

A photograph of the City of Raymore, Missouri, building. The building is a two-story structure with a prominent red brick facade and a curved, light-colored upper section. A large American flag flies on a tall pole in front of the building. The entrance features a set of stairs leading to a glass door with the number '100' above it. A concrete overhang above the entrance is inscribed with 'CITY OF RAYMORE'. The foreground shows a paved walkway and some landscaping with red flowers and green shrubs.

City of Raymore, Missouri

Comprehensive Annual Financial Report

Fiscal Year Ended October 31, 2011

CITY OF RAYMORE

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City of Raymore, Missouri

Comprehensive Annual Financial Report

**For Fiscal Year
Ended October 31, 2011**

**Prepared by
Cynthia Watson, Finance Director**

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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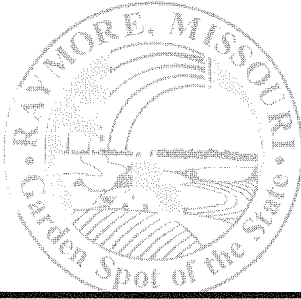
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Introductory Section

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City of Raymore

2010-2011

Principal Officials and Department Heads

Mayor and City Council

Juan I. Alonzo, Mayor

Jeffrey Stevens	Ward I
Kevin Kellogg	Ward I
Ryan Wescoat	Ward II
Jeffrey Cox	Ward II
Dutch Becker	Ward III
Jeffrey Adams (Mayor Pro Tem)	Ward III
Charlene Hubach	Ward IV
Peter Kerckhoff	Ward IV

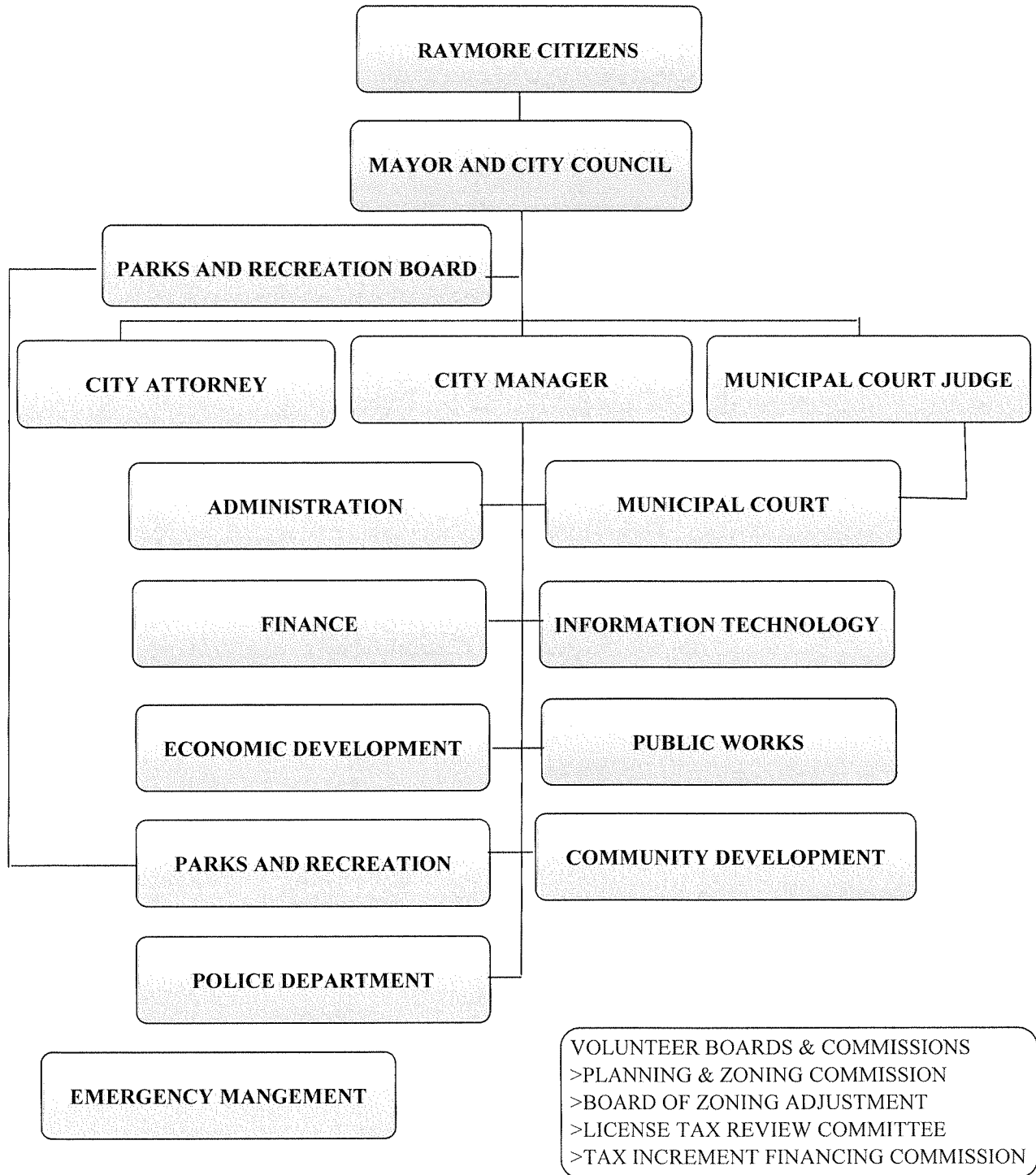
City Manager and Management Team

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

February 13, 2012

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, 2011.

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, 2011. 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 2011 again proved to be a challenging year on the economic front. Staff projected a small decrease in revenues for the fiscal year 2011 budget. 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. The City experienced modest growth in revenues while containing cost which resulted in the increase of fund balance.

These efforts continued through the fiscal year 2012 budget process to ensure sound financial position. The General Fund expenditures were budgeted at an increase of 1.42% over the previous year's budget. The City is 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. 49 building permits were issued during fiscal year 2011. 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 2010 the water master plan was updated and staff continues to search for an additional water source.

Capital projects of approximately two 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

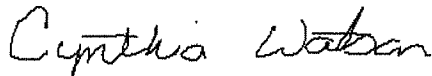
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Raymore, Missouri, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended October 31, 2010. This was the first year that the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received for the seventh consecutive year the GFOA's Distinguished Budget Presentation Award for its annual budget document dated October 31, 2010. 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,



Cynthia Watson
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Raymore
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
October 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

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Financial Section

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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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Raymore, Missouri, as of and for the year ended October 31, 2011 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, 2011, 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 February 13, 2012, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 10 through 18 and 56 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Raymore, Missouri's basic financial statements. The other supplemental information, pages 60 to 64, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplemental information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Raymore, Missouri's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Dana F Cole + Company, LLP

Overland Park, Kansas
February 13, 2012

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, 2011. 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 \$91,013,896. Of this amount, \$13,869,594 represents unrestricted net assets and may be used to fund ongoing obligations.

Total net assets decreased by \$458,711. This decrease is primarily attributable to depreciation on capital assets.

