | 354 | 354 | 13,755 | 13,347 |
| Machinery, equipment, and vehicles | 2,266 | 2,223 | 3,641 | 1,258 | 5,907 | 3,481 |
| Infrastructure | 74,882 | 63,691 | 70,970 | 70,453 | 145,852 | 134,144 |
| | <u>97,704</u> | <u>86,207</u> | <u>75,668</u> | <u>72,566</u> | <u>173,372</u> | <u>158,773</u> |
| Less accumulated depreciation | (32,097) | (28,486) | (38,099) | (35,361) | (70,196) | (63,847) |
| Capital assets, net of depreciation | <u>65,607</u> | <u>57,721</u> | <u>37,569</u> | <u>37,205</u> | <u>103,176</u> | <u>94,926</u> |

Long-Term Debt

At the end of the current fiscal year, the City of Raymore, Missouri had total long-term debt outstanding of \$28,463,723. As stated previously, this is a decrease in total debt of \$1,572,840, all of which was retired debt on still existing issues.

Additional information on the City's long-term debt can be found in Note 4 on pages 43 to 49 of this report.

City of Raymore, Missouri

Outstanding Debt

(in thousands of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------|----------------------------|---------------|-----------------------------|--------------|---------------|---------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| General obligation bonds | 20,595 | 21,290 | | | 20,595 | 21,290 |
| Revenue bonds | | | 2,145 | 2,575 | 2,145 | 2,575 |
| Notes payable | 258 | 276 | | | 258 | 276 |
| Special obligation bonds | 3,645 | 3,820 | | | 3,645 | 3,820 |
| Capital appreciation bonds | 366 | 436 | | | 366 | 436 |
| Certificates of participation | 1,455 | 1,640 | | | 1,455 | 1,640 |
| Total | <u>26,319</u> | <u>27,462</u> | <u>2,145</u> | <u>2,575</u> | <u>28,464</u> | <u>30,037</u> |

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS, NEXT YEAR'S BUDGET, AND RATES

General Fund revenues for fiscal year 2011 are projected to total \$7,783,394. This represents an overall conservative growth of 1.01% over the prior year budget. Property taxes and Sales taxes are projected to be slightly higher this fiscal year. The City now benefits from the growth of franchise revenue since the litigation involving several wireless communications companies was concluded in 2010 in favor of the cities involved and will recognize the last of protested revenue during fiscal year 2011.

General Fund budgeted expenditures are projected to total \$8,596,054 compared to \$8,372,966 in 2010. This represents a 2.66% increase over the prior year budget. Of this amount, \$830,000 are interfund transfers directed by council utilizing unreserved fund balance.

During the current fiscal year, unreserved, undesignated fund balance in the General Fund increased \$573,469. The City has not appropriated this amount in the 2011 fiscal year.

The City will continue to monitor and respond to the ongoing changes in the economy.

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, 2010

| | Primary Government | | | Component Unit |
|--|----------------------------|-----------------------------|--------------------|--------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| ASSETS | | | | |
| Cash and cash equivalents | 1,212,534 | | 1,212,534 | |
| Investments | 5,783,020 | 4,187,523 | 9,970,543 | |
| Taxes receivable | 999,693 | | 999,693 | |
| Accounts receivable, net | 845,670 | 1,142,448 | 1,988,118 | |
| Interest receivable | 21,369 | 14,276 | 35,645 | |
| Prepaid expenses | 72,755 | 20,440 | 93,195 | |
| Inventory | 57,017 | 37,050 | 94,067 | |
| Restricted cash | 1,893,761 | 21,747 | 1,915,508 | 716,265 |
| Restricted investments | 1,448,662 | 1,845,546 | 3,294,208 | |
| Bond issuance cost - net of amortization | 328,247 | 49,776 | 378,023 | 82,056 |
| Capital assets | | | | |
| Land | 3,030,480 | 337,399 | 3,367,879 | |
| Construction in progress | 4,124,802 | 365,304 | 4,490,106 | |
| Other capital assets, net of accumulated depreciation | <u>58,451,394</u> | <u>36,866,064</u> | <u>95,317,458</u> | |
| TOTAL ASSETS | <u>78,269,404</u> | <u>44,887,573</u> | <u>123,156,977</u> | <u>798,321</u> |
| LIABILITIES | | | | |
| Accounts payable | 1,174,033 | 473,195 | 1,647,228 | 24,420 |
| Accrued expenses | 90,566 | 9,906 | 100,472 | 88,966 |
| Meter deposits | | 304,815 | 304,815 | |
| Accrued bond interest | 596,840 | 42,634 | 639,474 | |
| Long-term liabilities | | | | |
| Due within one year | 1,680,376 | 502,791 | 2,183,167 | 225,018 |
| Due in more than one year | <u>25,115,286</u> | <u>1,693,928</u> | <u>26,809,214</u> | <u>9,257,795</u> |
| TOTAL LIABILITIES | <u>28,657,101</u> | <u>3,027,269</u> | <u>31,684,370</u> | <u>9,596,199</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 40,539,968 | 35,413,946 | 75,953,914 | |
| Restricted for: | | | | |
| Debt service | 222,965 | 1,562,478 | 1,785,443 | 716,265 |
| Capital projects | 3,890,421 | | 3,890,421 | |
| Unrestricted | <u>4,958,949</u> | <u>4,883,880</u> | <u>9,842,829</u> | <u>(9,514,143)</u> |
| TOTAL NET ASSETS | <u>49,612,303</u> | <u>41,860,304</u> | <u>91,472,607</u> | <u>(8,797,878)</u> |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2010

| Functions/programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Unit |
|-------------------------------|-------------------|----------------------------|---|---|--|-----------------------------|--------------------|-------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | |
| | | | | | Governmental Activities | Business-Type Activities | Total | |
| Primary government | | | | | | | | |
| Governmental activities | | | | | | | | |
| Administration | 851,269 | 182,285 | | | (668,984) | | (668,984) | |
| Information Technology | 284,474 | | | | (284,474) | | (284,474) | |
| Economic Development | 202,353 | | | | (202,353) | | (202,353) | |
| Community Development | 524,118 | 315,896 | | | (208,222) | | (208,222) | |
| Engineering | 497,022 | | | | (497,022) | | (497,022) | |
| Streets and Roads | 4,131,963 | | 346,610 | 5,127,759 | 1,342,406 | | 1,342,406 | |
| Building and Grounds | 521,274 | | | | (521,274) | | (521,274) | |
| Stormwater | 237,444 | | 143,980 | | (93,464) | | (93,464) | |
| Municipal Court | 133,874 | | | | (133,874) | | (133,874) | |
| Finance | 508,103 | | | | (508,103) | | (508,103) | |
| Police | 2,658,663 | 329,892 | 99,555 | | (2,229,216) | | (2,229,216) | |
| Emergency preparedness | 104,260 | | | | (104,260) | | (104,260) | |
| Parks and Recreation | 979,876 | 316,810 | | | (663,066) | | (663,066) | |
| Interest on long-term debt | 1,219,667 | | | | (1,219,667) | | (1,219,667) | |
| Total governmental activities | <u>12,854,360</u> | <u>1,144,883</u> | <u>590,145</u> | <u>5,127,759</u> | <u>(5,991,573)</u> | | <u>(5,991,573)</u> | |
| Business-type activities | | | | | | | | |
| Water and Sewer | <u>7,266,387</u> | <u>5,902,537</u> | | | | (1,363,850) | (1,363,850) | |
| Total primary government | <u>20,120,747</u> | <u>7,047,420</u> | <u>590,145</u> | <u>5,127,759</u> | <u>(5,991,573)</u> | <u>(1,363,850)</u> | <u>(7,355,423)</u> | |
| Galleria TIF Component Unit | <u>576,795</u> | | | | | | | <u>(576,795)</u> |

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2010

| | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Unit |
|-------------------------------|----------|----------------------------|---|---|--|-----------------------------|--------------------|-------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | |
| | | | | | Governmental Activities | Business-Type Activities | Total | |
| General revenues | | | | | | | | |
| Taxes | | | | | | | | |
| Property tax | | | | 3,863,969 | | 3,863,969 | 233,799 | |
| Sales taxes | | | | 4,219,216 | | 4,219,216 | 410,786 | |
| Other | | | | 534,372 | | 534,372 | | |
| Franchise fees | | | | 2,479,055 | | 2,479,055 | | |
| Investment income | | | | 56,963 | 146,489 | 203,452 | 4,420 | |
| Refunds and reimbursements | | | | 250,396 | | 250,396 | | |
| Miscellaneous revenue | | | | 73,581 | | 73,581 | | |
| Total general revenues | | | | <u>11,477,552</u> | <u>146,489</u> | <u>11,624,041</u> | <u>649,005</u> | |
| Transfers | | | | <u>499,335</u> | <u>(499,335)</u> | | | |
| CHANGE IN NET ASSETS | | | | 5,985,314 | (1,716,696) | 4,268,618 | 72,210 | |
| NET ASSETS, beginning of year | | | | <u>43,626,989</u> | <u>43,577,000</u> | <u>87,203,989</u> | <u>(8,870,088)</u> | |
| NET ASSETS, end of year | | | | <u>49,612,303</u> | <u>41,860,304</u> | <u>91,472,607</u> | <u>(8,797,878)</u> | |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
OCTOBER 31, 2010

| | 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 | 293,539 | 198,808 | 10,396 | 108,763 | | 75,966 | 525,062 | 1,212,534 |
| Investments | 3,494,738 | 552,910 | 281,142 | 785,516 | 243,872 | 159,434 | 265,408 | 5,783,020 |
| Taxes receivable | 553,476 | 74,235 | 147,250 | 3,496 | 147,611 | 73,625 | | 999,693 |
| Interest receivable | 12,592 | 2,029 | 1,032 | 2,882 | 1,276 | 585 | 973 | 21,369 |
| Other receivables | 42,415 | 4,870 | | | 342,672 | | 81,240 | 471,197 |
| Due from fiduciary funds | 290,690 | | | | | | | 290,690 |
| Due from other governments | | | 3,938 | | | 79,845 | | 83,783 |
| Prepaid items | 65,689 | 7,066 | | | | | | 72,755 |
| Inventory | 57,017 | | | | | | | 57,017 |
| Restricted cash | 16,894 | 217,187 | 1,650,316 | 9,364 | | | | 1,893,761 |
| Restricted investments | | | 1,004,418 | | 397,064 | 47,180 | | 1,448,662 |
| 21 TOTAL ASSETS | <u>4,827,050</u> | <u>1,057,105</u> | <u>3,098,492</u> | <u>910,021</u> | <u>1,132,495</u> | <u>436,635</u> | <u>872,683</u> | <u>12,334,481</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| LIABILITIES | | | | | | | | |
| Accounts payable | 238,268 | 20,412 | 119,516 | | 678,563 | 59,545 | 57,729 | 1,174,033 |
| Accrued expenses | 80,568 | 9,998 | | | | | | 90,566 |
| Total liabilities | <u>318,836</u> | <u>30,410</u> | <u>119,516</u> | | <u>678,563</u> | <u>59,545</u> | <u>57,729</u> | <u>1,264,599</u> |
| FUND BALANCES | | | | | | | | |
| Reserved for: | | | | | | | | |
| Prepaid items | 65,689 | 7,066 | | | | | | 72,755 |
| Debt service | | 213,601 | | 9,364 | | | | 222,965 |
| Capital projects | | | 2,654,734 | | 397,064 | 47,180 | 791,443 | 3,890,421 |
| Other purposes | 16,894 | 3,586 | | | | | | 20,480 |
| Unreserved | 4,425,631 | 802,442 | 324,242 | 900,657 | 56,868 | 329,910 | | 6,839,750 |
| Unreserved, reported in nonmajor | | | | | | | | |
| Special revenue funds | | | | | | | 23,511 | 23,511 |
| Total fund balances | <u>4,508,214</u> | <u>1,026,695</u> | <u>2,978,976</u> | <u>910,021</u> | <u>453,932</u> | <u>377,090</u> | <u>814,954</u> | <u>11,069,882</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>4,827,050</u> | <u>1,057,105</u> | <u>3,098,492</u> | <u>910,021</u> | <u>1,132,495</u> | <u>436,635</u> | <u>872,683</u> | <u>12,334,481</u> |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
OCTOBER 31, 2010

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

| | |
|---|------------|
| Fund balance - total governmental funds | 11,069,882 |
|---|------------|

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

| | | |
|-------------------------------|--|---------------------|
| Governmental capital assets | | 97,704,091 |
| Less accumulated depreciation | | <u>(32,097,415)</u> |
| | | 65,606,676 |

| | |
|--|-----------|
| Bond interest expense was accrued for governmental activities. | (596,840) |
|--|-----------|

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 | | 35,227 |
| Bond premiums | | (93,212) |
| Bond cost, net of amortization | | <u>328,247</u> |
| | | 270,262 |

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

| | | |
|-------------------------------|--|--------------------|
| Notes payable | | (258,000) |
| Capital appreciation bonds | | (365,723) |
| General obligation bonds | | (20,595,000) |
| Special obligation bonds | | (3,645,000) |
| Certificates of participation | | <u>(1,455,000)</u> |
| | | (26,318,723) |

| | |
|---|------------------|
| Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. | <u>(418,954)</u> |
|---|------------------|

| | |
|---------------------------------------|-------------------|
| NET ASSETS OF GOVERNMENTAL ACTIVITIES | <u>49,612,303</u> |
|---------------------------------------|-------------------|