As of the close of the 2011 fiscal year, the City of Raymore, Missouri's combined governmental fund balances totaled \$11,365,620. This is an increase from the previous fiscal year of \$11,069,882. This increase is primarily attributable to the sufficiency of revenues to the City for the year to pay current debt obligations, capital outlay, and current operating expenses.

Total long-term debt for the City of Raymore, Missouri decreased during the current fiscal year by \$1,734,336 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 19 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, Capital Improvement Fund, and Storm Water Sales Tax 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 Nonmajor Governmental Funds. Specific data from the remaining funds is presented beginning on page 60 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	1,042,525	932,279
Information Technology	279,044	276,356
Economic Development	223,867	196,197
Community Development	541,580	535,463
Engineering	436,360	399,959
Streets	862,627	843,353
Building and Grounds	360,336	313,406
Stormwater	215,461	178,604
Court	145,492	145,334
Finance	482,886	482,229
Police	2,931,480	2,894,000
Emergency preparedness	<u>102,226</u>	<u>99,144</u>
 Totals	 <u>7,623,884</u>	 <u>7,296,324</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 27 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 31 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 32 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 \$91,013,896 at the close of the fiscal year.

The largest portion of the City of Raymore, Missouri's net assets, 80.9%, 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	
	2011	2010	2011	2010	2011	2010
ASSETS						
Current and other assets	12,245	12,663	7,140	7,319	19,385	19,982
Capital assets	<u>64,269</u>	<u>65,606</u>	<u>36,201</u>	<u>37,569</u>	<u>100,470</u>	<u>103,175</u>
Total assets	<u>76,514</u>	<u>78,269</u>	<u>43,341</u>	<u>44,888</u>	<u>119,855</u>	<u>123,157</u>
LIABILITIES						
Other liabilities	955	1,861	628	831	1,583	2,692
Long-term debt	<u>25,535</u>	<u>26,796</u>	<u>1,723</u>	<u>2,197</u>	<u>27,258</u>	<u>28,993</u>
Total liabilities	<u>26,490</u>	<u>28,657</u>	<u>2,351</u>	<u>3,028</u>	<u>28,841</u>	<u>31,685</u>
NET ASSETS						
Invested in capital assets, net of related debt	39,154	40,540	34,508	35,414	73,662	75,954
Restricted	2,316	4,113	1,167	1,562	3,483	5,675
Unrestricted	8,554	4,959	5,315	4,884	13,869	9,843
Total net assets	<u>50,024</u>	<u>49,612</u>	<u>40,990</u>	<u>41,860</u>	<u>91,014</u>	<u>91,472</u>

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Additionally, a portion of the City of Raymore, Missouri's net assets (3.8% 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	
	2011	2010	2011	2010	2011	2010
REVENUES						
Program revenues						
Charges for services	1,139	1,145	6,208	5,903	7,347	7,048
Operating grants and contributions	212	590			212	590
Capital grants and contributions		5,128	501		501	5,128
General revenues						
Property taxes	3,956	3,864			3,956	3,864
Sales taxes	4,380	4,219			4,380	4,219
Franchise taxes	2,635	2,479			2,635	2,479
Other taxes	491	534			491	534
Other revenue	290	381	135	145	425	526
Total revenues	<u>13,103</u>	<u>18,340</u>	<u>6,844</u>	<u>6,048</u>	<u>19,947</u>	<u>24,388</u>
EXPENSES						
Administration	1,032	851			1,032	851
Information technology	287	285			287	285
Economic development	196	202			196	202
Community development	544	524			544	524
Engineering	532	497			532	497
Streets and roads	3,609	4,132			3,609	4,132
Buildings and grounds	492	521			492	521
Stormwater	222	237			222	237
Municipal Court	145	134			145	134
Finance	482	508			482	508
Police	3,047	2,659			3,047	2,659

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
EXPENSES (Continued)						
Emergency Management	106	104			106	104
Parks and Recreation	1,179	980			1,179	980
Water and Sewer			7,394	7,266	7,394	7,266
Interest/fiscal	<u>1,039</u>	<u>1,220</u>			<u>1,039</u>	<u>1,220</u>
Total expenses	<u>12,912</u>	<u>12,854</u>	<u>7,394</u>	<u>7,266</u>	<u>20,306</u>	<u>20,120</u>
INCREASE (DECREASE) BEFORE TRANSFERS	191	5,486	(550)	(1,218)	(359)	4,268
TRANSFERS	<u>221</u>	<u>499</u>	<u>(320)</u>	<u>(499)</u>	<u>(99)</u>	<u> </u>
CHANGE IN NET ASSETS	412	5,985	(870)	(1,717)	(458)	4,268
NET ASSETS, BEGINNING	<u>49,612</u>	<u>43,627</u>	<u>41,860</u>	<u>43,577</u>	<u>91,472</u>	<u>87,204</u>
NET ASSETS, ENDING	<u>50,024</u>	<u>49,612</u>	<u>40,990</u>	<u>41,860</u>	<u>91,014</u>	<u>91,472</u>

Governmental Activities

Governmental activities increased the City of Raymore, Missouri's net assets by \$411,727 which was offset by a decrease in Business-Type activities of \$870,438, therefore leading to a current year decrease of \$458,711 in net assets.

Revenues were down in the governmental activities funds, primarily due to decreases in capital grants and contributions associated with capital projects. Tax revenues and charges for services remained fairly steady.

Expenses in the governmental activities were up by a total of \$57,626.

Business-Type Activities

Business-type activities decreased the City of Raymore, Missouri's net assets by \$870,438 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, unassigned fund balance of the General Fund represented 90.3% of the entire \$4,921,895 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 67.3% of the total General Fund expenditures of \$7,318,393.

The total fund balance in the City of Raymore, Missouri's General Fund increased \$413,681 compared to the previous fiscal year. The key factor associated with this increase was a continued revenue stream and operational spending increasing 4.1%.

The Debt Service Fund has a total fund balance of \$743,481, 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 \$166,540. The government's debt service levy on property for the fiscal year was 0.7170.

The Park and Recreation Fund has a total fund balance of \$1,033,017. The net increase of \$6,322 was primarily due to a small increase in property and sales taxes.

The Transportation Fund has a total fund balance of \$2,147,117. The net decrease of \$831,859 was primarily due to the prior years' allocations of capital expenditures associated with the 2007 G.O. Bond funding. At the end of the current fiscal year, the \$1,591,720 restricted fund balance is associated with the remaining 2007 GO Bond funds, that are anticipated to be expended during the 2012 fiscal year.

The Capital Improvement Fund has a total fund balance of \$1,166,817. The net increase of \$712,885 is primarily due to a continued revenue stream and less budgeted capital expenditures to grow the fund balance for future capital projects associated with this funding source.

The Storm Water Sales Tax Fund has a total fund balance of \$358,335. The net decrease of \$18,755 was primarily associated with a capital project authorized using available fund balance.

The Other Non-Major Funds have a combined fund balance of \$994,958. The net increase of \$180,004 was primarily associated with the transfers from others funds for future capital outlay needs.

Proprietary Fund

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

Unrestricted net assets in this Proprietary Fund at the end of the year amounted to \$5,315,378. This is up from the previous year's amount of \$4,883,880. Total net assets in this fund decreased by \$870,438. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Raymore, Missouri's business-type activities.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Raymore, Missouri's investment in capital assets for its governmental and business-type activities as of the end of the fiscal year is \$100,470,715 (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 a decrease of \$2,704,728 from the previous year. This decrease is primarily attributable to depreciation expense that exceeded the amount of assets capitalized during the year.

Additional information on the City's capital assets can be found in the Note 3 on pages 43 to 45 of this report.

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land and construction in progress	3,763	7,155	1,102	703	4,865	7,858
Buildings, improvements, and related office equipment	13,572	13,401	354	354	13,926	13,755
Machinery, equipment, and vehicles	2,393	2,266	3,791	3,641	6,184	5,907
Infrastructure	<u>80,361</u>	<u>74,882</u>	<u>71,407</u>	<u>70,970</u>	<u>151,768</u>	<u>145,852</u>
	100,089	97,704	76,654	75,668	176,743	173,372
Less accumulated depreciation	<u>(35,820)</u>	<u>(32,097)</u>	<u>(40,452)</u>	<u>(38,099)</u>	<u>(76,272)</u>	<u>(70,196)</u>
Capital assets, net of depreciation	<u>64,269</u>	<u>65,607</u>	<u>36,202</u>	<u>37,569</u>	<u>100,471</u>	<u>103,176</u>

Long-Term Debt

At the end of the current fiscal year, the City of Raymore, Missouri had total long-term debt outstanding of \$27,258,045. As stated previously, this is a decrease in total debt of \$1,205,678, 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 45 to 51 of this report.

CITY OF RAYMORE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Raymore, Missouri
Outstanding Debt
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligation bonds	19,815	20,595			19,815	20,595
Revenue bonds			1,685	2,145	1,685	2,145
Notes payable	240	258			240	258
Special obligation bonds	3,445	3,645			3,445	3,645
Capital appreciation bonds	302	366			302	366
Certificates of participation	1,265	1,455			1,265	1,455
Total	<u>25,067</u>	<u>26,319</u>	<u>1,685</u>	<u>2,145</u>	<u>26,752</u>	<u>28,464</u>

ECONOMIC FACTORS, NEXT YEAR'S BUDGET, AND RATES

General Fund revenues for fiscal year 2012 are projected to total \$7,946,684. This represents an overall conservative growth of 2.1% 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 recognized the last of protested revenue during fiscal year 2011.

General Fund budgeted expenditures are projected to total \$8,718,514 compared to \$8,596,054 in 2011. This represents a 1.42% increase over the prior year budget. Of this amount, \$575,722 are interfund transfers directed by council utilizing unassigned fund balance.

Major capital projects will be funded from the various capital funds sales taxes, transfers from the General Fund, and continued construction on the final projects associated with the 2007 G.O. Bond issue.

In the business-type activities, the rates are set as follows: water \$4.85; sewer \$6.75 (volume) and \$7.20 (winter average). The rates are set on a break-even method to be reviewed and adjusted as needed due to the reliance on Kansas City, Missouri; Little Blue Valley Sewer District; and Middle Big Creek to provide water and sewer service respectively. On August 8, 2011, the Council approved a \$0.35 increase to the sewer rate effective November 1, 2011.

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, 2011

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	1,627,118	937,129	2,564,247	1
Investments	6,674,041	3,195,086	9,869,127	
Taxes receivable	1,081,158		1,081,158	312,841
Accounts receivable, net	247,800	1,355,452	1,603,252	
Interest receivable	3,586	1,656	5,242	
Prepaid expenses	67,704	18,252	85,956	
Inventory	57,017	88,122	145,139	
Restricted cash	1,743,170		1,743,170	1,340,389
Restricted investments	446,264	1,506,948	1,953,212	
Bond issuance cost - net of amortization	296,847	36,808	333,655	133,935
Bond discount - net of amortization				84,164
Capital assets				
Land	3,030,480	337,399	3,367,879	
Construction in progress	732,623	764,157	1,496,780	
Other capital assets, net of accumulated depreciation	<u>60,506,119</u>	<u>35,099,937</u>	<u>95,606,056</u>	
TOTAL ASSETS	<u>76,513,927</u>	<u>43,340,946</u>	<u>119,854,873</u>	<u>1,871,330</u>
LIABILITIES				
Accounts payable	322,378	244,671	567,049	42,734
Deferred revenue	21,160		21,160	
Accrued expenses	238,700	10,460	249,160	153,126
Meter deposits		340,025	340,025	
Accrued bond interest	372,339	33,199	405,538	
Long-term liabilities				
Due within one year	1,963,104	474,690	2,437,794	255,018
Due in more than one year	<u>23,572,216</u>	<u>1,248,035</u>	<u>24,820,251</u>	<u>15,397,777</u>
TOTAL LIABILITIES	<u>26,489,897</u>	<u>2,351,080</u>	<u>28,840,977</u>	<u>15,848,655</u>
NET ASSETS				
Invested in capital assets, net of related debt	39,153,934	34,507,565	73,661,499	
Restricted for:				
Debt service	129,244	1,166,923	1,296,167	
Capital projects	446,264		446,264	
911 distribution	1,736,786		1,736,786	
Other purposes	3,586		3,586	
Unrestricted (deficit)	<u>8,554,216</u>	<u>5,315,378</u>	<u>13,869,594</u>	<u>(13,977,325)</u>
TOTAL NET ASSETS	<u>50,024,030</u>	<u>40,989,866</u>	<u>91,013,896</u>	<u>(13,977,325)</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2011

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary government								
Governmental activities								
Administration	1,032,324	186,489			(845,835)		(845,835)	
Information Technology	286,679				(286,679)		(286,679)	
Economic Development	196,197				(196,197)		(196,197)	
Community Development	543,478	265,379			(278,099)		(278,099)	
Engineering	532,106				(532,106)		(532,106)	
Streets and Roads	3,608,954		167		(3,608,787)		(3,608,787)	
Building and Grounds	491,412				(491,412)		(491,412)	
Stormwater	221,772		34,748		(187,024)		(187,024)	
Municipal Court	145,334				(145,334)		(145,334)	
Finance	482,229				(482,229)		(482,229)	
Police	3,047,308	360,157	177,036		(2,510,115)		(2,510,115)	
Emergency preparedness	106,015				(106,015)		(106,015)	
Parks and Recreation	1,179,142	327,006			(852,136)		(852,136)	
Interest on long-term debt	1,039,036				(1,039,036)		(1,039,036)	
Total governmental activities	<u>12,911,986</u>	<u>1,139,031</u>	<u>211,951</u>		<u>(11,561,004)</u>		<u>(11,561,004)</u>	
Business-type activities								
Water and Sewer	<u>7,393,722</u>	<u>6,207,730</u>		<u>500,992</u>		<u>(685,000)</u>	<u>(685,000)</u>	
Total primary government	<u>20,305,708</u>	<u>7,346,761</u>	<u>211,951</u>	<u>500,992</u>	<u>(11,561,004)</u>	<u>(685,000)</u>	<u>(12,246,004)</u>	
Component Units								
Galleria TIF Component Unit	552,377							(552,377)
Hubach Hill TDD Component Unit	427,882							(427,882)
Total component units	<u>980,259</u>							<u>(980,259)</u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2011