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2010

| | General Fund | Park and Recreation Fund | Transportation Fund | Debt Service Fund | Capital Improvement Fund | Storm Water Sales Tax Fund | Other Nonmajor Funds | Total Governmental Funds |
|-----------------------------|------------------|--------------------------|---------------------|-------------------|--------------------------|----------------------------|----------------------|--------------------------|
| REVENUES | | | | | | | | |
| Taxes | | | | | | | | |
| Property | 1,156,459 | 314,214 | 152,951 | 1,783,905 | | 456,440 | | 3,863,969 |
| Sales | 2,023,766 | 427,465 | 883,919 | | 884,066 | | | 4,219,216 |
| Franchise | 2,479,055 | | | | | | | 2,479,055 |
| Other | 406,136 | | | | | | 128,236 | 534,372 |
| Charges for services | 164,499 | 316,810 | | | 1,227 | | | 482,536 |
| Fines and forfeitures | 329,892 | | | 16,559 | | | | 346,451 |
| Licenses, fees, and permits | 315,896 | | | | | | | 315,896 |
| Intergovernmental | 99,555 | | 3,938 | | 342,672 | 143,980 | | 590,145 |
| Interest | 27,872 | 4,605 | 10,368 | 8,040 | 7,033 | (2,706) | 1,751 | 56,963 |
| Refunds and reimbursements | 248,350 | | | | 1,636 | 410 | | 250,396 |
| Miscellaneous | 45,662 | 16,719 | | | | | | 62,381 |
| Total revenues | <u>7,297,142</u> | <u>1,079,813</u> | <u>1,051,176</u> | <u>1,808,504</u> | <u>1,236,634</u> | <u>598,124</u> | <u>129,987</u> | <u>13,201,380</u> |
| EXPENDITURES | | | | | | | | |
| Current | | | | | | | | |
| Administration | 748,404 | | | | | | | 748,404 |
| Information Technology | 265,880 | | | | | | | 265,880 |
| Economic Development | 202,353 | | | | | | | 202,353 |
| Community Development | 518,327 | | | | | | | 518,327 |
| Engineering | 409,720 | | | | | | | 409,720 |
| Streets | 871,857 | | | | | | | 871,857 |
| Building and grounds | 341,388 | | | | | | | 341,388 |
| Stormwater | 221,593 | | | | | 3,799 | | 225,392 |
| Court | 133,874 | | | | | | | 133,874 |
| Finance | 508,103 | | | | | | | 508,103 |
| Police | 2,619,306 | | | | | | | 2,619,306 |
| Emergency Management | 95,353 | | | | | | | 95,353 |
| Parks and Recreation | | 878,376 | | | | | | 878,376 |
| Capital outlay | 96,814 | 379,121 | 2,787,711 | | 1,526,850 | 310,241 | 1,423,092 | 6,523,829 |
| Debt service | | | | | | | | |
| Principal | | 37,000 | | 764,840 | 175,000 | 166,000 | | 1,142,840 |
| Interest and fiscal fees | | 9,682 | | 1,060,492 | 162,289 | 41,330 | | 1,273,793 |
| Total expenditures | <u>7,032,972</u> | <u>1,304,179</u> | <u>2,787,711</u> | <u>1,825,332</u> | <u>1,864,139</u> | <u>521,370</u> | <u>1,423,092</u> | <u>16,758,795</u> |

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2010

| | 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>264,170</u> | <u>(224,366)</u> | <u>(1,736,535)</u> | <u>(16,828)</u> | <u>(627,505)</u> | <u>76,754</u> | <u>(1,293,105)</u> | <u>(3,557,415)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Proceeds from sale of assets | | | | | | | 11,200 | 11,200 |
| Transfers in | 1,102,908 | 47,805 | 400,000 | | 173,515 | 3,674 | 454,936 | 2,182,838 |
| Transfers out | <u>(808,681)</u> | <u>(34,899)</u> | <u>(496,000)</u> | <u>(142,827)</u> | | <u>(175,511)</u> | <u>(25,585)</u> | <u>(1,683,503)</u> |
| Total other financing sources (uses) | <u>294,227</u> | <u>12,906</u> | <u>(96,000)</u> | <u>(142,827)</u> | <u>173,515</u> | <u>(171,837)</u> | <u>440,551</u> | <u>510,535</u> |
| NET CHANGE IN FUND BALANCES | 558,397 | (211,460) | (1,832,535) | (159,655) | (453,990) | (95,083) | (852,554) | (3,046,880) |
| FUND BALANCE, beginning 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> |
| FUND BALANCE, end of year | <u>4,508,214</u> | <u>1,026,695</u> | <u>2,978,976</u> | <u>910,021</u> | <u>453,932</u> | <u>377,090</u> | <u>814,954</u> | <u>11,069,882</u> |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2010

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

Net change in fund balances - total governmental funds (3,046,880)

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 was less than capital outlay in the current period.

| | | |
|----------------------------|--------------------|-----------|
| Capital outlay capitalized | 6,523,829 | |
| Contributed capital | 5,127,759 | |
| Depreciation | <u>(3,765,491)</u> | |
| | | 7,886,097 |

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

| | | |
|---|-----------------|-----------|
| Debt principal payments | 1,142,840 | |
| Decrease in accrued bond interest expense | 75,454 | |
| Amortization of premiums, discounts, and bond costs | <u>(21,328)</u> | |
| | | 1,196,966 |

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 governmental funds.

| | | |
|----------------------|--|-----------------|
| Compensated absences | | <u>(50,869)</u> |
|----------------------|--|-----------------|

| | | |
|---|--|------------------|
| CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES | | <u>5,985,314</u> |
|---|--|------------------|

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
OCTOBER 31, 2010

| | Enterprise Fund |
|---|--------------------|
| ASSETS | |
| Current Assets | |
| Investments | 4,187,523 |
| Accounts receivable, net | 1,142,448 |
| Interest receivable | 14,276 |
| Inventory | 37,050 |
| Prepaid expenses | 20,440 |
| Total current assets | <u>5,401,737</u> |
| Noncurrent Assets | |
| Restricted cash | 21,747 |
| Restricted investments | 1,845,546 |
| Bond issuance cost - net of amortization | 49,776 |
| Capital assets | |
| Land | 337,399 |
| Construction in progress | 365,304 |
| Other capital assets, net of accumulated depreciation | <u>36,866,064</u> |
| Total noncurrent assets | <u>39,485,836</u> |
| TOTAL ASSETS | <u>44,887,573</u> |
| LIABILITIES | |
| Current Liabilities | |
| Accounts payable | 473,195 |
| Accrued expenses | 9,906 |
| Accrued bond interest | 42,634 |
| Meter deposits | 304,815 |
| Current portion of long-term obligations | 502,791 |
| Total current liabilities | <u>1,333,341</u> |
| Noncurrent Liabilities | |
| Noncurrent portion of long-term obligations | <u>1,693,928</u> |
| TOTAL LIABILITIES | <u>3,027,269</u> |
| NET ASSETS | |
| Invested in capital assets, net of related debt | 35,413,946 |
| Restricted for: | |
| Debt service | 1,562,478 |
| Unrestricted | <u>4,883,880</u> |
| TOTAL NET ASSETS | <u>41,860,304</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, 2010

| | Enterprise Fund |
|--|--------------------|
| OPERATING REVENUES | |
| Charges for service | 5,755,109 |
| Penalties | 132,516 |
| Miscellaneous | <u>14,912</u> |
| Total operating revenues | <u>5,902,537</u> |
| OPERATING EXPENSES | |
| Personal services | 668,172 |
| Contractual services | 1,483,070 |
| Commodities | 1,259,279 |
| Utilities/maintenance | 947,545 |
| Depreciation | 2,738,866 |
| Amortization | <u>12,968</u> |
| Total operating expenses | <u>7,109,900</u> |
| OPERATING LOSS | <u>(1,207,363)</u> |
| NONOPERATING REVENUES (EXPENSES) | |
| Investment income | 146,489 |
| Bond interest and fees | <u>(156,487)</u> |
| Total nonoperating revenues (expenses) | <u>(9,998)</u> |
| LOSS BEFORE TRANSFERS | <u>(1,217,361)</u> |
| TRANSFERS | |
| Transfers in | 142,827 |
| Transfers out | <u>(642,162)</u> |
| Net transfers | <u>(499,335)</u> |
| CHANGE IN NET ASSETS | (1,716,696) |
| NET ASSETS, beginning of year | <u>43,577,000</u> |
| NET ASSETS, end of year | <u>41,860,304</u> |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2010

| | |
|---|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers | 5,616,812 |
| Payments to suppliers | (3,667,519) |
| Payments to employees | (669,785) |
| Other receipts (claims) | <u>14,912</u> |
| Net cash provided by operating activities | <u>1,294,420</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfers from other funds | 142,827 |
| Transfers to other funds | <u>(642,162)</u> |
| Net cash used in noncapital financing activities | <u>(499,335)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Purchases of capital assets | (3,102,772) |
| Long-term debt payments | (430,000) |
| Interest and fiscal fees paid on long-term debt | <u>(165,203)</u> |
| Net cash used in capital and related financing activities | <u>(3,697,975)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest and dividends | 139,837 |
| Increase in investments | <u>(3,554,721)</u> |
| Net cash used in investing activities | <u>(3,414,884)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (6,317,774) |
| CASH AND CASH EQUIVALENTS, beginning of year | <u>6,339,521</u> |
| CASH AND CASH EQUIVALENTS, end of year | <u>21,747</u> |

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2010

| | |
|--|--------------------|
| ALLOCATION OF CASH | |
| Restricted | <u>21,747</u> |
| | |
| Reconciliation of Operating Loss to Net Cash Provided by Operating Activities | |
| Operating loss | <u>(1,207,363)</u> |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | |
| Depreciation and amortization | 2,751,834 |
| (Increase) decrease in: | |
| Receivables | (252,123) |
| Prepaid expenses | 2,252 |
| Increase (decrease) in: | |
| Accounts payable | 20,123 |
| Accrued expenses | (173) |
| Compensated absences | (1,440) |
| Meter deposits | <u>(18,690)</u> |
| Total adjustments | <u>2,501,783</u> |
| Net cash provided by operating activities | <u>1,294,420</u> |

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
OCTOBER 31, 2010

| | Agency Fund |
|---------------------------|--------------------|
| ASSETS | |
| Cash and cash equivalents | 134,217 |
| Accounts receivable | 7,049 |
| Interest receivable | 2,971 |
| Investments at fair value | <u>809,358</u> |
| TOTAL ASSETS | <u>953,595</u> |
| LIABILITIES | |
| Due to others | 95,277 |
| Due to escrow agents | <u>858,318</u> |
| TOTAL LIABILITIES | <u>953,595</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. The City 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 18,594 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. Component units are reported in the City's financial statements as follows:

Blended Component Units

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

Blended Component Units (Continued)

Raymore Municipal Assistance Corporation (Continued)

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.

Discretely Presented Component Unit

Galleria TIF District

This reporting unit accounts for the proceeds of the TIF notes issued to pay for the Galleria TIF district along with the tax proceeds and uses generated by the District. The Raymore City Council appoints all six members of the TIF Commission's Board of Directors.

Agency Fund

The City is voluntarily acting in a fiduciary capacity to account for the transactions of the 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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

Government-Wide Statements (Continued)

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.

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.

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)

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.

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.

Major Capital Improvement Funds

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

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. This fund was closed during the year ended October 31, 2010.

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.

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)

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.

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 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.

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)

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.

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 with the exception of the Development Projects and the Public Works Funds have legally adopted annual budgets. 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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. CASH AND INVESTMENTS (Continued)

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.

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. CAPITAL ASSETS (Continued)

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 |

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATION (Continued)

Government-Wide Statements (Continued)

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.

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 requires deposits to be 100 percent secured by collateral valued at market less the amount covered by the FDIC.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

As of October 31, 2010, 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.

As of October 31, 2010, the City had the following investments.

| Investment Type | Maturity Date | Yield % | Rating | Fair Value |
|--|---------------|------------------|------------------|-------------------|
| FHLB Discount Note | 09/07/12 | 1.375 | AAA | 2,000,000 |
| FHLB Discount Note | 12/23/13 | 2.10 | AAA | 2,500,000 |
| FHLB Discount Note | 08/25/14 | 1.00 | AAA | 2,000,000 |
| FHLB Discount Note | 09/09/14 | 1.30 | AAA | 2,000,000 |
| Certificate of Deposit | 05/09/11 | 0.61 | | 2,000,000 |
| Certificate of Deposit | 02/22/10 | 0.89 | | 451,988 |
| Certificate of Deposit | 06/26/11 | 0.65 | | 654,609 |
| Certificate of Deposit | 06/01/11 | 0.75 | | 397,064 |
| Certificate of Deposit | 2/26/11 | 0.89 | | 1,004,418 |
| Investments held in trust | Various | Various | | <u>1,066,030</u> |
| Total investments | | | | 14,074,109 |
| Less: Investments allocated to Fiduciary Funds | | | | <u>(809,358)</u> |
| Total investments allocated to City Funds | | | | <u>13,264,751</u> |
| Investment | | Unrestricted | Restricted | Total |
| Governmental Activities | | 5,783,020 | 1,448,662 | 7,231,682 |
| Business-Type Activities | | <u>4,187,523</u> | <u>1,845,546</u> | <u>6,033,069</u> |
| | | <u>9,970,543</u> | <u>3,294,208</u> | <u>13,264,751</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

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.

NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended October 31, 2010 was as follows:

| | Balance October 31, 2009 | Additions | Deletions | Balance October 2010 |
|---|--------------------------------|-------------------|--------------------|----------------------------|
| <u>Governmental Activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land | 3,030,480 | | | 3,030,480 |
| Construction in progress | <u>4,269,438</u> | <u>2,414,774</u> | <u>(2,559,410)</u> | <u>4,124,802</u> |
| Total capital assets not being depreciated | <u>7,299,918</u> | <u>2,414,774</u> | <u>(2,559,410)</u> | <u>7,155,282</u> |
| Capital assets, being depreciated | | | | |
| Intangible property | 155,887 | | | 155,887 |
| Buildings and improvements | 12,586,639 | 386,555 | | 12,973,194 |
| Office equipment and furniture | 47,770 | | | 47,770 |
| Computer equipment and software | 202,556 | 21,810 | | 224,366 |
| Machinery and equipment | 1,031,966 | 54,415 | (40,140) | 1,046,241 |
| Vehicles | 1,190,905 | 142,870 | (114,263) | 1,219,512 |
| Infrastructure | <u>63,691,265</u> | <u>11,190,574</u> | | <u>74,881,839</u> |
| Total capital assets being depreciated | <u>78,906,988</u> | <u>11,796,224</u> | <u>(154,403)</u> | <u>90,548,809</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

| | Balance October 31, 2009 | Additions | Deletions | Balance October 2010 |
|--|--------------------------------|-----------------------|------------------------|----------------------------|
| <u>Governmental Activities (Continued)</u> | | | | |
| Less accumulated depreciation for: | | | | |
| Intangible property | 20,254 | 11,922 | | 32,176 |
| Buildings and improvements | 1,916,618 | 456,735 | | 2,373,353 |
| Office equipment and furniture | 36,237 | 2,820 | | 39,057 |
| Computer equipment and software | 143,759 | 13,192 | | 156,951 |
| Machinery and equipment | 515,990 | 103,933 | (12,851) | 607,072 |
| Vehicles | 665,051 | 140,144 | (100,524) | 704,671 |
| Infrastructure | <u>25,188,418</u> | <u>2,995,717</u> | | <u>28,184,135</u> |
| Total accumulated depreciation | <u>28,486,327</u> | <u>3,724,463</u> | <u>(113,375)</u> | <u>32,097,415</u> |
| Total capital assets, being depreciated | <u>50,420,661</u> | <u>8,071,761</u> | <u>(41,028)</u> | <u>58,451,394</u> |
| Governmental activities capital assets, net | <u>57,720,579</u> | <u>10,486,535</u> | <u>(2,600,438)</u> | <u>65,606,676</u> |
| <u>Business-Type Activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land | 337,399 | | | 337,399 |
| Construction in progress | <u>163,630</u> | <u>300,251</u> | <u>(98,577)</u> | <u>365,304</u> |
| Total capital assets not being depreciated | <u>501,029</u> | <u>300,251</u> | <u>(98,577)</u> | <u>702,703</u> |
| Capital assets, being depreciated | | | | |
| Buildings and improvements | 353,741 | | | 353,741 |
| Vehicles and equipment | 485,269 | | | 485,269 |
| Intangible property | 772,590 | 2,383,230 | | 3,155,820 |
| Infrastructure | <u>70,452,724</u> | <u>517,868</u> | | <u>70,970,592</u> |
| Total capital assets not being depreciated | <u>72,064,324</u> | <u>2,901,098</u> | | <u>74,965,422</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

| | Balance October 31, 2009 | Additions | Deletions | Balance October 31, 2010 |
|---|--------------------------------|--------------------|---------------------|--------------------------------|
| <u>Business-Type Activities (Continued)</u> | | | | |
| Less accumulated depreciation for: | | | | |
| Intangible property | 131,233 | 49,793 | | 181,026 |
| Buildings and improvements | 56,160 | 9,484 | | 65,644 |
| Vehicles and equipment | 334,496 | 22,101 | | 356,597 |
| Infrastructure | 34,838,602 | 2,657,489 | | 37,496,091 |
| Total accumulated depreciation | <u>35,360,491</u> | <u>2,738,867</u> | | <u>38,099,358</u> |
| Total capital assets, being depreciated | <u>36,703,833</u> | <u>162,231</u> | | <u>36,866,064</u> |
| Business-type activities capital assets, net | <u>37,204,862</u> | <u>462,482</u> | <u>(98,577)</u> | <u>37,568,767</u> |

The following table summarizes the depreciation by function for the year ended October 31, 2010:

| | Governmental Activities | Business-Type Activities |
|------------------------|----------------------------|-----------------------------|
| Administration | 51,749 | |
| Information Technology | 18,594 | |
| Community Development | 5,791 | |
| Engineering | 87,302 | |
| Streets and Roads | 3,260,106 | |
| Building and Grounds | 179,886 | |
| Stormwater | 12,052 | |
| Police Department | 39,357 | |
| Emergency Management | 8,907 | |
| Parks | 101,747 | |
| Water and Sewer | | <u>2,738,866</u> |
| | <u>3,765,491</u> | <u>2,738,866</u> |

NOTE 4. LONG-TERM DEBT

Governmental Activities

Changes in the debt for the year ended October 31, 2010, consisted of the following:

| | Balance November 1, 2009 | Additions | Retirements | Balance October 31, 2010 | Due in One Year |
|---------------------------------------|--------------------------------|-----------|-------------|--------------------------------|-----------------------|
| General Obligation Bonds | 21,290,000 | | (695,000) | 20,595,000 | 780,000 |
| Special Obligation Refunding Bonds | 3,820,000 | | (175,000) | 3,645,000 | 200,000 |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

| | Balance November 1, 2009 | Additions | Retirements | Balance October 31, 2010 | Due in One Year |
|---|--------------------------------|----------------|--------------------|--------------------------------|-----------------------|
| Capital Appreciation | | | | | |
| Bonds | 435,563 | | (69,840) | 365,723 | 63,350 |
| Notes payable | 276,000 | | (18,000) | 258,000 | 18,000 |
| Certificates of Partici- pation | 1,640,000 | | (185,000) | 1,455,000 | 190,000 |
| Compensated absences | 368,085 | 418,954 | (368,085) | 418,954 | 418,954 |
| Bond premium | 105,485 | | (12,273) | 93,212 | 12,273 |
| Bond discount | <u>(37,428)</u> | | <u>2,201</u> | <u>(35,227)</u> | <u>(2,201)</u> |
| Total governmental long-term liabilities | <u>27,897,705</u> | <u>418,954</u> | <u>(1,520,997)</u> | <u>26,795,662</u> | <u>1,680,376</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%. | 4,200,000 |
| \$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%. | <u>1,995,000</u> |
| Total general obligation bonds | <u>20,595,000</u> |

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:

| Year Ending October 31, | Principal | Interest |
|----------------------------|-------------------|------------------|
| 2011 | 780,000 | 863,223 |
| 2012 | 1,120,000 | 828,328 |
| 2013 | 1,250,000 | 782,248 |
| 2014 | 1,365,000 | 732,916 |
| 2015 | 805,000 | 693,498 |
| 2016 - 2020 | 3,455,000 | 3,058,379 |
| 2021 - 2025 | 7,235,000 | 1,940,065 |
| 2026 - 2027 | <u>4,585,000</u> | <u>212,063</u> |
| | <u>20,595,000</u> | <u>9,110,720</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%.

1,455,000

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|------------------|----------------|
| 2011 | 190,000 | 42,470 |
| 2012 | 195,000 | 37,846 |
| 2013 | 200,000 | 32,510 |
| 2014 | 205,000 | 26,483 |
| 2015 | 215,000 | 19,758 |
| 2016 - 2019 | <u>450,000</u> | <u>16,615</u> |
| | <u>1,455,000</u> | <u>175,682</u> |

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%.

3,645,000

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Special Obligation Refunding Bonds (Continued)

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|------------------|------------------|
| 2011 | 200,000 | 153,850 |
| 2012 | 200,000 | 145,500 |
| 2013 | 210,000 | 137,069 |
| 2014 | 215,000 | 128,276 |
| 2015 | 230,000 | 118,986 |
| 2016 - 2020 | 1,295,000 | 436,695 |
| 2021 - 2023 | <u>1,295,000</u> | <u>104,431</u> |
| | <u>3,645,000</u> | <u>1,120,376</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%.

63,350

\$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 365,723

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|----------------|----------------|
| 2011 | 63,350 | 176,652 |
| 2012 | - 0 - | - 0 - |
| 2013 | - 0 - | - 0 - |
| 2014 | - 0 - | - 0 - |
| 2015 | <u>302,373</u> | <u>382,627</u> |
| | <u>365,723</u> | <u>559,279</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

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. 258,000

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|----------------|---------------|
| 2011 | 18,000 | 3,984 |
| 2012 | 18,000 | 3,696 |
| 2013 | 19,000 | 3,400 |
| 2014 | 19,000 | 3,096 |
| 2015 | 19,000 | 2,792 |
| 2016 - 2020 | 100,000 | 9,264 |
| 2021 - 2023 | <u>65,000</u> | <u>1,592</u> |
| | <u>258,000</u> | <u>27,824</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 | 386,619 |
| Park | <u>32,335</u> |
| | <u>418,954</u> |

Business-Type Activities

Changes in the debt for the year ended October 31, 2010, consisted of the following:

| | Balance November 1, 2009 | Addi- tions | Retire- ments | Balance October 31, 2010 | Due in One Year |
|---|--------------------------------|----------------|------------------|--------------------------------|-----------------------|
| Water Pollution Control Revenue Bonds | 1,345,000 | | (305,000) | 1,040,000 | 325,000 |
| Combined Revenue and Refunding Bonds | 75,000 | | (35,000) | 40,000 | 40,000 |
| Water Revenue Bonds | 1,155,000 | | (90,000) | 1,065,000 | 95,000 |
| Compensated absences | 43,338 | 41,898 | (43,338) | 41,898 | 41,898 |
| Bond Premium | <u>10,714</u> | | <u>(893)</u> | <u>9,821</u> | <u>893</u> |
| Total business-type activities long-term liabilities | <u>2,629,052</u> | <u>41,898</u> | <u>(474,231)</u> | <u>2,196,719</u> | <u>502,791</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Revenue Bonds

| | |
|--|------------------|
| \$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%. | 1,040,000 |
| \$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%. | 40,000 |
| \$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%. | <u>1,065,000</u> |
| Total revenue bonds | <u>2,145,000</u> |

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|------------------|----------------|
| 2011 | 460,000 | 128,456 |
| 2012 | 445,000 | 100,419 |
| 2013 | 475,000 | 72,621 |
| 2014 | 110,000 | 42,821 |
| 2015 | 115,000 | 36,882 |
| 2016 - 2019 | <u>540,000</u> | <u>78,632</u> |
| | <u>2,145,000</u> | <u>459,832</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Discretely Presented Component Unit

Changes in the debt for the year ended October 31, 2010, consisted of the following:

| | Balance November 1, 2009 | Addi- tions | Retire- ments | Balance October 31, 2010 | Due in One Year |
|---|--------------------------------|----------------|------------------|--------------------------------|-----------------------|
| Galleria TIF Bond Series 2005 | 9,965,000 | | (220,000) | 9,745,000 | 240,000 |
| Bond Discount | <u>(277,168)</u> | _____ | <u>14,981</u> | <u>(262,187)</u> | <u>(14,982)</u> |
| Total business-type activities long-term liabilities | <u>9,687,832</u> | _____ | <u>(205,019)</u> | <u>9,482,813</u> | <u>225,018</u> |

Revenue Bonds

\$104,405,000 October 15, 2005, Tax Increment
Financing Revenue Bonds, due in annual installments
varying from year to year until maturity on
March 1, 2028; interest at 4.0% to 5.625%. 9,745,000

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

| Year Ending October 31, | Principal | Interest |
|----------------------------|------------------|------------------|
| 2011 | 240,000 | 527,976 |
| 2012 | 270,000 | 515,406 |
| 2013 | 300,000 | 501,156 |
| 2014 | 325,000 | 485,328 |
| 2015 | 325,000 | 467,903 |
| 2016 - 2020 | 2,215,000 | 2,013,053 |
| 2021 - 2025 | 3,310,000 | 1,260,844 |
| 2026 - 2028 | <u>2,730,000</u> | <u>244,969</u> |
| | <u>9,745,000</u> | <u>6,016,636</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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 5. PROPERTY TAXES (Continued)

The assessed value for property located in the City as of January 1, 2009, on which the fiscal year 2010 levy was based is as follows:

| | |
|-------------------|--------------------|
| Real estate | 219,580,104 |
| Personal property | <u>37,907,071</u> |
| | <u>257,487,175</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, 2010, 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.

NOTE 6. INTERFUND TRANSACTIONS

| | Transfers In | | | | | Total |
|-----------------------|------------------|----------------------------|---------------------|-------------------|----------------|------------------|
| | General | Parks and Recreation | Transpor- tation | Nonmajor Funds | Enterprise | |
| <u>Transfers Out:</u> | | | | | | |
| General Fund | | 47,000 | 400,000 | 361,681 | | 808,681 |
| Parks and recreation | | | | 34,899 | | 34,899 |
| Transportation | 340,000 | | | 156,000 | | 496,000 |
| Debt service | | | | | 142,827 | 142,827 |
| Nonmajor Funds | 175,511 | | | 25,585 | | 201,096 |
| Enterprise | <u>587,397</u> | <u>805</u> | | <u>53,960</u> | | <u>642,162</u> |
| Total | <u>1,102,908</u> | <u>47,805</u> | <u>400,000</u> | <u>632,125</u> | <u>142,827</u> | <u>2,325,665</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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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 401(a) and it is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required 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

Full-time employees of the City of Raymore, Missouri do not contribute to the pension plan. The June 30, 2010 statutorily required contribution rates are 9.4% (general) and 10.4% (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.

For 2010, the political subdivision's annual pension cost of \$447,056 was equal to the required and actual contributions. The annual required contribution (ARC) was determined as part of the February 28, 2007 and February 29, 2008 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions 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 as of February 28, 2007 was 23 years for the General division and 23 years for the Police division. The amortization period as of February 29, 2008 was 22 years for the General division and 22 years for the Police division.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (Continued)

Trend Information

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|--------------------------|---------------------------------|-------------------------------------|------------------------------|
| 6/30/08 | 449,073 | 100 | - 0 - |
| 6/30/09 | 481,425 | 100 | - 0 - |
| 6/30/10 | 447,056 | 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 |
|--------------------------------|--|--|--|--------------------------|-------------------------------------|--|
| 2/29/08 | 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% |
| 2/28/10 | 5,404,803 | 7,150,166 | 1,745,363 | 76% | 4,490,133 | 39% |

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

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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, 2010, 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.

NOTE 12. COMMITMENTS

As of October 31, 2010, the City had outstanding commitments totaling \$1,376,357 for various contracts.

NOTE 13. SUBSEQUENT EVENTS

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through April 29, 2011, the date the financial statements were available to be issued.