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
General revenues								
Taxes								
Property tax				3,955,594		3,955,594	202,783	
Sales taxes				4,380,399		4,380,399	453,263	
Other				491,126		491,126		
Franchise fees				2,634,537		2,634,537		
Investment income				69,938	114,550	184,488	186	
Refunds and reimbursements				164,528		164,528		
Miscellaneous revenue				55,875	20,078	75,953		
Total general revenues				<u>11,751,997</u>	<u>134,628</u>	<u>11,886,625</u>	<u>656,232</u>	
Transfers				<u>220,734</u>	<u>(320,066)</u>	<u>(99,332)</u>	<u>99,332</u>	
CHANGE IN NET ASSETS				411,727	(870,438)	(458,711)	(224,695)	
NET ASSETS, beginning of year				<u>49,612,303</u>	<u>41,860,304</u>	<u>91,472,607</u>	<u>(13,752,630)</u>	
NET ASSETS, end of year				<u>50,024,030</u>	<u>40,989,866</u>	<u>91,013,896</u>	<u>(13,977,325)</u>	

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
OCTOBER 31, 2011

	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	356,117	335,320	94,503	60,107	546,077	156,245	78,749	1,627,118
Investments	4,170,680	520,970	293,707	668,645	58,243	69,535	892,261	6,674,041
Taxes receivable	586,254	82,322	162,969	4,799	163,329	81,485		1,081,158
Interest receivable	2,216	234	114	563	13	9	437	3,586
Other receivables	31,377					3,977	115,944	151,298
Due from fiduciary funds	92,398							92,398
Due from other governments			4,104					4,104
Prepaid items	61,098	6,606						67,704
Inventory	57,017							57,017
Restricted cash	18,620	123,463	1,591,720	9,367				1,743,170
Restricted investments					399,180	47,084		446,264
22 TOTAL ASSETS	<u>5,375,777</u>	<u>1,068,915</u>	<u>2,147,117</u>	<u>743,481</u>	<u>1,166,842</u>	<u>358,335</u>	<u>1,087,391</u>	<u>11,947,858</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	205,560	24,360			25		92,433	322,378
Deferred revenue	21,160							21,160
Accrued expenses	<u>227,162</u>	<u>11,538</u>						<u>238,700</u>
Total liabilities	<u>453,882</u>	<u>35,898</u>			<u>25</u>		<u>92,433</u>	<u>582,238</u>
FUND BALANCES								
Nonspendable	118,115	6,606						124,721
Restricted for debt service		119,877		9,367				129,244
Restricted for capital projects					399,180	47,084		446,264
Restricted for 911 distribution	145,066		1,591,720					1,736,786
Restricted for other purposes		3,586						3,586
Committed	114,666							114,666
Assigned	99,044	902,948	555,397	734,114	767,637	311,251	994,958	4,365,349
Unassigned	<u>4,445,004</u>							<u>4,445,004</u>
Total fund balances	<u>4,921,895</u>	<u>1,033,017</u>	<u>2,147,117</u>	<u>743,481</u>	<u>1,166,817</u>	<u>358,335</u>	<u>994,958</u>	<u>11,365,620</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>5,375,777</u>	<u>1,068,915</u>	<u>2,147,117</u>	<u>743,481</u>	<u>1,166,842</u>	<u>358,335</u>	<u>1,087,391</u>	<u>11,947,858</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, 2011

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

Fund balance - total governmental funds 11,365,620

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

Governmental capital assets	100,089,019	
Less accumulated depreciation	<u>(35,819,797)</u>	
		64,269,222

Bond interest expense was accrued for governmental activities. (372,339)

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	33,026	
Bond premiums	(80,941)	
Bond cost, net of amortization	<u>296,847</u>	
		248,932

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

Notes payable	(240,000)	
Capital appreciation bonds	(302,373)	
General obligation bonds	(19,815,000)	
Special obligation bonds	(3,445,000)	
Certificates of participation	<u>(1,265,000)</u>	
		(25,067,373)

Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. (420,032)

NET ASSETS OF GOVERNMENTAL ACTIVITIES 50,024,030

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, 2011

	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	1,186,870	322,319	157,077	1,830,355		458,973		3,955,594
Sales	2,080,237	460,738	919,712		919,712			4,380,399
Franchise	2,634,537							2,634,537
Other	375,670						115,456	491,126
Charges for services	170,415	327,006						497,421
Fines and forfeitures	360,157			16,074				376,231
Licenses, fees, and permits	265,379							265,379
Intergovernmental	177,036		167			34,748		211,951
Interest	33,750	7,821	11,074	8,381	2,132	1,755	5,025	69,938
Refunds and reimbursements	147,500				16,547	481		164,528
Miscellaneous	40,906	14,969						55,875
Total revenues	<u>7,472,457</u>	<u>1,132,853</u>	<u>1,088,030</u>	<u>1,854,810</u>	<u>938,391</u>	<u>495,957</u>	<u>120,481</u>	<u>13,102,979</u>
EXPENDITURES								
Current								
Administration	932,279							932,279
Information Technology	276,356							276,356
Economic Development	196,197							196,197
Community Development	535,463							535,463
Engineering	399,959							399,959
Streets	843,353							843,353
Building and grounds	313,406							313,406
Stormwater	178,604					3,746		182,350
Court	145,334							145,334
Finance	482,229							482,229
Police	2,894,000							2,894,000
Emergency Management	99,144							99,144
Parks and Recreation		933,831						933,831
Capital outlay	22,069	277,091	1,436,674		209,884	113,377	241,422	2,300,517
Debt service								
Principal		38,000		843,348	200,000	170,000		1,251,348
Interest and fiscal fees		8,912		1,041,197	154,137	37,963		1,242,209
Total expenditures	<u>7,318,393</u>	<u>1,257,834</u>	<u>1,436,674</u>	<u>1,884,545</u>	<u>564,021</u>	<u>325,086</u>	<u>241,422</u>	<u>13,027,975</u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2011

	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>154,064</u>	<u>(124,981)</u>	<u>(348,644)</u>	<u>(29,735)</u>	<u>374,370</u>	<u>170,871</u>	<u>(120,941)</u>	<u>75,004</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	1,307,720	164,167	560,000		437,847		510,945	2,980,679
Transfers out	<u>(1,048,103)</u>	<u>(32,864)</u>	<u>(1,043,215)</u>	<u>(136,805)</u>	<u>(99,332)</u>	<u>(189,626)</u>	<u>(210,000)</u>	<u>(2,759,945)</u>
Total other financing sources (uses)	<u>259,617</u>	<u>131,303</u>	<u>(483,215)</u>	<u>(136,805)</u>	<u>338,515</u>	<u>(189,626)</u>	<u>300,945</u>	<u>220,734</u>
NET CHANGE IN FUND BALANCES	413,681	6,322	(831,859)	(166,540)	712,885	(18,755)	180,004	295,738
FUND BALANCE, beginning 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>
FUND BALANCE, end of year	<u>4,921,895</u>	<u>1,033,017</u>	<u>2,147,117</u>	<u>743,481</u>	<u>1,166,817</u>	<u>358,335</u>	<u>994,958</u>	<u>11,365,620</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, 2011

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

Net change in fund balances - total governmental funds	295,738
--------------------------------------------------------	---------

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	2,498,740
Depreciation	<u>(3,796,712)</u> (1,297,972)

Governmental funds report the proceeds from the disposal of assets as revenues. However, in the statement of activities, the revenues are reported less the amount of non-depreciated cost. This is the amount by which the cost exceeded any proceeds.

Cost	(113,310)
Accumulated depreciation	<u>73,828</u> (39,482)

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	1,251,348
Decrease in accrued bond interest expense	224,501
Amortization of premiums, discounts, and bond costs	<u>(21,328)</u> 1,454,521

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>(1,078)</u>
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>411,727</u>
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See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
OCTOBER 31, 2011

	Enterprise Fund
ASSETS	
Current Assets	
Cash and cash equivalents	937,129
Investments	3,195,086
Accounts receivable, net	1,355,452
Interest receivable	1,656
Inventory	88,122
Prepaid expenses	<u>18,252</u>
Total current assets	<u>5,595,697</u>
Noncurrent Assets	
Restricted investments	1,506,948
Bond issuance cost - net of amortization	36,808
Capital assets	
Land	337,399
Construction in progress	764,157
Other capital assets, net of accumulated depreciation	<u>35,099,937</u>
Total noncurrent assets	<u>37,745,249</u>
TOTAL ASSETS	<u>43,340,946</u>
LIABILITIES	
Current Liabilities	
Accounts payable	244,671
Accrued expenses	10,460
Accrued bond interest	33,199
Meter deposits	340,025
Current portion of long-term obligations	<u>474,690</u>
Total current liabilities	<u>1,103,045</u>
Noncurrent Liabilities	
Noncurrent portion of long-term obligations	<u>1,248,035</u>
TOTAL LIABILITIES	<u>2,351,080</u>
NET ASSETS	
Invested in capital assets, net of related debt	34,507,565
Restricted for:	
Debt service	1,166,923
Unrestricted	<u>5,315,378</u>
TOTAL NET ASSETS	<u>40,989,866</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, 2011

	Enterprise Fund
OPERATING REVENUES	
Charges for service	6,042,952
Penalties	141,294
Miscellaneous	23,484
Total operating revenues	<u>6,207,730</u>
OPERATING EXPENSES	
Personal services	686,520
Contractual services	1,285,699
Commodities	1,398,422
Utilities/maintenance	1,450,364
Depreciation	2,432,987
Amortization	12,968
Total operating expenses	<u>7,266,960</u>
OPERATING LOSS	<u>(1,059,230)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	114,550
Gain on disposal of assets	20,078
Bond interest and fees	(126,762)
Total nonoperating revenues (expenses)	<u>7,866</u>
LOSS BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>(1,051,364)</u>
TRANSFERS	
Transfers in	447,121
Transfers out	(767,187)
Net transfers	<u>(320,066)</u>
LOSS BEFORE CAPITAL CONTRIBUTIONS	(1,371,430)
CAPITAL CONTRIBUTIONS	500,992
CHANGE IN NET ASSETS	(870,438)
NET ASSETS, beginning of year	<u>41,860,304</u>
NET ASSETS, end of year	<u>40,989,866</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	6,006,452
Payments to suppliers	(4,411,893)
Payments to employees	(699,067)
Other receipts (claims)	<u>23,484</u>
Net cash provided by operating activities	<u>918,976</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	447,121
Transfers to other funds	<u>(767,187)</u>
Net cash used in noncapital financing activities	<u>(320,066)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(1,041,975)
Cash received from capital grants	500,992
Long-term debt payments	(460,000)
Interest and fiscal fees paid on long-term debt	<u>(128,130)</u>
Net cash used in capital and related financing activities	<u>(1,129,113)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends	114,550
Increase in investments	<u>1,331,035</u>
Net cash provided by investing activities	<u>1,445,585</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	915,382
CASH AND CASH EQUIVALENTS, beginning of year	<u>21,747</u>
CASH AND CASH EQUIVALENTS, end of year	<u>937,129</u>
ALLOCATION OF CASH	
Unrestricted	<u>937,129</u>

CITY OF RAYMORE, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED OCTOBER 31, 2011

Reconciliation of Operating Loss to Net Cash
Provided by Operating Activities

Operating loss	<u>(1,059,230)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	2,445,955
(Increase) decrease in:	
Receivables	(213,004)
Inventory	(51,072)
Prepaid expenses	2,188
Increase (decrease) in:	
Accounts payable	(228,524)
Accrued expenses	554
Compensated absences	(13,101)
Meter deposits	35,210
Total adjustments	<u>1,978,206</u>
 Net cash provided by operating activities	 <u>918,976</u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
OCTOBER 31, 2011

	Agency Fund
ASSETS	
Cash and cash equivalents	37,459
Accounts receivable	
Interest receivable	211
Investments at fair value	<u>418,035</u>
TOTAL ASSETS	<u>455,705</u>
LIABILITIES	
Due to others	6,319
Due to General Fund	92,398
Due to escrow agents	<u>356,988</u>
TOTAL LIABILITIES	<u>455,705</u>
NET ASSETS	<u><u>- 0 -</u></u>

See accompanying notes to financial statements.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The City of Raymore, Missouri (the City) was incorporated in 1877 and covers an area of approximately twenty square miles in Cass County, Missouri. 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 19,206 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. This District creates the potential for financial benefit and/or burden for the City. The Raymore City Council appoints all six members of the TIF Commission's Board of Directors.

Hubach Hill and North Cass Parkway Transportation Development District

This reporting unit accounts for the debt service of revenue bonds issued in 2009. The District currently has no revenue generated to service such debt and the City transfers needed funds to the District as determined necessary.

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION

Government-Wide Statements

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

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

Fund Financial Statements

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

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

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.

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)

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

Major Special Revenue Funds

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

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

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

Nonmajor Special Revenue Fund

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

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

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.

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)

Nonmajor Capital Improvement Funds (Continued)

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

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

Proprietary Fund Type

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

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

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.

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)

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

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

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

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 and Finance Director may make transfers of appropriations within a department. Transfers of appropriations between departments

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGETS (Continued)

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.

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. Prepaid expenses are accounted for using the consumption method.

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. In addition, certain capitalized projects include administration and inspection fees, up to 6% of the construction costs, that were conducted by the City's departments.

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 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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATION

Government-Wide Statements

Net assets are displayed in three components:

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

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

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

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. EQUITY CLASSIFICATION (Continued)

Fund Statements (Continued)

Assigned

This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.

Unassigned

This classification includes the residual fund balance for the General Fund.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

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.

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

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.

As of October 31, 2011, 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, 2011, the City had the following investments.