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED OCTOBER 31, 2010

| | General Fund | | | Variance Positive (Negative) |
|---|--------------------|------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| REVENUES | | | | |
| Taxes | | | | |
| Property taxes | 1,112,793 | 1,112,793 | 1,156,459 | 43,666 |
| Sales taxes | 2,005,795 | 2,005,795 | 2,023,766 | 17,971 |
| Franchise fees | 2,153,302 | 2,153,302 | 2,479,055 | 325,753 |
| Other taxes | 335,630 | 335,630 | 406,136 | 70,506 |
| Charges for services | 162,144 | 162,144 | 164,499 | 2,355 |
| Fines and forfeitures | 330,530 | 330,530 | 329,892 | (638) |
| Licenses, fees and permits | 198,310 | 198,310 | 315,896 | 117,586 |
| Intergovernmental | 86,389 | 86,389 | 99,555 | 13,166 |
| Interest | 35,350 | 35,350 | 27,872 | (7,478) |
| Refunds and reimbursements | 298,672 | 298,672 | 248,350 | (50,322) |
| Miscellaneous | 40,900 | 40,900 | 45,662 | 4,762 |
| Total revenues | <u>6,759,815</u> | <u>6,759,815</u> | <u>7,297,142</u> | <u>537,327</u> |
| EXPENDITURES | | | | |
| General Government | | | | |
| Administrative | 1,054,340 | 1,054,340 | 748,404 | 305,936 |
| Information Technology | 296,674 | 296,674 | 265,880 | 30,794 |
| Economic Development | 211,980 | 211,980 | 202,353 | 9,627 |
| Community Development | 601,965 | 601,965 | 518,327 | 83,638 |
| Engineering | 418,969 | 418,969 | 409,720 | 9,249 |
| Streets | 872,186 | 872,186 | 871,857 | 329 |
| Building and Grounds | 345,768 | 345,768 | 341,388 | 4,380 |
| Stormwater | 223,666 | 223,666 | 221,593 | 2,073 |
| Court | 143,084 | 143,084 | 133,874 | 9,210 |
| Finance | 523,050 | 523,050 | 508,103 | 14,947 |
| Police | 2,786,415 | 2,786,415 | 2,619,306 | 167,109 |
| Emergency preparedness | 100,304 | 100,304 | 95,353 | 4,951 |
| Capital outlay | 18,000 | 18,000 | 96,814 | (78,814) |
| Total expenditures | <u>7,596,401</u> | <u>7,596,401</u> | <u>7,032,972</u> | <u>563,429</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | | | | |
| | <u>(836,586)</u> | <u>(836,586)</u> | <u>264,170</u> | <u>1,100,756</u> |

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED OCTOBER 31, 2010

| | General Fund | | | Variance Positive (Negative) |
|--------------------------------------|--------------------|------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 1,102,908 | 1,102,908 | 1,102,908 | |
| Transfers out | <u>(660,752)</u> | <u>(808,682)</u> | <u>(808,681)</u> | <u>1</u> |
| Total other financing sources (uses) | <u>442,156</u> | <u>294,226</u> | <u>294,227</u> | <u>1</u> |
| NET CHANGE IN FUND BALANCE | <u>(394,430)</u> | <u>(542,360)</u> | 558,397 | <u>1,100,757</u> |
| FUND BALANCE, beginning of year | | | <u>3,949,817</u> | |
| FUND BALANCE, end of year | | | <u>4,508,214</u> | |

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED OCTOBER 31, 2010

| | 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) | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | | | | | | | | | | | | |
| Taxes | | | | | | | | | | | | | | | | |
| Property | 299,568 | 299,568 | 314,214 | 14,646 | 144,284 | 144,284 | 152,951 | 8,667 | 454,025 | 454,025 | 456,440 | 2,415 | 897,877 | 897,877 | 923,605 | 25,728 |
| Sales | 454,025 | 454,025 | 427,465 | (26,560) | 908,049 | 908,049 | 883,919 | (24,130) | | | | | 1,362,074 | 1,362,074 | 1,311,384 | (50,690) |
| Charges for services | 264,483 | 264,483 | 316,810 | 52,327 | | | | | | | | | 264,483 | 264,483 | 316,810 | 52,327 |
| Grants | | | | | | 111,150 | 3,938 | (107,212) | | | 143,980 | 143,980 | | 111,150 | 147,918 | 36,768 |
| Interest | 8,967 | 8,967 | 4,605 | (4,362) | 1,368 | 1,368 | 10,368 | 9,000 | 371 | 371 | (2,706) | (3,077) | 10,706 | 10,706 | 12,267 | 1,561 |
| Refunds and reimbursements | | | | | | | | | | | 410 | 410 | | | 410 | 410 |
| Miscellaneous | 5,160 | 5,160 | 16,719 | 11,559 | | | | | | | | | 5,160 | 5,160 | 16,719 | 11,559 |
| Total revenues | <u>1,032,203</u> | <u>1,032,203</u> | <u>1,079,813</u> | <u>47,610</u> | <u>1,053,701</u> | <u>1,164,851</u> | <u>1,051,176</u> | <u>(113,675)</u> | <u>454,396</u> | <u>454,396</u> | <u>598,124</u> | <u>143,728</u> | <u>2,540,300</u> | <u>2,651,450</u> | <u>2,729,113</u> | <u>77,663</u> |
| EXPENDITURES | | | | | | | | | | | | | | | | |
| Parks and Recreation | 880,602 | 880,602 | 878,376 | 2,226 | | | | | | | | | 880,602 | 880,602 | 878,376 | 2,226 |
| Transportation | | | | | | | | | | | | | | | | |
| Storm Water | | | | | | | | | | | 3,799 | (3,799) | | | 3,799 | (3,799) |
| Capital outlay | 12,000 | 262,000 | 379,121 | (117,121) | 1,097,500 | 1,153,200 | 2,787,711 | (1,634,511) | 50,000 | 79,000 | 310,241 | (231,241) | 1,159,500 | 1,494,200 | 3,477,073 | (1,982,873) |
| Debt service | | | | | | | | | | | | | | | | |
| Principal | 46,264 | 46,264 | 37,000 | 9,264 | | | | | 207,327 | 207,327 | 166,000 | 41,327 | 253,591 | 253,591 | 203,000 | 50,591 |
| Interest and fiscal fees | | | 9,682 | (9,682) | | | | | | | 41,330 | (41,330) | | | 51,012 | (51,012) |
| Total expenditures | <u>938,866</u> | <u>1,188,866</u> | <u>1,304,179</u> | <u>(115,313)</u> | <u>1,097,500</u> | <u>1,153,200</u> | <u>2,787,711</u> | <u>(1,634,511)</u> | <u>257,327</u> | <u>286,327</u> | <u>521,370</u> | <u>(235,043)</u> | <u>2,293,693</u> | <u>2,628,393</u> | <u>4,613,260</u> | <u>(1,984,867)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>93,337</u> | <u>(156,663)</u> | <u>(224,366)</u> | <u>(67,703)</u> | <u>(43,799)</u> | <u>11,651</u> | <u>(1,736,535)</u> | <u>(1,748,186)</u> | <u>197,069</u> | <u>168,069</u> | <u>76,754</u> | <u>(91,315)</u> | <u>246,607</u> | <u>23,057</u> | <u>(1,884,147)</u> | <u>(1,907,204)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | | | | |
| Bond proceeds | | | | | | | | | | | | | | | | |
| Bond issuance costs | | | | | | | | | | | | | | | | |
| Transfers in | 47,000 | 47,000 | 47,805 | 805 | 400,000 | 400,000 | 400,000 | | | | 3,674 | 3,674 | 447,000 | 447,000 | 451,479 | 4,479 |
| Transfers out | (34,899) | (34,899) | (34,899) | | (496,000) | (496,000) | (496,000) | | (175,511) | (175,511) | (175,511) | | (706,410) | (706,410) | (706,410) | |
| Total other financing sources (uses) | <u>12,101</u> | <u>12,101</u> | <u>12,906</u> | <u>805</u> | <u>(96,000)</u> | <u>(96,000)</u> | <u>(96,000)</u> | | <u>(175,511)</u> | <u>(175,511)</u> | <u>(171,837)</u> | <u>3,674</u> | <u>(259,410)</u> | <u>(259,410)</u> | <u>(254,931)</u> | <u>4,479</u> |
| NET CHANGE IN FUND BALANCE | <u>105,438</u> | <u>(144,562)</u> | <u>(211,460)</u> | <u>(66,898)</u> | <u>(139,799)</u> | <u>(84,349)</u> | <u>(1,832,535)</u> | <u>(1,748,186)</u> | <u>21,558</u> | <u>(7,442)</u> | <u>(95,083)</u> | <u>(87,641)</u> | <u>(12,803)</u> | <u>(236,353)</u> | <u>(2,139,078)</u> | <u>(1,902,725)</u> |
| FUND BALANCE, beginning of year | | | <u>1,238,155</u> | | | <u>4,811,511</u> | | | | | <u>472,173</u> | | | <u>6,521,839</u> | | |
| FUND BALANCE, end of year | | | <u>1,026,695</u> | | | <u>2,978,976</u> | | | | | <u>377,090</u> | | | <u>4,382,761</u> | | |

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 fund. For the fiscal year ended October 31, 2010, expenditures in the Park and Recreation, Transportation and Storm Water Funds exceeded budgeted expenditures as the City spent funds on capital outlay for projects approved and budgeted in prior fiscal years.

CITY OF RAYMORE, MISSOURI
OTHER SUPPLEMENTARY INFORMATION

CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET
OCTOBER 31, 2010

| | Special Revenue Fund | Capital Improvement Funds | | | | Total Capital Improvement Funds | Total Nonmajor Governmental Funds |
|--|---------------------------------|---------------------------|-----------------------------|------------------------------|------------------|--|--|
| | Development Projects Fund | Public Works Fund | Capital Projects Fund | Municipal Complex Fund | V.E.R.P. Fund | Total Capital Improvement Funds | Total Nonmajor Governmental Funds |
| ASSETS | | | | | | | |
| ASSETS | | | | | | | |
| Cash and cash equivalents | | 15,112 | 54,438 | | 455,512 | 525,062 | 525,062 |
| Investments | | 84,884 | 180,524 | | | 265,408 | 265,408 |
| Receivables, net | 81,240 | | | | | | 81,240 |
| Interest receivable | | 311 | 662 | | | 973 | 973 |
| TOTAL ASSETS | <u>81,240</u> | <u>100,307</u> | <u>235,624</u> | | <u>455,512</u> | <u>791,443</u> | <u>872,683</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts payable | <u>57,729</u> | | | | | | <u>57,729</u> |
| FUND BALANCES | | | | | | | |
| Reserved for: | | | | | | | |
| Capital projects | | 100,307 | 235,624 | | 455,512 | 791,443 | 791,443 |
| Unreserved | <u>23,511</u> | | | | | | <u>23,511</u> |
| Total fund balances | <u>23,511</u> | <u>100,307</u> | <u>235,624</u> | | <u>455,512</u> | <u>791,443</u> | <u>814,954</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>81,240</u> | <u>100,307</u> | <u>235,624</u> | | <u>455,512</u> | <u>791,443</u> | <u>872,683</u> |

CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
YEAR ENDED OCTOBER 31, 2010

| | Special Revenue | Capital Improvement Funds | | | | Total | Total Nonmajor Governmental Funds |
|--|-----------------|---------------------------------|-------------------------|-----------------------------|------------------------------|-----------|--|
| | Fund | Development Projects Fund | Public Works Fund | Capital Projects Fund | Municipal Complex Fund | | |
| REVENUES | | | | | | | |
| Taxes | | | | | | | |
| Other | | | | 128,236 | | 128,236 | 128,236 |
| Investment income | | | 697 | (127) | 2 | 1,179 | 1,751 |
| Total revenues | | | 697 | 128,109 | 2 | 1,179 | 129,987 |
| EXPENDITURES | | | | | | | |
| Capital outlay | | | | 1,282,222 | | 140,870 | 1,423,092 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | | | 697 | (1,154,113) | 2 | (139,691) | (1,293,105) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Proceeds from the sale of assets | | | | | | 11,200 | 11,200 |
| Transfers in | | | | 156,000 | | 298,936 | 454,936 |
| Transfers out | | | | | (25,585) | (25,585) | (25,585) |
| Total other financing sources (uses) | | | | 156,000 | (25,585) | 310,136 | 440,551 |
| EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES | | | 697 | (998,113) | (25,583) | 170,445 | (852,554) |
| FUND BALANCE, beginning of year | 23,511 | 99,610 | 1,233,737 | 25,583 | 285,067 | 1,643,997 | 1,667,508 |
| FUND BALANCE, end of year | 23,511 | 100,307 | 235,624 | | 455,512 | 791,443 | 814,954 |

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR DEBT SERVICE FUND
 YEAR ENDED OCTOBER 31, 2010

| | Debt Service Fund | | | Variance Positive (Negative) |
|---|--------------------|-----------------|-----------|------------------------------------|
| | Original Budget | Final Budget | Actual | |
| REVENUES | | | | |
| Taxes | | | | |
| Property | 1,737,184 | 1,737,184 | 1,783,905 | 46,721 |
| Fines and forfeitures | 8,686 | 8,686 | 16,559 | 7,873 |
| Interest | 3,437 | 3,437 | 8,040 | 4,603 |
| Total revenues | 1,749,307 | 1,749,307 | 1,808,504 | 59,197 |
| EXPENDITURES | | | | |
| Principal | 1,976,732 | 1,976,732 | 764,840 | 1,211,892 |
| Interest and fiscal fees | 2,250 | 2,250 | 1,060,492 | (1,058,242) |
| Total expenditures | 1,978,982 | 1,978,982 | 1,825,332 | 153,650 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (229,675) | (229,675) | (16,828) | 212,847 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (120,000) | (120,000) | (142,827) | (22,827) |
| NET CHANGE IN FUND BALANCE | (349,675) | (349,675) | (159,655) | 190,020 |
| FUND BALANCE, beginning of year | | | 1,069,676 | |
| FUND BALANCE, end of year | | | 910,021 | |

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR CAPITAL IMPROVEMENT FUND
 YEAR ENDED OCTOBER 31, 2010

| | Capital Improvement Fund | | | |
|---|--------------------------|------------------|------------------|------------------------------------|
| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | |
| Taxes | | | | |
| Sales | 908,049 | 908,049 | 884,066 | (23,983) |
| Charges for services | 2,800 | 2,800 | 1,227 | (1,573) |
| Intergovernmental | | | 342,672 | 342,672 |
| Refunds and reimbursements | | | 1,636 | 1,636 |
| Interest | <u>2,641</u> | <u>2,641</u> | <u>7,033</u> | <u>4,392</u> |
| Total revenues | <u>913,490</u> | <u>913,490</u> | <u>1,236,634</u> | <u>323,144</u> |
| EXPENDITURES | | | | |
| Capital outlay | 952,064 | 1,071,503 | 1,526,850 | (455,347) |
| Debt service | | | | |
| Principal | 336,819 | 336,819 | 175,000 | 161,819 |
| Interest and fiscal fees | <u>28,314</u> | <u>28,314</u> | <u>162,289</u> | <u>(133,975)</u> |
| Total expenditures | <u>1,317,197</u> | <u>1,436,636</u> | <u>1,864,139</u> | <u>(427,503)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (403,707) | (523,146) | (627,505) | (104,359) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | <u>55,994</u> | <u>55,994</u> | <u>173,515</u> | <u>117,521</u> |
| NET CHANGE IN FUND BALANCE | <u>(347,713)</u> | <u>(467,152)</u> | (453,990) | <u>13,162</u> |
| FUND BALANCE, beginning of year | | | <u>907,922</u> | |
| FUND BALANCE, end of year | | | <u>453,932</u> | |