Investment Type	Maturity Date	Yield %	Rating	Fair Value
FFCB Discount Note	06/01/12	0.21	AAA	2,500,000
Certificate of Deposit	01/25/12	0.17		2,000,000
Certificate of Deposit	02/22/12	0.55		455,258
Certificate of Deposit	03/29/12	0.36		1,500,000
Certificate of Deposit	06/01/12	0.50		399,180
Certificate of Deposit	06/20/12	0.08		2,000,000
Certificate of Deposit	06/27/12	0.50		658,602
Certificate of Deposit	09/12/12	0.22		2,000,000
Investments held in trust	Various	Various		<u>727,335</u>
Total investments				12,240,375
Less: Investments allocated to Fiduciary Funds				<u>(418,036)</u>
Total investments allocated to City Funds				<u>11,822,339</u>
Investment		Unrestricted	Restricted	Total
Governmental Activities		6,674,041	446,264	7,120,305
Business-Type Activities		<u>3,195,086</u>	<u>1,506,948</u>	<u>4,702,034</u>
		<u>9,869,127</u>	<u>1,953,212</u>	<u>11,822,339</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, 2011 was as follows:

	Balance October 31, 2010	Additions	Deletions	Balance October 2011
<u>Governmental Activities</u>				
Capital assets, not being depreciated				
Land	3,030,479			3,030,479
Construction in progress	<u>4,124,802</u>	<u>2,310,491</u>	<u>(5,702,670)</u>	<u>732,623</u>
Total capital assets not being depreciated	<u>7,155,281</u>	<u>2,310,491</u>	<u>(5,702,670)</u>	<u>3,763,102</u>
Capital assets, being depreciated				
Intangible property	155,887			155,887
Buildings and improvements	12,973,194	171,162		13,144,356
Office equipment and furniture	47,770			47,770
Computer equipment and software	224,366			224,366
Machinery and equipment	1,046,241	93,887	(7,340)	1,132,788
Vehicles	1,219,512	146,648	(105,970)	1,260,190
Infrastructure	<u>74,881,839</u>	<u>5,478,721</u>		<u>80,360,560</u>
Total capital assets being depreciated	<u>90,548,809</u>	<u>5,890,418</u>	<u>(113,310)</u>	<u>96,325,917</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

	Balance October 31, 2010	Additions	Deletions	Balance October 2011
<u>Governmental Activities (Continued)</u>				
Less accumulated depreciation for:				
Intangible property	32,176	8,628		40,804
Buildings and improvements	2,373,353	415,765		2,789,118
Office equipment and furniture	39,057	2,387		41,444
Computer equipment and software	156,951	11,766		168,717
Machinery and equipment	607,072	83,316	(306)	690,082
Vehicles	704,671	134,556	(74,027)	765,200
Infrastructure	<u>28,184,135</u>	<u>3,140,298</u>		<u>31,324,433</u>
Total accumulated depreciation	<u>32,097,415</u>	<u>3,796,716</u>	<u>(74,333)</u>	<u>35,819,798</u>
Total capital assets, being depreciated	<u>58,451,394</u>	<u>2,093,702</u>	<u>(38,977)</u>	<u>60,506,119</u>
Governmental activities capital assets, net	<u>65,606,675</u>	<u>4,404,193</u>	<u>(5,741,647)</u>	<u>64,269,221</u>
<u>Business-Type Activities</u>				
Capital assets, not being depreciated				
Land	337,399			337,399
Construction in progress	<u>365,304</u>	<u>835,635</u>	<u>(436,782)</u>	<u>764,157</u>
Total capital assets not being depreciated	<u>702,703</u>	<u>835,635</u>	<u>(436,782)</u>	<u>1,101,556</u>
Capital assets, being depreciated				
Buildings and improvements	353,741			353,741
Vehicles and equipment	485,269	230,078	(80,686)	634,661
Intangible property	3,155,820			3,155,820
Infrastructure	<u>70,970,592</u>	<u>436,782</u>		<u>71,407,374</u>
Total capital assets not being depreciated	<u>74,965,422</u>	<u>666,860</u>	<u>(80,686)</u>	<u>75,551,596</u>
Less accumulated depreciation for:				
Intangible property	181,026	122,795		303,821
Buildings and improvements	65,644	8,025		73,669
Vehicles and equipment	356,597	36,276	(80,686)	312,187
Infrastructure	<u>37,496,091</u>	<u>2,265,891</u>		<u>39,761,982</u>
Total accumulated depreciation	<u>38,099,358</u>	<u>2,432,987</u>	<u>(80,686)</u>	<u>40,451,659</u>
Total capital assets, being depreciated	<u>36,866,064</u>	<u>(1,766,127)</u>		<u>35,099,937</u>
Business-type activities capital assets, net	<u>37,568,767</u>	<u>(930,492)</u>	<u>(436,782)</u>	<u>36,201,493</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

The following table summarizes the depreciation by function for the year ended October 31, 2011:

	Governmental Activities	Business-Type Activities
Administration	98,967	
Information Technology	10,323	
Community Development	8,015	
Engineering	132,147	
Streets and Roads	2,963,824	
Building and Grounds	178,006	
Stormwater	39,422	
Police Department	113,826	
Emergency Management	6,871	
Parks	245,311	
Water and Sewer		<u>2,432,987</u>
	<u>3,796,712</u>	<u>2,432,987</u>

NOTE 4. LONG-TERM DEBT

Governmental Activities

Changes in the debt for the year ended October 31, 2011, consisted of the following:

	Balance November 1, 2010	Addi- tions	Retire- ments	Balance October 31, 2011	Due in One Year
General Obligation Bonds	20,595,000		(780,000)	19,815,000	1,120,000
Special Obligation Refunding Bonds	3,645,000		(200,000)	3,445,000	200,000
Capital Appreciation Bonds	365,723		(63,350)	302,373	- 0 -
Notes payable	258,000		(18,000)	240,000	18,000
Certificates of Partici- pation	1,455,000		(190,000)	1,265,000	195,000
Compensated absences	418,954	420,032	(418,954)	420,032	420,032
Bond premium	93,212		(12,273)	80,939	12,273
Bond discount	<u>(35,227)</u>		<u>2,201</u>	<u>(33,026)</u>	<u>(2,201)</u>
Total governmental long-term liabilities	<u>26,795,662</u>	<u>420,032</u>	<u>(1,680,376)</u>	<u>25,535,318</u>	<u>1,963,104</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

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%.	3,700,000
\$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>1,715,000</u>
Total general obligation bonds	<u>19,815,000</u>

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

Year Ending October 31,	Principal	Interest
2012	1,120,000	828,328
2013	1,250,000	782,248
2014	1,365,000	732,916
2015	805,000	693,498
2016	570,000	664,930
2017 - 2021	3,920,000	2,902,062
2022 - 2026	8,365,000	1,589,065
2027	<u>2,420,000</u>	<u>54,450</u>
	<u>19,815,000</u>	<u>8,247,497</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%.	<u>1,265,000</u>
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CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Certificates of Participation (Continued)

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

Year Ending October 31,	Principal	Interest
2012	195,000	37,846
2013	200,000	32,510
2014	205,000	26,483
2015	215,000	19,758
2016	220,000	12,360
2017	<u>230,000</u>	<u>4,255</u>
	<u>1,265,000</u>	<u>133,212</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%.