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 NONMAJOR CAPITAL IMPROVEMENT FUNDS
 YEAR ENDED OCTOBER 31, 2010

| | Capital Projects Fund | | | | Municipal Complex Fund | | | | V.E.R.P. Fund | | | | Total Nonmajor Capital Improvement 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) | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
| REVENUES | | | | | | | | | | | | | | | | |
| Taxes | | | | | | | | | | | | | | | | |
| Other | 77,480 | 77,480 | 128,236 | 50,756 | | | | | | | | | 77,480 | 77,480 | 128,236 | 50,756 |
| Interest | | | (127) | (127) | | | 2 | 2 | | | 1,179 | 1,179 | | | 1,054 | 1,054 |
| Total revenues | <u>77,480</u> | <u>77,480</u> | <u>128,109</u> | <u>50,629</u> | | | <u>2</u> | <u>2</u> | | | <u>1,179</u> | <u>1,179</u> | <u>77,480</u> | <u>77,480</u> | <u>129,290</u> | <u>51,810</u> |
| EXPENDITURES | | | | | | | | | | | | | | | | |
| Capital outlay | 188,507 | 188,507 | 1,282,222 | (1,093,715) | | | | | 107,310 | 107,310 | 140,870 | (33,560) | 295,817 | 295,817 | 1,423,092 | (1,127,275) |
| Total expenditures | <u>188,507</u> | <u>188,507</u> | <u>1,282,222</u> | <u>(1,093,715)</u> | | | | | <u>107,310</u> | <u>107,310</u> | <u>140,870</u> | <u>(33,560)</u> | <u>295,817</u> | <u>295,817</u> | <u>1,423,092</u> | <u>(1,127,275)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (111,027) | (111,027) | (1,154,113) | (1,043,086) | | | 2 | 2 | (107,310) | (107,310) | (139,691) | (32,381) | (218,337) | (218,337) | (1,293,802) | (1,075,465) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | | | | |
| Proceeds from the sale of assets | | | | | | | | | | | 11,200 | 11,200 | | | 11,200 | 11,200 |
| Transfers in | 156,000 | 156,000 | 156,000 | | | | | | 298,936 | 298,936 | 298,936 | | 454,936 | 454,936 | 454,936 | |
| Transfers out | | | | | (55,994) | (55,994) | (25,585) | 30,409 | | | | | (55,994) | (55,994) | (25,585) | 30,409 |
| Total other financing sources (uses) | <u>156,000</u> | <u>156,000</u> | <u>156,000</u> | | <u>(55,994)</u> | <u>(55,994)</u> | <u>(25,585)</u> | <u>30,409</u> | <u>298,936</u> | <u>298,936</u> | <u>310,136</u> | <u>11,200</u> | <u>398,942</u> | <u>398,942</u> | <u>440,551</u> | <u>41,609</u> |
| NET CHANGE IN FUND BALANCE | <u>44,973</u> | <u>44,973</u> | <u>(998,113)</u> | <u>(1,043,086)</u> | <u>(55,994)</u> | <u>(55,994)</u> | <u>(25,583)</u> | <u>30,411</u> | <u>191,626</u> | <u>191,626</u> | <u>170,445</u> | <u>(21,181)</u> | <u>180,605</u> | <u>180,605</u> | <u>(853,251)</u> | <u>(1,033,856)</u> |
| FUND BALANCE, beginning of year | | | <u>1,233,737</u> | | | | <u>25,583</u> | | | | <u>285,067</u> | | | | <u>1,544,387</u> | |
| FUND BALANCE, end of year | | | <u>235,624</u> | | | | | | | | <u>455,512</u> | | | | <u>691,136</u> | |



Statistical Section

CITY OF RAYMORE, MISSOURI
STATISTICAL SECTION
(Unaudited)

This part of the City of Raymore's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

| Contents | Page |
|--|---------|
| Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | 63 - 67 |
| Revenue Trends These schedules contain information to help the reader assess the City's most significant own-source revenue, the property tax. | 68 - 73 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 74 - 78 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 79 - 80 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 81 - 83 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in fiscal year 2004; schedules presenting government-wide information includes information beginning in that year.

CITY OF RAYMORE, MISSOURI
NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental activities | | | | | | | |
| Invested in capital assets, net of related debt | 7,015,699 | 14,004,036 | 24,641,575 | 15,388,520 | 18,494,972 | 30,259,016 | 40,539,968 |
| Restricted | 7,033,416 | 5,603,780 | 5,274,454 | 17,230,635 | 18,293,358 | 8,542,671 | 4,113,386 |
| Unrestricted | <u>1,512,237</u> | <u>3,561,332</u> | <u>3,432,053</u> | <u>5,470,600</u> | <u>4,834,098</u> | <u>4,825,302</u> | <u>4,958,949</u> |
| Total governmental activities net assets | <u>15,561,352</u> | <u>23,169,148</u> | <u>33,348,082</u> | <u>38,089,755</u> | <u>41,622,428</u> | <u>43,626,989</u> | <u>49,612,303</u> |
| Business-type activities | | | | | | | |
| Invested in capital assets, net of related debt | 25,160,252 | 27,356,190 | 31,572,834 | 33,316,662 | 36,547,690 | 37,204,862 | 35,413,946 |
| Restricted | 6,106,515 | 1,538,716 | 1,006,255 | 1,506,076 | 1,948,711 | 1,089,846 | 1,562,478 |
| Unrestricted | <u>4,492,405</u> | <u>9,873,583</u> | <u>10,048,754</u> | <u>8,834,620</u> | <u>7,018,411</u> | <u>5,282,292</u> | <u>4,883,880</u> |
| Total business-type activities net assets | <u>35,759,172</u> | <u>38,768,489</u> | <u>42,627,843</u> | <u>43,657,358</u> | <u>45,514,812</u> | <u>43,577,000</u> | <u>41,860,304</u> |
| Primary government | | | | | | | |
| Invested in capital assets, net of related debt | 32,175,951 | 41,360,226 | 56,214,409 | 48,705,182 | 55,042,662 | 67,463,878 | 75,953,914 |
| Restricted | 13,139,931 | 7,142,496 | 6,280,709 | 18,736,711 | 20,242,069 | 9,632,517 | 5,675,864 |
| Unrestricted | <u>6,004,642</u> | <u>13,434,915</u> | <u>13,480,807</u> | <u>14,305,220</u> | <u>11,852,509</u> | <u>10,107,594</u> | <u>9,842,829</u> |
| Total primary government net assets | <u>51,320,524</u> | <u>61,937,637</u> | <u>75,975,925</u> | <u>81,747,113</u> | <u>87,137,240</u> | <u>87,203,989</u> | <u>91,472,607</u> |

CITY OF RAYMORE, MISSOURI
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS

| | Fiscal Year | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| EXPENSES | | | | | | | |
| Governmental activities | | | | | | | |
| Administration | 1,483,370 | 1,473,131 | 1,579,677 | 2,029,225 | 1,783,460 | 1,383,349 | 1,643,846 |
| Development | 630,108 | 711,572 | 889,017 | 798,654 | 823,065 | 769,986 | 726,471 |
| Parks and property | 717,971 | 970,286 | 894,435 | 508,468 | 1,044,180 | 1,183,045 | 1,501,150 |
| Public works | 1,103,369 | 1,056,084 | 1,316,986 | 1,351,029 | 1,385,134 | 1,274,025 | 4,866,429 |
| Public safety | 2,348,342 | 2,522,026 | 2,757,201 | 2,883,631 | 3,105,732 | 3,037,085 | 2,896,797 |
| Interest and fiscal charges | 1,240,046 | 1,087,456 | 1,721,608 | 1,797,632 | 2,141,700 | 1,325,298 | 1,219,667 |
| Depreciation and amortization | <u>2,112,066</u> | <u>1,823,592</u> | <u>2,061,799</u> | <u>2,368,793</u> | <u>3,036,210</u> | <u>3,421,006</u> | |
| Total governmental activities expenses | <u>9,635,272</u> | <u>9,644,147</u> | <u>11,220,723</u> | <u>11,737,432</u> | <u>13,319,481</u> | <u>12,393,794</u> | <u>12,854,360</u> |
| Business-type activities | | | | | | | |
| Water and sewer | <u>4,377,812</u> | <u>5,286,961</u> | <u>5,254,766</u> | <u>5,395,132</u> | <u>6,145,864</u> | <u>6,145,487</u> | <u>7,266,387</u> |
| Total business-type activities expenses | <u>4,377,812</u> | <u>5,286,961</u> | <u>5,254,766</u> | <u>5,395,132</u> | <u>6,145,864</u> | <u>6,145,487</u> | <u>7,266,387</u> |
| Total primary government expenses | <u>14,013,084</u> | <u>14,931,108</u> | <u>16,475,489</u> | <u>17,132,564</u> | <u>19,465,345</u> | <u>18,539,281</u> | <u>20,120,747</u> |
| PROGRAM REVENUES | | | | | | | |
| Governmental activities | | | | | | | |
| Charges for services | | | | | | | |
| General government | 1,535,162 | 164,089 | 413,010 | 758,811 | 940,127 | 790,456 | 498,181 |
| Parks and recreation | 147,478 | 227,969 | 232,037 | 188,911 | 270,419 | 269,069 | 316,810 |
| Other activities | 220,075 | 1,627,453 | 1,026,619 | 304,363 | 299,015 | 390,434 | 329,892 |
| Operating grants and contributions | 1,410 | 340,111 | 170,073 | 270,572 | 77,266 | 91,701 | 590,145 |
| Capital grants and contributions | <u>196,411</u> | <u>5,578,615</u> | <u>8,536,490</u> | <u>1,387,636</u> | <u>3,797,631</u> | <u>303,372</u> | <u>5,127,759</u> |
| Total governmental activities program revenues | <u>2,100,536</u> | <u>7,938,237</u> | <u>10,378,229</u> | <u>2,910,293</u> | <u>5,384,458</u> | <u>1,845,032</u> | <u>6,862,787</u> |
| Business-type activities | | | | | | | |
| Charges for services: | | | | | | | |
| Water and sewer | 4,821,534 | 5,958,816 | 6,022,702 | 5,605,051 | 5,286,038 | 4,846,651 | 5,902,537 |
| Capital grants and contributions | <u>4,821,534</u> | <u>2,260,861</u> | <u>2,918,943</u> | <u>848,069</u> | <u>1,636,176</u> | <u>4,846,651</u> | <u>5,902,537</u> |
| Total business-type activities program revenues | <u>4,821,534</u> | <u>8,219,677</u> | <u>8,941,645</u> | <u>6,453,120</u> | <u>6,922,214</u> | <u>4,846,651</u> | <u>5,902,537</u> |
| Total primary government program revenues | <u>6,922,070</u> | <u>16,157,914</u> | <u>19,319,874</u> | <u>9,363,413</u> | <u>12,306,672</u> | <u>6,691,683</u> | <u>12,765,324</u> |

CITY OF RAYMORE, MISSOURI
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS

| | Fiscal Year | | | | | | |
|--------------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|---------------------|--------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| NET (EXPENSE) REVENUE | | | | | | | |
| Governmental activities | (7,534,736) | (1,705,910) | (842,494) | (8,827,139) | (7,935,023) | (10,548,762) | (5,991,573) |
| Business-type activities | 443,722 | 2,932,716 | 3,686,879 | 1,057,988 | 776,350 | (1,298,836) | (1,363,850) |
| Total primary government net expense | <u>(7,091,014)</u> | <u>1,226,806</u> | <u>2,844,385</u> | <u>(7,769,151)</u> | <u>(7,158,673)</u> | <u>(11,847,598)</u> | <u>(7,355,423)</u> |
| GENERAL REVENUES AND OTHER | | | | | | | |
| CHANGES IN NET ASSETS | | | | | | | |
| Governmental activities | | | | | | | |
| Taxes | | | | | | | |
| Property taxes | 2,691,327 | 2,980,840 | 2,531,592 | 2,738,283 | 3,139,336 | 3,358,679 | 3,863,969 |
| Sales taxes | 1,123,647 | 3,853,012 | 3,899,016 | 4,542,021 | 4,678,101 | 4,669,535 | 4,219,216 |
| Franchise taxes | 3,675,435 | 1,187,256 | 1,320,823 | 1,489,994 | 2,604,620 | 2,259,873 | 2,479,055 |
| Other taxes | | 493,723 | 1,380,087 | 1,215,299 | 532,404 | 498,876 | 534,372 |
| Investment earnings | 96,755 | 334,464 | 745,868 | 968,713 | 873,841 | 323,373 | 56,963 |
| Miscellaneous | 79,822 | 139,127 | 644,800 | 1,918,018 | 292,137 | 595,530 | 323,977 |
| Transfers | 565,976 | 325,284 | 499,242 | 696,484 | (652,743) | 847,457 | 499,335 |
| Total governmental activities | <u>8,232,962</u> | <u>9,313,706</u> | <u>11,021,428</u> | <u>13,568,812</u> | <u>11,467,696</u> | <u>12,553,323</u> | <u>11,976,887</u> |
| Business-type activities | | | | | | | |
| Investment earnings | 265,879 | 401,885 | 642,045 | 660,406 | 428,361 | 208,481 | 146,489 |
| Miscellaneous | | | 29,672 | 7,605 | | | |
| Transfers | (565,976) | (325,284) | (499,242) | (696,484) | 652,743 | (847,457) | (499,335) |
| Total business-type activities | <u>(300,097)</u> | <u>76,601</u> | <u>172,475</u> | <u>(28,473)</u> | <u>1,081,104</u> | <u>(638,976)</u> | <u>(352,846)</u> |
| Total primary government | <u>7,932,865</u> | <u>9,390,307</u> | <u>11,193,903</u> | <u>13,540,339</u> | <u>12,548,800</u> | <u>11,914,347</u> | <u>11,624,041</u> |
| CHANGE IN NET ASSETS | | | | | | | |
| Governmental activities | 698,226 | 7,607,796 | 10,178,934 | 4,741,673 | 3,532,673 | 2,004,561 | 5,985,314 |
| Business-type activities | 143,625 | 3,009,317 | 3,859,354 | 1,029,515 | 1,857,454 | (1,937,812) | (1,716,696) |
| Total primary government | <u>841,851</u> | <u>10,617,113</u> | <u>14,038,288</u> | <u>5,771,188</u> | <u>5,390,127</u> | <u>66,749</u> | <u>4,268,618</u> |