3,445,000

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

Year Ending October 31,	Principal	Interest
2012	200,000	145,500
2013	210,000	137,069
2014	215,000	128,276
2015	230,000	118,986
2016	235,000	109,162
2017 - 2021	1,360,000	378,828
2021 - 2023	<u>995,000</u>	<u>53,136</u>
	<u>3,445,000</u>	<u>1,070,957</u>

Capital Appreciation Bonds

\$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

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Capital Appreciation Bonds (Continued)

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

Year Ending October 31,	Principal	Interest
2012	- 0 -	- 0 -
2013	- 0 -	- 0 -
2014	- 0 -	- 0 -
2015	<u>302,373</u>	<u>382,627</u>
	<u>302,373</u>	<u>382,627</u>

Notes Payable

Note payable, Department of Natural Resources, dated December 1, 2002, with final payment due January 1, 2023; interest at 1.6%. Note secured by tax revenues. 240,000

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

Year Ending October 31,	Principal	Interest
2012	18,000	3,696
2013	19,000	3,400
2014	19,000	3,096
2015	19,000	2,792
2016	19,000	2,488
2017 - 2021	102,000	7,648
2022 - 2023	<u>44,000</u>	<u>720</u>
	<u>240,000</u>	<u>23,840</u>

Compensated Absences

Compensated absences are payable upon separation from employment which could occur at any time and are, therefore, considered payable within one year and are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

General	387,697
Park	<u>32,335</u>
	<u>420,032</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Business-Type Activities

Changes in the debt for the year ended October 31, 2011, consisted of the following:

	Balance November 1, 2010	Addi- tions	Retire- ments	Balance October 31, 2011	Due in One Year
Water Pollution Control Revenue Bonds	1,040,000		(325,000)	715,000	345,000
Combined Revenue and Refunding Bonds	40,000		(40,000)	- 0 -	- 0 -
Water Revenue Bonds	1,065,000		(95,000)	970,000	100,000
Compensated absences	41,898	28,797	(41,898)	28,797	28,797
Bond Premium	<u>9,821</u>	<u> </u>	<u>(893)</u>	<u>8,928</u>	<u>893</u>
Total business-type activities long-term liabilities	<u>2,196,719</u>	<u>28,797</u>	<u>(502,791)</u>	<u>1,722,725</u>	<u>474,690</u>

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%. 715,000

\$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%. 970,000

Total revenue bonds 1,685,000

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

Year Ending October 31,	Principal	Interest
2012	445,000	100,419
2013	475,000	72,621
2014	110,000	42,821
2015	115,000	36,882
2016	125,000	30,556
2017 - 2019	<u>415,000</u>	<u>48,076</u>
	<u>1,685,000</u>	<u>331,375</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

Compensated Absences

Compensated absences are payable upon separation from employment which could occur at any time and are, therefore, considered payable within one year and are liquidated by the governmental fund responsible for generating the liability. The liability is allocated to each fund as follows:

Water and Sanitary Sewer	<u>28,797</u>
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Discretely Presented Component Units

Galleria TIF District

Changes in the debt for the year ended October 31, 2011, consisted of the following:

	Balance November 1, 2010	Addi- tions	Retire- ments	Balance October 31, 2011	Due in One Year
Galleria TIF Bond Series 2005	9,745,000		(240,000)	9,505,000	270,000
Bond discount	<u>(262,187)</u>	_____	<u>14,982</u>	<u>(247,205)</u>	<u>(14,982)</u>
Total Galleria TIF District	<u>9,482,813</u>	_____	<u>(225,018)</u>	<u>9,257,795</u>	<u>255,018</u>

Revenue Bonds

\$10,405,000 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%.	<u>9,505,000</u>
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Aggregate annual principal and interest payments applicable to the revenue bonds are:

Year Ending October 31,	Principal	Interest
2012	270,000	515,406
2013	300,000	501,156
2014	325,000	485,328
2015	355,000	467,903
2016	395,000	448,191
2017 - 2021	2,380,000	1,888,863
2022 - 2026	3,555,000	1,067,766
2027 - 2028	<u>1,925,000</u>	<u>114,047</u>
	<u>9,505,000</u>	<u>5,488,660</u>

CITY OF RAYMORE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Hubach Hill and North Cass Parkway Transportation Development District

Changes in the debt for the year ended October 31, 2011, consisted of the following:

	Balance November 1, 2010	Addi- tions	Retire- ments	Balance October 31, 2011	Due in One Year
2009 Infrastructure Improvement Revenue Bonds	<u>6,395,000</u>	_____	_____	<u>6,395,000</u>	<u>- 0 -</u>

Revenue Bonds

\$7,695,000 January 15, 2009, Infrastructure Improvement Revenue Bonds, due in annual installments varying from year to year until maturity on September 1, 2032; interest at 4.0% to 6.5%.

6,395,000

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

Year Ending October 31,	Principal	Interest
2012	- 0 -	396,600
2013	- 0 -	396,600
2014	- 0 -	396,600
2015	- 0 -	396,600
2016	- 0 -	396,600
2017 - 2021	765,000	1,934,875
2022 - 2026	1,775,000	1,573,225
2027 - 2031	2,775,000	914,607
2032	<u>1,080,000</u>	<u>70,200</u>
	<u>6,395,000</u>	<u>6,475,907</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, 2010, on which the fiscal year 2011 levy was based is as follows:

Real estate	224,362,948
Personal property	<u>36,211,193</u>
	<u>260,574,141</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, 2011, 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 Recre- ation	Transpor- tation	Capital Improve- ment Fund	Non- major Funds	Enterprise	
<u>Transfers Out:</u>							
General Fund		164,167	560,000		223,620	100,316	1,048,103
Parks and recreation					32,864		32,864
Transportation	514,333			437,847	91,035		1,043,215
Debt service						136,805	136,805
Storm water sales tax	189,626						189,626
Nonmajor funds						210,000	210,000
Enterprise	<u>603,761</u>				<u>163,426</u>		<u>767,187</u>
Total	<u>1,307,720</u>	<u>164,167</u>	<u>560,000</u>	<u>437,847</u>	<u>510,945</u>	<u>447,121</u>	<u>3,427,800</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.

In addition, the Capital Improvement Fund transferred \$99,332 to the Hubach Hill and North Cass Parkway Transportation Development District (a discretely presented component unit of the City) to assist in the payment of scheduled debt service.

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, 2011 statutorily required contribution rates are 10.4% (general) and 11.4% (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 2011, the political subdivision's annual pension cost was \$478,193. Actual contributions were \$467,673 and the net pension obligation (NPO) was \$10,520. The annual required contribution (ARC) was determined as part of the February 29, 2008 and February 28, 2009 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 7.25% per year, compounded annually, (b) projected salary increases of 3.5% 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 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 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 29, 2008 was 22 years for the General division and 22 years for the Police division. The amortization period as of February 28, 2009 was 30 years for the General division and 28 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
6/30/09	481,425	100	- 0 -
6/30/10	447,056	100	- 0 -
6/30/11	478,193	97.8	10,520

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
2/28/09	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%
2/28/11	5,901,634	7,728,124	1,826,490	76%	4,495,674	41%

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, 2011 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 February 13, 2012, the City had unsettled claims and agreements in principal. The unsettled claims are at various stages and at this time, outcomes cannot be predicted. The City is vigorously defending each unsettled claim.