CITY OF RAYMORE, MISSOURI
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST SEVEN FISCAL YEARS

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| GENERAL FUND | | | | | | | |
| Reserved | 184,501 | 104,808 | 119,722 | 128,947 | 161,926 | 97,655 | 82,583 |
| Unreserved | <u>1,888,163</u> | <u>2,124,155</u> | <u>2,605,121</u> | <u>2,805,888</u> | <u>2,866,224</u> | <u>3,852,162</u> | <u>4,425,631</u> |
| Total General Fund | <u>2,072,664</u> | <u>2,228,963</u> | <u>2,724,843</u> | <u>2,934,835</u> | <u>3,028,150</u> | <u>3,949,817</u> | <u>4,508,214</u> |
| ALL OTHER GOVERNMENTAL FUNDS | | | | | | | |
| Reserved | 6,935,451 | 19,323,574 | 11,222,926 | 20,906,336 | 18,236,754 | 8,554,270 | 6,538,157 |
| Unreserved, reported in: | | | | | | | |
| Special revenue funds | <u>292,296</u> | <u>778,861</u> | <u>967,402</u> | <u>3,088,922</u> | <u>2,504,736</u> | <u>1,612,675</u> | <u>23,511</u> |
| Total all other governmental funds | <u>7,227,747</u> | <u>20,102,435</u> | <u>12,190,328</u> | <u>23,995,258</u> | <u>20,741,490</u> | <u>10,166,945</u> | <u>6,561,668</u> |
| TOTAL ALL GOVERNMENTAL FUNDS | <u>9,300,411</u> | <u>22,331,398</u> | <u>14,915,171</u> | <u>26,930,093</u> | <u>23,769,640</u> | <u>14,116,762</u> | <u>11,069,882</u> |

CITY OF RAYMORE, MISSOURI
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| REVENUES | | | | | | | |
| Taxes | | | | | | | |
| Property | 2,691,327 | 2,282,011 | 2,291,253 | 2,912,790 | 3,139,336 | 3,358,679 | 3,863,969 |
| Franchise | 1,123,647 | 1,187,256 | 1,320,823 | 1,489,994 | 2,604,620 | 2,259,873 | 2,479,055 |
| Sales | 3,675,435 | 4,740,513 | 4,977,983 | 6,107,279 | 5,210,505 | 5,168,411 | 4,753,588 |
| Fees and permits | 1,682,640 | 1,741,302 | 1,387,127 | 947,723 | 1,196,195 | 1,041,586 | 798,432 |
| Municipal court | 220,075 | 191,358 | 284,539 | 304,363 | 313,366 | 408,373 | 346,451 |
| Miscellaneous | 549,157 | 891,485 | 1,956,411 | 1,495,457 | 1,018,768 | 1,313,976 | 959,885 |
| Total revenues | <u>9,942,281</u> | <u>11,033,925</u> | <u>12,218,136</u> | <u>13,257,606</u> | <u>13,482,790</u> | <u>13,550,898</u> | <u>13,201,380</u> |
| EXPENDITURES | | | | | | | |
| General government | 1,483,370 | 1,504,775 | 1,534,278 | 1,375,950 | 1,773,711 | 1,413,311 | 1,522,387 |
| Public safety | 2,348,342 | 2,540,058 | 2,769,945 | 2,932,059 | 3,081,156 | 3,037,085 | 2,848,533 |
| Public works | 981,985 | 1,293,600 | 1,412,159 | 1,533,114 | 1,378,383 | 1,274,025 | 1,506,969 |
| Parks and property | 717,971 | 610,949 | 683,449 | 640,878 | 1,048,886 | 1,180,864 | 1,219,764 |
| Planning and development | 630,108 | 711,572 | 894,509 | 798,654 | 816,418 | 769,985 | 720,680 |
| Capital outlay and other charges | 375,423 | 3,864,354 | 10,455,653 | 5,597,629 | 6,373,624 | 9,811,888 | 6,523,829 |
| Debt service | | | | | | | |
| Principal | 688,863 | 546,055 | 1,156,085 | 6,617,134 | 2,391,049 | 6,772,029 | 1,142,840 |
| Interest | 1,240,046 | 1,220,316 | 1,237,527 | 1,201,985 | 1,682,137 | 1,428,966 | 1,273,793 |
| Total expenditures | <u>8,466,108</u> | <u>12,291,679</u> | <u>20,143,605</u> | <u>20,697,403</u> | <u>18,545,364</u> | <u>25,688,153</u> | <u>16,758,795</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>1,476,173</u> | <u>(1,257,754)</u> | <u>(7,925,469)</u> | <u>(7,439,797)</u> | <u>(5,062,574)</u> | <u>(12,137,255)</u> | <u>(3,557,415)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 2,691,683 | 325,284 | 509,242 | 736,093 | 3,194,677 | 2,316,725 | 2,182,838 |
| Transfers out | (2,125,707) | | | | (3,847,420) | (1,469,268) | (1,683,503) |
| Bond proceeds | | 13,963,457 | | 18,718,627 | 2,515,000 | 1,640,000 | |
| Bond issuance costs | | | | | (40,901) | (45,674) | |
| Premium on bonds issued | | | | | 62,642 | | |
| Sale of capital assets | 194,364 | | | | 18,123 | 42,594 | 11,200 |
| Total other financing sources (uses) | <u>760,340</u> | <u>14,288,741</u> | <u>509,242</u> | <u>19,454,720</u> | <u>1,902,121</u> | <u>2,484,377</u> | <u>510,535</u> |
| NET CHANGES IN FUND BALANCES | <u>2,236,513</u> | <u>13,030,987</u> | <u>(7,416,227)</u> | <u>12,014,923</u> | <u>(3,160,453)</u> | <u>(9,652,878)</u> | <u>(3,046,880)</u> |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 23.8% | 21.0% | 24.7% | 51.8% | 33.5% | 51.7% | 23.6% |

CITY OF RAYMORE, MISSOURI
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST SEVEN YEARS

| Fiscal Year | Property Tax | Sales Tax | Franchise Tax | Motor Fuel Tax | Total |
|-------------|--------------|-----------|---------------|----------------|------------|
| 2004 | 2,691,327 | 3,145,329 | 1,123,647 | 530,106 | 7,490,409 |
| 2005 | 2,282,011 | 2,826,817 | 1,187,236 | 726,460 | 7,022,524 |
| 2006 | 2,291,253 | 3,105,401 | 1,320,823 | 551,799 | 7,269,276 |
| 2007 | 2,912,790 | 3,494,888 | 1,489,994 | 599,142 | 8,496,814 |
| 2008 | 3,139,336 | 4,678,101 | 2,604,620 | 532,404 | 10,954,461 |
| 2009 | 3,358,679 | 4,669,535 | 2,259,873 | 498,876 | 10,786,963 |
| 2010 | 3,863,969 | 4,219,216 | 2,479,055 | 534,372 | 11,096,612 |

Note: GASB 34 was implemented in the 2004 fiscal year, however, the financial presentation was presented differently in 2004, therefore only seven fiscal years are shown.

CITY OF RAYMORE, MISSOURI
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN YEARS

| Fiscal Year | City of Raymore Rates | | | | | Overlapping Rates | | | | Total Direct and Overlapping Rates |
|-------------|-----------------------|--------------------------|---------------------------|--------------------|------------|---------------------|------------------|--------------------------------|------------------------|------------------------------------|
| | General Rate | Capital Improvement Rate | Parks and Stormwater Rate | Miscellaneous Rate | Total Rate | Missouri State Rate | Cass County Rate | South Metro Fire District Rate | Special Districts Rate | |
| 2001 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.000 | | | 7.725 |
| 2002 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.000 | | | 7.725 |
| 2003 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.000 | | | 7.725 |
| 2004 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | | 8.475 |
| 2005 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | | 8.475 |
| 2006 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | | 8.475 |
| 2007 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | 0.500 | 8.975 |
| 2008 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | 0.500 | 8.975 |
| 2009 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | 0.500 | 8.975 |
| 2010 | 1.000 | 0.500 | 0.500 | 0.500 | 2.500 | 4.225 | 1.250 | 0.500 | 0.750 | 9.225 |

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Source: Missouri Department of Revenue

CITY OF RAYMORE, MISSOURI
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

| Fiscal Year Ended October 31 | Real Property | | | Other Property | | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Market Value | Assessed Value as a Percentage of Actual Value |
|---------------------------------------|-------------------------|------------------------|--------------------------|----------------------|-------------------------------|---------------------------------------|--------------------------------|------------------------------|--|
| | Residential Property | Commercial Property | Agricultural Property | Personal Property | Railroads and Utilities | | | | |
| 2001 | 92,455,402 | 10,202,670 | 361,120 | 22,348,216 | 2,449,140 | 128,177,668 | 1.34 | 595,766,783 | 21.51% |
| 2002 | 98,298,540 | 10,875,750 | 366,870 | 23,971,674 | 2,166,126 | 136,045,830 | 1.33 | 632,688,930 | 21.50% |
| 2003 | 114,503,885 | 11,528,920 | 365,510 | 26,360,592 | 2,125,987 | 155,250,404 | 1.31 | 727,127,929 | 21.35% |
| 2004 | 123,616,685 | 12,139,940 | 362,150 | 28,090,133 | 4,485 | 164,575,543 | 1.31 | 775,593,127 | 21.22% |
| 2005 | 147,655,603 | 12,248,940 | 357,440 | 28,536,527 | 1,815,422 | 190,971,372 | 1.31 | 909,441,471 | 21.00% |
| 2006 | 159,083,643 | 13,030,460 | 372,930 | 31,080,130 | 1,900,976 | 205,841,069 | 1.31 | 980,088,071 | 21.00% |
| 2007 | 177,899,820 | 14,917,070 | 325,977 | 33,716,535 | 2,012,289 | 229,197,668 | 1.31 | 1,093,106,076 | 20.97% |
| 2008 | 192,072,335 | 18,079,880 | 330,390 | 35,585,238 | 1,953,997 | 248,352,230 | 1.31 | 1,183,085,841 | 20.99% |
| 2009 | 197,967,160 | 19,590,740 | 329,320 | 37,907,071 | 1,955,799 | 258,079,410 | 1.31 | 1,225,868,531 | 21.05% |
| 2010 | 201,271,100 | 20,424,640 | 365,860 | 35,837,986 | 2,674,555 | 260,940,001 | 1.31 | 1,242,032,100 | 21.01% |

Note: Assessed value is set at 19% residential property; 12% for agricultural property; and 32% for commercial property of the estimated fair market value.

Source: Cass County Collector's Office

CITY OF RAYMORE, MISSOURI
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

| Fiscal Year | City of Raymore Rates | | | | Overlapping Rates | | | | | | | | | Total Direct and Overlapping Rates |
|-------------|-----------------------|----------------------|--------------------------|--------------------|------------------------|------------------|-----------------|----------------------------|-------------------------------------|-----------------------------------|--|--|---------------------------|------------------------------------|
| | Operating Millage | Debt Service Millage | Park Maintenance Millage | Total City Millage | Missouri State Millage | Hospital Millage | Library Millage | Sheltered Workshop Millage | Cass County Road and Bridge Millage | South Metro Fire District Millage | South Metro Ambulance District Millage | Raymore-Peculiar School District Millage | Special Districts Millage | |
| 2001 | 0.4982 | 0.7100 | 0.1341 | 1.3423 | 0.0300 | 0.1343 | 0.1535 | 0.0384 | 0.2113 | 0.7393 | 0.4478 | 4.4656 | | 7.5625 |
| 2002 | 0.4915 | 0.7100 | 0.1323 | 1.3338 | 0.0300 | 0.1361 | 0.1551 | 0.0389 | 0.1836 | 0.7331 | 0.4432 | 4.4397 | | 7.4935 |
| 2003 | 0.4699 | 0.7100 | 0.1265 | 1.3064 | 0.0300 | 0.1335 | 0.1525 | 0.0381 | 0.2148 | 0.7451 | 0.4284 | 5.0397 | | 8.0885 |
| 2004 | 0.4702 | 0.7100 | 0.1266 | 1.3068 | 0.0300 | 0.1335 | 0.1525 | 0.0381 | 0.1847 | 0.7551 | 0.4356 | 5.0397 | | 8.0760 |
| 2005 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1335 | 0.1525 | 0.0381 | 0.1847 | 0.7407 | 0.4252 | 5.0397 | | 8.0512 |
| 2006 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1335 | 0.1525 | 0.0381 | 0.2480 | 0.6618 | 0.3681 | 5.0397 | | 7.9785 |
| 2007 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1335 | 0.1525 | 0.0381 | 0.2480 | 0.6636 | 0.3694 | 5.0397 | | 7.9816 |
| 2008 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1335 | 0.1500 | 0.0381 | 0.2480 | 0.6638 | 0.3696 | 5.0397 | | 7.9795 |
| 2009 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1351 | 0.1500 | 0.0385 | 0.2509 | 0.6607 | 0.3673 | 5.0397 | 0.6000 | 7.9790 |
| 2010 | 0.4647 | 0.7170 | 0.1251 | 1.3068 | 0.0300 | 0.1351 | 0.1500 | 0.0500 | 0.2520 | 0.6684 | 0.6684 | 5.0397 | 0.6000 | 8.3004 |

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1. Overlapping rates are those of local, county and state governments that apply to property owners within the City of Raymore. Not all overlapping rates apply to all City of Raymore property owners, (e.g., the rates for special district apply only the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).
2. The City has other special district that have not imposed levies or do not currently have any taxable property.

CITY OF RAYMORE, MISSOURI
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND SEVEN YEARS AGO

| Taxpayer | 2010 | | | 2004 | | |
|---|--------------------------|------|---|-------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentages of Total Assessed Valuation | Taxable Assessed Value | Rank | Percentages of Total Assessed Valuation |
| Launch Raymore, LLC (Manor Homes Apts.) | 2,992,140 | 1 | 1.15 | | | |
| Wal-Mart | 2,745,630 | 2 | 1.05 | 3,866,165 | 1 | 2.02 |
| Lowes (Jemsite Development) | 2,472,280 | 3 | 0.95 | | | |
| Raymore Group LLC (Raymore Mkt. Ctr.) | 2,370,390 | 4 | 0.91 | | | |
| Foxwood Springs | 1,323,150 | 5 | 0.51 | | | |
| Missouri Gas Energy | 1,152,360 | 6 | 0.44 | 687,410 | 3 | 0.36 |
| Willowind LLC | 861,220 | 7 | 0.33 | 847,070 | 2 | 0.44 |
| Creekmoor Property Owners Assoc Inc. | 827,360 | 8 | 0.32 | | | |
| East Sunrise Property, LLC (Rehab Center of Raymore) | 770,780 | 9 | 0.30 | | | |
| MBSR Raymore MO LLC (Walgreens) | 736,010 | 10 | 0.28 | | | |
| Ladd, Glenn W. Trust | | | | 542,120 | 4 | 0.28 |
| Ryan's Steak House | | | | 501,000 | 5 | 0.26 |
| Comcast of Missouri | | | | 494,408 | 6 | 0.26 |
| Bauer Development | | | | 395,230 | 7 | 0.21 |
| Community Bank of Raymore | | | | 382,990 | 8 | 0.20 |
| Raymore Health Care, Inc. | | | | 380,120 | 9 | 0.20 |
| Pizza Hut of America, Inc. | | | | 219,780 | 10 | 0.12 |
| TOTALS | <u>16,251,320</u> | | <u>6.23</u> | <u>8,316,293</u> | | <u>4.35</u> |
| Total Commercial Real Property Assessed Value for Year | 20,424,640 | | | 12,248,940 | | |
| Total Real, Personal and Other Property Assessed Value for Year | 260,940,001 | | | 190,971,372 | | |

Source: Cass County Collector's Office

CITY OF RAYMORE, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST EIGHT FISCAL YEARS

| Fiscal Year Ended October 31 | Total Tax Levy for Fiscal Year | Collected Within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|------------------------------------|--------------------------------------|--|-----------------------|--|---------------------------|-----------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2003 | 2,028,657 | 1,932,819 | 101.235% | 95,838 | 2,028,657 | 100.000% |
| 2004 | 2,150,015 | 2,052,220 | 97.374% | 97,795 | 2,150,015 | 100.000% |
| 2005 | 2,495,614 | 2,382,499 | 96.909% | 113,114 | 2,495,613 | 100.000% |
| 2006 | 2,689,931 | 2,565,138 | 99.213% | 124,793 | 2,689,931 | 100.000% |
| 2007 | 2,995,155 | 2,857,661 | 98.322% | 137,494 | 2,995,155 | 100.000% |
| 2008 | 3,245,467 | 2,944,747 | 90.734% | 137,643 | 3,082,390 | 94.975% |
| 2009 | 3,372,582 | 3,156,012 | 93.579% | 147,319 | 3,303,331 | 97.947% |
| 2010 | 3,405,183 | 3,281,939 | 96.381% | 66,421 | 3,348,360 | 98.331% |

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Source: Cass County Collector's Office

CITY OF RAYMORE, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

| Fiscal Year | Governmental Activities | | | Business-Type Activities | | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|--------------------------|--------------------------|----------------|--------------------------|--------------------------|--------------------------|-------------------------------|------------|
| | General Obligation Bonds | Special Assessment Bonds | Capital Leases | Revenue Bonds | General Obligation Bonds | | | |
| 2001 | 11,036,969 | 4,925,000 | 2,940,000 | | | 18,901,969 | 7.46% | 1,677.94 |
| 2002 | 10,701,969 | 4,810,000 | 2,825,000 | 5,965,000 | 1,370,000 | 25,671,969 | 9.64% | 2,168.79 |
| 2003 | 8,670,833 | 4,695,000 | 2,705,000 | 5,500,000 | 1,360,000 | 22,930,833 | 8.14% | 1,831.39 |
| 2004 | 8,441,322 | 4,575,000 | 2,580,000 | 4,390,000 | 1,350,000 | 21,336,322 | 7.23% | 1,704.04 |
| 2005 | 12,743,594 | 4,450,000 | 2,450,000 | 4,070,000 | 1,340,000 | 25,053,594 | 7.79% | 1,909.86 |
| 2006 | 12,427,458 | 4,320,000 | 2,315,000 | 3,725,000 | 1,330,000 | 24,117,458 | 7.02% | 1,686.42 |
| 2007 | 25,382,373 | 4,160,000 | 2,170,000 | 3,365,000 | 1,330,000 | 36,407,373 | 9.93% | 2,384.24 |
| 2008 | 26,107,565 | 3,995,000 | 2,020,000 | 2,980,000 | | 35,102,565 | 9.08% | 2,152.74 |
| 2009 | 21,725,563 | 3,820,000 | 1,640,000 | 2,575,000 | | 29,760,563 | 5.57% | 1,732.48 |
| 2010 | 20,960,723 | 3,645,000 | 1,455,000 | 2,145,000 | | 28,205,723 | 5.49% | 1,556.18 |

Note: The per capita ratios are calculated using personal income and population data see page 78.

CITY OF RAYMORE, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

| Fiscal Year | General Obligation Bonds | Less Amounts Available in Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|-------------|--------------------------|---|------------|--|------------|
| 2001 | 11,036,969 | (2,102,200) | 8,934,769 | 1.50% | 754.82 |
| 2002 | 12,071,969 | (2,097,728) | 9,974,241 | 1.58% | 796.60 |
| 2003 | 10,030,833 | (575,546) | 9,455,287 | 1.30% | 720.79 |
| 2004 | 9,791,322 | (555,020) | 9,236,302 | 1.19% | 645.85 |
| 2005 | 14,083,594 | (5,220,108) | 8,863,486 | 0.97% | 580.45 |
| 2006 | 13,757,458 | (5,482,804) | 8,274,654 | 0.84% | 507.46 |
| 2007 | 26,712,373 | (5,057,557) | 21,654,816 | 1.98% | 1,260.61 |
| 2008 | 26,107,565 | (4,874,464) | 21,233,101 | 1.79% | 1,199.41 |
| 2009 | 21,725,563 | (1,063,712) | 20,661,851 | 1.69% | 1,139.96 |
| 2010 | 20,960,723 | (910,021) | 20,050,702 | 1.61% | 1,043.98 |

Notes: See page 69 for property value data
See page 78 for population data

CITY OF RAYMORE, MISSOURI
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF OCTOBER 31, 2010

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|---------------------|---------------------------------------|--|
| Debt repaid with property taxes Raymore-Peculiar School District | 80,200,000 | 83.14% | 66,676,235 |
| City of Raymore, Missouri Direct Debt | | | <u>20,960,723</u> |
| Total direct and overlapping debt | | | <u>87,636,958</u> |

Note: The School District is the only outstanding, overlapping debt paid by property taxes. The County and all other levying districts do not use property tax for outstanding debt or have no outstanding debt.

CITY OF RAYMORE, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST SEVEN FISCAL YEARS

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Debt Limit | 32,915,109 | 38,194,274 | 41,168,214 | 45,839,534 | 49,670,446 | 51,615,882 | 52,188,000 |
| Total net debt applicable to limit | <u>10,532,548</u> | <u>11,068,401</u> | <u>10,587,458</u> | <u>24,273,458</u> | <u>23,622,565</u> | <u>20,220,324</u> | <u>20,050,702</u> |
| Legal debt margin | <u>22,382,561</u> | <u>27,125,873</u> | <u>30,580,756</u> | <u>21,566,076</u> | <u>26,047,881</u> | <u>31,395,558</u> | <u>32,137,298</u> |
| Total net debt applicable to the limit as a percentage of the debt limit | 32.00% | 28.98% | 25.72% | 52.95% | 47.56% | 39.17% | 38.42% |

Legal Debt Margin Calculation for Fiscal Years 2010

| | |
|--|-------------------|
| Assessed value | 260,940,001 |
| Add back: exempt real property | <u>- 0 -</u> |
| Total assessed value | 260,940,001 |
| Debt limit (20% of total assessed value) | 52,188,000 |
| Debt applicable to limit: | |
| General obligation bonds | 20,960,723 |
| Less: Amount set aside for repayment of general obligation debt | <u>(910,021)</u> |
| Total net debt applicable to limit | <u>20,050,702</u> |
| Legal debt margin | <u>32,137,298</u> |

Note: Article 6, Section 26(b) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors thereon, to incur an indebtedness for city purposes not to exceed 5 percent of the value of the taxable tangible property therein.

Note: Article 6, Section 26(c) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors thereon, to incur an indebtedness for city purposes not to exceed 5 percent of the value of the taxable tangible property therein.

Note: Article 6, Section 26(d & e) of the Missouri Constitution permits any city may become indebted not exceeding in the aggregate an additional 10 percent of the value of the taxable tangible property for the purpose of acquiring right-of-ways, construction of water works, electric or other light plants provided the total general obligated indebtedness of the city does not exceed 20 percent of the assessed valuation.

CITY OF RAYMORE, MISSOURI
 PLEDGED REVENUE COVERAGE
 LAST SEVEN FISCAL YEARS

| Fiscal Year | Water and Sewer Charges and Other | Less Operating Expenses | Net Available Revenue | Revenue Bonds | | | Sales Tax Revenues | Special Obligation Bonds | | |
|----------------|---|-------------------------------|-----------------------------|---------------|---------|-----------|--------------------------|--------------------------|----------|----------|
| | | | | Debt Service | | Coverage | | Debt Service | | Coverage |
| | | | Principal | Interest | | | | Principal | Interest | |
| 2004 | 4,746,185 | 4,353,015 | 393,170 | 1,102,142 | 201,661 | (910,633) | 1,076,531 | 245,000 | 392,583 | 438,948 |
| 2005 | 5,849,886 | 3,037,059 | 2,812,827 | 685,000 | 340,701 | 1,787,126 | 912,804 | 255,000 | 380,711 | 277,093 |
| 2006 | 5,908,588 | 2,988,640 | 2,919,948 | 390,000 | 285,811 | 2,244,137 | 916,501 | 265,000 | 368,136 | 283,365 |
| 2007 | 5,478,576 | 3,122,828 | 2,355,748 | 425,000 | 137,780 | 1,792,968 | 1,165,116 | 305,000 | 252,932 | 607,184 |
| 2008 | 5,145,077 | 3,407,794 | 1,737,283 | 1,659,644 | 223,998 | (146,359) | 1,255,734 | 315,000 | 285,414 | 655,320 |
| 2009 | 4,659,919 | 3,375,281 | 1,284,638 | 405,000 | 200,570 | 679,068 | 1,343,472 | 555,000 | 183,030 | 605,441 |
| 2010 | 5,902,537 | 4,358,066 | 1,544,471 | 430,000 | 165,203 | 949,268 | 1,545,588 | 360,000 | 208,138 | 977,450 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF RAYMORE, MISSOURI
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

| Fiscal Year | (1) Population | (1) Personal Income | (1) Per Capita Personal Income | (1) Median Age | (1) Percentage of Over 25 Population with Formal Education Beyond High School | (2) Public Primary School Enrollment | (3) Unemployment Rate |
|-------------|-------------------|---------------------------|---|----------------------|--|--|-----------------------------|
| 2001 | 11,837 | 62,135 | 22,496 | 35.6 | 57.3 | 4,200 | 3.7 |
| 2002 | 12,521 | 62,135 | 22,496 | 35.6 | 57.3 | 4,444 | 4.6 |
| 2003 | 13,118 | 62,135 | 22,496 | 35.6 | 57.3 | 4,613 | 4.1 |
| 2004 | 14,301 | 62,135 | 22,496 | 35.6 | 57.3 | 4,885 | 4.6 |
| 2005 | 15,270 | 62,135 | 22,496 | 35.6 | 57.3 | 5,169 | 4.6 |
| 2006 | 16,306 | 62,135 | 22,496 | 35.6 | 57.3 | 5,368 | 3.7 |
| 2007 | 17,178 | 62,135 | 22,496 | 35.6 | 57.3 | 5,640 | 4.0 |
| 2008 | 17,703 | 62,135 | 22,496 | 35.6 | 57.3 | 5,798 | 4.9 |
| 2009 | 18,125 | 73,825 | 29,474 | 37.2 | 57.3 | 5,875 | 7.8 |
| 2010 | 19,206 | 70,334 | 28,242 | 37.0 | 59.6 | 5,910 | 8.2 |

Data Sources:

- 1 ERSI through the Economic Development Department
- 2 Raymore-Peculiar School District
- 3 Missouri Department of Economic Development

CITY OF RAYMORE, MISSOURI
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND SEVEN YEARS AGO

| Employer | 2010 | | | 2004 | | |
|--|---------------|------|-------------------------------------|--------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Raymore-Peculiar School District | 766 | 1 | 6.10 | 542 | 2 | 6.73 |
| Wal-Mart | 375 | 2 | 2.99 | 550 | 1 | 6.83 |
| Foxwood Springs | 320 | 3 | 2.55 | 260 | 3 | 3.23 |
| Cosentino's Price Chopper | 142 | 4 | 1.13 | | | |
| Rehabilitation Center of Raymore | 139 | 5 | 1.11 | 100 | 4 | 1.24 |
| Lowe's Home Improvement | 130 | 6 | 1.04 | | | |
| City of Raymore | 95 | 7 | 0.76 | 92 | 5 | 1.14 |
| Ryan's Steakhouse | 50 | 8 | 0.40 | 60 | 6 | 0.74 |
| South Metro Fire District | 50 | 9 | 0.40 | 33 | 9 | 0.41 |
| McDonald's | 40 | 10 | 0.32 | 30 | 10 | 0.37 |
| Community Bank of Raymore | | | | 38 | 7 | 0.47 |
| Wendy's | | | | 34 | 8 | 0.42 |
| Totals | <u>2,107</u> | | <u>16.79</u> | 1,739 | | <u>21.58</u> |
| Total estimated workforce over age of 16 | <u>12,549</u> | | | <u>8,058</u> | | |

Source: Raymore's Economic Development Department

CITY OF RAYMORE, MISSOURI
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
 BY FUNCTIONS/PROGRAM
 LAST NINE FISCAL YEARS

| Function | Fiscal Year | | | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| General Government | | | | | | | | | |
| Administration | 4.50 | 5.50 | 4.75 | 4.75 | 5.75 | 6.00 | 5.50 | 5.50 | 6.00 |
| Information Technology | 1.00 | 1.00 | 1.50 | 1.50 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Economic Development | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Community Development | 6.75 | 7.75 | 8.75 | 9.00 | 10.00 | 10.00 | 8.00 | 8.00 | 6.50 |
| Buildings and Grounds | 0.75 | 0.75 | 1.00 | 2.10 | 2.00 | 2.00 | 2.20 | 2.20 | 2.20 |
| Municipal Court | 1.40 | 1.40 | 1.40 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Finance | 5.00 | 6.00 | 6.00 | 5.00 | 5.00 | 6.38 | 6.00 | 6.00 | 5.00 |
| Police | | | | | | | | | |
| Law Enforcement | 32.00 | 33.00 | 32.75 | 35.25 | 36.25 | 39.25 | 39.50 | 39.50 | 39.50 |
| Emergency Management | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Works | | | | | | | | | |
| Engineering | 6.25 | 6.25 | 6.25 | 6.25 | 5.75 | 5.75 | 4.45 | 4.45 | 4.45 |
| Streets | 4.58 | 4.92 | 4.58 | 5.25 | 5.25 | 5.25 | 3.12 | 3.12 | 3.12 |
| Stormwater | | | | | | | 2.92 | 2.92 | 2.92 |
| Water | 4.58 | 4.92 | 4.58 | 5.25 | 5.50 | 5.48 | 5.75 | 5.75 | 5.75 |
| Sewer | 4.58 | 4.92 | 4.58 | 5.25 | 5.50 | 5.52 | 5.75 | 5.75 | 5.75 |
| Parks and Recreation | | | | | | | | | |
| Parks | 7.00 | 7.00 | 8.00 | 6.90 | 7.00 | 3.45 | 3.75 | 5.15 | 5.15 |
| Recreation | | | | | | 3.55 | 4.05 | 2.65 | 2.65 |
| Total | <u>80.39</u> | <u>85.41</u> | <u>87.14</u> | <u>91.00</u> | <u>94.50</u> | <u>99.13</u> | <u>97.49</u> | <u>97.49</u> | <u>95.49</u> |

Source: Annual budget

CITY OF RAYMORE, MISSOURI
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

| Function | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------------------|---------|--------|--------|--------|---------|---------|---------|--------|--------|---------|
| Development | | | | | | | | | | |
| Building permits issued | n/a | n/a | 1,933 | 2,024 | 2,365 | 1,862 | 1,290 | 870 | 652 | 675 |
| Inspections completed | n/a | n/a | 7,801 | 9,662 | 11,845 | 11,188 | 7,465 | 4,470 | 3,150 | 3,032 |
| Code enforcement complaints | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 364 | 434 |
| Code enforcement cases | n/a | n/a | n/a | n/a | n/a | n/a | 104 | 307 | 352 | 435 |
| Development plans reviewed | n/a | n/a | 562 | 481 | 522 | 321 | 216 | 392 | 286 | 352 |
| Police | | | | | | | | | | |
| 911 calls taken | 8,080 | 9,925 | 7,572 | n/a | 8,100 | 7,978 | 7,984 | 8,127 | 8,137 | 8,454 |
| Arrests made | 745 | 780 | 636 | 658 | 719 | 932 | 980 | 870 | 832 | 1,014 |
| Citations issued | 1,961 | 1,708 | 1,292 | 1,563 | 1,257 | 2,478 | 1,932 | 1,749 | 2,467 | 1,956 |
| Animal control cases | 376 | 330 | 305 | 345 | 360 | 458 | 438 | 432 | 463 | 487 |
| Streets and highways | | | | | | | | | | |
| Street resurfacing (sq yds) | 146,839 | 52,500 | 37,144 | 55,940 | 12,595 | 14,834 | 104,237 | 17,242 | 37,985 | 159,058 |
| Street reconstruction (sq yds) | 14,312 | 5,525 | | | | | 87,666 | 54,725 | 44,653 | 4,000 |
| New roads (sq yds) | 13,820 | | 78,465 | 42,320 | 105,507 | 131,211 | 26,659 | 30,573 | 56,336 | 57,952 |
| Potholes repaired (sq yds) | | | | | | | | | | 3,686 |
| Property | | | | | | | | | | |
| Buildings maintained (sq ft) | 24,508 | 24,508 | 24,508 | 50,508 | 50,508 | 62,032 | 63,632 | 63,632 | 63,632 | 63,632 |
| Land (acres) | 148 | 148 | 148 | 152 | 152 | 178 | 178 | 256 | 285 | 285 |
| Recreation | | | | | | | | | | |
| Recreation programs offered | n/a | 58 | 89 | 74 | 75 | 62 | 47 | 72 | 50 | 45 |
| Recreation programs participation | n/a | 876 | 1,527 | 1,485 | 2,533 | 2,913 | 1,934 | 3,571 | 3,381 | 3,913 |
| Special events | 4 | 5 | 6 | 8 | 9 | 11 | 11 | 13 | 13 | 13 |
| Shelter rentals | n/a | n/a | n/a | n/a | n/a | n/a | 82 | 74 | 97 | 102 |
| Park house rentals | n/a | n/a | n/a | n/a | n/a | n/a | 84 | 115 | 110 | 116 |
| Theme park tickets sold | n/a | 81 | 173 | 2,725 | 3,460 | 273 | 2,293 | 175 | 102 | 111 |
| Court | | | | | | | | | | |
| Completed court cases | n/a | n/a | n/a | n/a | 1,954 | 2,866 | 3,057 | 2,705 | 3,534 | 2,785 |
| Water | | | | | | | | | | |
| New connections | n/a | 238 | 436 | 424 | 302 | 278 | 189 | 98 | 34 | 60 |
| Line breaks repaired | n/a | 7 | 24 | 6 | 7 | 9 | 11 | 9 | 7 | 6 |
| Meters replaced | n/a | n/a | n/a | n/a | n/a | n/a | 572 | 1,165 | 512 | 157 |
| Sewer | | | | | | | | | | |
| New residential connections | n/a | n/a | n/a | 449 | 497 | 413 | 200 | 107 | 87 | 63 |
| New commercial connections | n/a | n/a | n/a | 10 | 18 | 10 | 13 | 29 | 32 | n/a |
| Line breaks repaired | n/a | n/a | n/a | n/a | n/a | n/a | 3 | 2 | 2 | n/a |

n/a - Information is not available.
Source: City Department Heads

CITY OF RAYMORE, MISSOURI
CAPITAL ASSET STATISTICS FY FUNCTION
LAST TEN YEARS

| Function | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Public safety | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol Units | 6 | 6 | 6 | 7 | 9 | 9 | 9 | 9 | 9 | 9 |
| Highways and streets | | | | | | | | | | |
| Streets (miles) | 92.3 | 95.8 | 99.9 | 102.5 | 109.7 | 117.5 | 119.3 | 121.4 | 121.4 | 123.1 |
| Streetlights | 740 | 764 | 832 | 928 | 1,076 | 1,166 | 1,233 | 1,253 | 1,262 | 1,288 |
| Culture and recreation | | | | | | | | | | |
| Parks acreage - Developed | 115.35 | 115.35 | 148.35 | 148.35 | 148.35 | 173.65 | 173.65 | 202.01 | 202.01 | 205.89 |
| Parks acreage - Undeveloped | 33 | 33 | | 4 | 4 | 4 | 4 | 83 | 83 | 79 |
| Parks - Developed | 4 | 4 | 5 | 5 | 5 | 6 | 6 | 5 | 6 | 7 |
| Parks - Undeveloped | 1 | 1 | | 1 | 1 | 1 | 1 | 2 | 2 | 1 |
| Multi-purpose trails (miles) | 0.9 | 0.9 | 1.5 | 3.9 | 4.4 | 4.4 | 6.1 | 10.4 | 10.4 | 10.0 |
| Tennis courts | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Baseball fields | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 10 | 8 |
| Picnic Tables | 34 | 34 | 34 | 34 | 48 | 48 | 48 | 48 | 48 | 48 |
| Playgrounds | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Volley Ball Courts | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Basket Ball Courts | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Football/Soccer fields | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 |
| Shelter House | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 |
| Skate parks | | | | | 1 | 1 | 1 | 1 | 1 | 1 |
| Primitive Campgrounds | | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Water | | | | | | | | | | |
| Water mains (miles) | 65.6 | 78.7 | 83.2 | 86.1 | 91.9 | 99.4 | 100.1 | 103.5 | 103.5 | 103.9 |
| Fire hydrants | 517 | 627 | 669 | 720 | 811 | 883 | 902 | 910 | 921 | 921 |
| Sewer | | | | | | | | | | |
| Storm sewers (miles) | | | 26.5 | 28.2 | 32.1 | 47.3 | 47.9 | 49.9 | 50.5 | 53.9 |
| Sanitary sewers (miles) | | | 81.2 | 84.1 | 91.1 | 95.9 | 98.1 | 100.9 | 101.9 | 102.2 |

CITY OF RAYMORE, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED OCTOBER 31, 2010

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Federal Expenditures |
|---|---------------------------|-------------------------|
| <u>U.S. Department of Transportation</u> | | |
| Pass-Through Missouri Department of Transportation Highway Planning and Construction, Recovery Act - ARRA | 20.205 | 342,673 |
| <u>U.S. Department of Justice</u> | | |
| Direct Programs Bulletproof Vest Partnership Program | 16.607 | 2,081 |
| <u>U.S. Department of Health and Human Services</u> | | |
| Pass-Through Missouri Emergency Management Agency Emergency Management Performance Grants | 97.042 | 65,314 |
| <u>U.S. Environmental Protection Agency</u> | | |
| Direct Programs Congressionally Mandated Projects | 66.202 | 143,620 |
| <u>U.S. Department of Energy</u> | | |
| Pass-Through Missouri Department of Natural Resources Energy Efficiency and Conservation Block Grant Program - ARRA | 81.128 | <u>3,938</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | <u>557,626</u> |

CITY OF RAYMORE, MISSOURI
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED OCTOBER 31, 2010

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Raymore, Missouri and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2. SUBRECIPIENTS

The City of Raymore, Missouri provided no federal awards to subrecipients.

NOTE 3. PURPOSES OF FEDERAL PROGRAMS

A brief description of the purpose of each federal program follows:

Highway Planning and Construction (20.205)

To assist State transportation agencies in the planning and development of an integrated, interconnected transportation system important to interstate commerce and travel by constructing and rehabilitating the National Highway System, including the Eisenhower Interstate System; and for transportation improvements to most other public roads; to provide aid for the repair of Federal-aid highways following disasters; to foster safe highway design; to replace or rehabilitate deficient or obsolete bridges; and to provide for other special purposes.

Bulletproof Vest Partnership Program (16.607)

To protect the lives of law enforcement officers by helping State, local, and tribal law enforcement agencies provide officers with armored vests.

Emergency Management Performance Grants (97.042)

To provide resources to assist State and local governments to sustain and enhance all-hazards emergency management capabilities.

Congressionally Mandated Projects (66.202)

To implement special Congressionally directed projects or programs identified in EPA's annual full year Appropriations Act or Conference Report.

CITY OF RAYMORE, MISSOURI
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED OCTOBER 31, 2010

NOTE 3. PURPOSES OF FEDERAL PROGRAMS (Continued)

Energy Efficiency and Conservation Block Grant Program (81.128)

To provide financial and technical assistance to State and local governments to create and implement a variety of energy efficiency and conservation projects including the reduction of fossil fuel emissions, the reduction of total energy use, and improving energy efficiency.

NOTE 4. LOCAL GOVERNMENT CONTRIBUTIONS

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the schedule of expenditures of federal awards.

NOTE 5. ADDITIONAL AUDITS

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy, efficiency and program results which may result in disallowed costs to the City. However, City management does not believe such audits would result in any disallowed costs that would be material to the City's financial position at October 31, 2010.

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

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

We have audited the 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, 2010, which collectively comprise the City of Raymore, Missouri's basic financial statements and have issued our report thereon dated April 29, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Raymore, Missouri's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Raymore, Missouri's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Raymore, Missouri's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting as item 2010-1. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

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

The City of Raymore, Missouri's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City of Raymore, Missouri's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the governing body, administration, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dana J Cole + Company, LLP

Overland Park, Kansas
April 29, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the City of Raymore, Missouri's compliance of with the types of compliance requirements described in the "OMB Circular A-133 Compliance Supplement" that could have a direct and material effect on each of the City of Raymore, Missouri's major federal programs for the year ended October 31, 2010. The City of Raymore, Missouri's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Raymore, Missouri's management. Our responsibility is to express an opinion on the City of Raymore, Missouri's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Raymore, Missouri's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Raymore, Missouri's compliance with those requirements.

In our opinion, the City of Raymore, Missouri complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the accompanying schedule of findings and questioned costs for the year ended October 31, 2010.

Internal Control Over Compliance

Management of the City of Raymore, Missouri is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Raymore, Missouri's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on

Compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Raymore, Missouri's internal control on compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the governing body, administration, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dana F Cole + Company, LLP

Overland Park, Kansas
April 29, 2011

CITY OF RAYMORE, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED OCTOBER 31, 2010

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness identified: Yes No

Significant deficiencies identified that are not considered to be material weaknesses: Yes No

Noncompliance matter to the financial statements disclosed: Yes No

Federal Awards

Internal control over major programs:

Material weakness identified: Yes No

Significant deficiencies identified that are not considered to be a material weakness: Yes No

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133: Yes No

Identification of major programs:

CFDA No.

Highway Planning and Construction, Recovery Act – ARRA 20.205

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as a low-risk auditee? Yes No

CITY OF RAYMORE, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED OCTOBER 31, 2010

SECTION II. FINANCIAL STATEMENT FINDINGS

2010-1 RELIANCE UPON THE AUDITOR

Condition: Management should possess the ability to prepare financial statements in accordance accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors.

Criteria: As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements in conformity with accounting principles generally accepted in the United States of America and the schedule of expenditures of federal awards.

Questioned Costs: None.

Effect: The potential exists that a material misstatement of the financial statements could occur and not be prevented or detected by the City's internal control.

Recommendation: We recommend that the City review and approve the proposed auditor adjusting entries, the adequacy of financial statement disclosures prepared by the auditors, and apply analytic procedures to the draft financial statements to ensure that all assets and liabilities of the City are recorded, among other procedures as considered necessary by management.

Management's Response: The City relies on the auditor to propose adjustments necessary to prepare the financial statements including the related note disclosures. The City reviews such financial statements and approves all adjustments. The City also uses analytic procedures among other procedures necessary to complete the Management Discussion and Analysis.

CITY OF RAYMORE, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED OCTOBER 31, 2010

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

CITY OF RAYMORE, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED OCTOBER 31, 2010

None reported.