NOTE 11. COMMITMENTS

As of October 31, 2011, the City had outstanding commitments totaling \$1,376,357 for various contracts.

NOTE 12. SUBSEQUENT EVENTS

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through February 13, 2012, the date the financial statements were available to be issued.

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED OCTOBER 31, 2011

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	1,184,429	1,184,429	1,186,870	2,441
Sales taxes	2,005,795	2,005,795	2,080,237	74,442
Franchise fees	2,107,601	2,107,601	2,634,537	526,936
Other taxes	375,971	375,971	375,670	(301)
Charges for services	165,508	165,508	170,415	4,907
Fines and forfeitures	310,828	310,828	360,157	49,329
Licenses, fees and permits	191,648	191,648	265,379	73,731
Intergovernmental	104,389	104,389	177,036	72,647
Interest	20,459	20,459	33,750	13,291
Refunds and reimbursements	20,000	20,000	147,500	127,500
Miscellaneous	42,152	42,152	40,906	(1,246)
Total revenues	<u>6,528,780</u>	<u>6,528,780</u>	<u>7,472,457</u>	<u>943,677</u>
EXPENDITURES				
General Government				
Administrative	1,036,975	1,042,525	932,279	110,246
Information Technology	279,044	279,044	276,356	2,688
Economic Development	223,867	223,867	196,197	27,670
Community Development	541,580	541,580	535,463	6,117
Engineering	429,360	436,360	399,959	36,401
Streets	859,027	862,627	843,353	19,274
Building and Grounds	360,336	360,336	313,406	46,930
Stormwater	215,461	215,461	178,604	36,857
Court	145,492	145,492	145,334	158
Finance	482,886	482,886	482,229	657
Police	2,906,480	2,931,480	2,894,000	37,480
Emergency preparedness	102,226	102,226	99,144	3,082
Capital outlay	15,700	15,700	22,069	(6,369)
Total expenditures	<u>7,598,434</u>	<u>7,639,584</u>	<u>7,318,393</u>	<u>321,191</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>(1,069,654)</u>	<u>(1,110,804)</u>	<u>154,064</u>	<u>1,264,868</u>

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED OCTOBER 31, 2011

	General Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
OTHER FINANCING SOURCES (USES)				
Transfer in	1,254,614	1,254,614	1,307,720	53,106
Transfers out	<u>(1,038,620)</u>	<u>(1,047,787)</u>	<u>(1,048,103)</u>	<u>(316)</u>
Total other financing sources (uses)	<u>215,994</u>	<u>206,827</u>	<u>259,617</u>	<u>52,790</u>
NET CHANGE IN FUND BALANCE	<u>(853,660)</u>	<u>(903,977)</u>	413,681	<u>1,317,658</u>
FUND BALANCE, beginning of year			<u>4,508,214</u>	
FUND BALANCE, end of year			<u>4,921,895</u>	

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED OCTOBER 31, 2011

	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	318,915	318,915	322,319	3,404	147,892	147,892	157,077	9,185	454,024	454,024	458,973	4,949	920,831	920,831	938,369	17,538
Sales	454,024	454,024	460,738	6,714	908,049	908,049	919,712	11,663					1,362,073	1,362,073	1,380,450	18,377
Charges for services	311,138	344,638	327,006	(17,632)									311,138	344,638	327,006	(17,632)
Grants							167	167			34,748	34,748			34,915	34,915
Interest	5,701	5,701	7,821	2,120	1,847	1,847	11,074	9,227	897	897	1,755	858	8,445	8,445	20,650	12,205
Refunds and reimbursements											481	481			481	481
Miscellaneous	6,960	6,960	14,969	8,009									6,960	6,960	14,969	8,009
Total revenues	<u>1,096,738</u>	<u>1,130,238</u>	<u>1,132,853</u>	<u>2,615</u>	<u>1,057,788</u>	<u>1,057,788</u>	<u>1,088,030</u>	<u>30,242</u>	<u>454,921</u>	<u>454,921</u>	<u>495,957</u>	<u>41,036</u>	<u>2,609,447</u>	<u>2,642,947</u>	<u>2,716,840</u>	<u>73,893</u>
EXPENDITURES																
Parks and Recreation	943,010	972,477	933,831	38,646									943,010	972,477	933,831	38,646
Storm Water											3,746	(3,746)			3,746	(3,746)
Capital outlay	394,000	394,000	277,091	116,909	1,356,000	1,360,800	1,436,674	(75,874)	180,000	180,000	113,377	66,623	1,930,000	1,934,800	1,827,142	107,658
Debt service																
Principal	46,494	46,494	38,000	8,494					207,960	207,960	170,000	37,960	254,454	254,454	208,000	46,454
Interest and fiscal fees			8,912	(8,912)							37,963	(37,963)			46,875	(46,875)
Total expenditures	<u>1,383,504</u>	<u>1,412,971</u>	<u>1,257,834</u>	<u>155,137</u>	<u>1,356,000</u>	<u>1,360,800</u>	<u>1,436,674</u>	<u>(75,874)</u>	<u>387,960</u>	<u>387,960</u>	<u>325,086</u>	<u>62,874</u>	<u>3,127,464</u>	<u>3,161,731</u>	<u>3,019,594</u>	<u>142,137</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(286,766)</u>	<u>(282,733)</u>	<u>(124,981)</u>	<u>157,752</u>	<u>(298,212)</u>	<u>(303,012)</u>	<u>(348,644)</u>	<u>(45,632)</u>	<u>66,961</u>	<u>66,961</u>	<u>170,871</u>	<u>103,910</u>	<u>(518,017)</u>	<u>(518,784)</u>	<u>(302,754)</u>	<u>216,030</u>
OTHER FINANCING SOURCES (USES)																
Transfers in	155,000	164,167	164,167		560,000	560,000	560,000						715,000	724,167	724,167	
Transfers out	(32,864)	(32,864)	(32,864)		(421,035)	(421,035)	(1,043,215)	(622,180)	(184,287)	(184,287)	(189,626)	(5,339)	(638,186)	(638,186)	(1,265,705)	(627,519)
Total other financing sources (uses)	<u>122,136</u>	<u>131,303</u>	<u>131,303</u>		<u>138,965</u>	<u>138,965</u>	<u>(483,215)</u>	<u>(622,180)</u>	<u>(184,287)</u>	<u>(184,287)</u>	<u>(189,626)</u>	<u>(5,339)</u>	<u>76,814</u>	<u>85,981</u>	<u>(541,538)</u>	<u>(627,519)</u>
NET CHANGE IN FUND BALANCE	<u>(164,630)</u>	<u>(151,430)</u>	<u>6,322</u>	<u>157,752</u>	<u>(159,247)</u>	<u>(164,047)</u>	<u>(831,859)</u>	<u>(667,812)</u>	<u>(117,326)</u>	<u>(117,326)</u>	<u>(18,755)</u>	<u>98,571</u>	<u>(441,203)</u>	<u>(432,803)</u>	<u>(844,292)</u>	<u>(411,489)</u>
FUND BALANCE, beginning of year			<u>1,026,695</u>				<u>2,978,976</u>				<u>377,090</u>				<u>4,382,761</u>	
FUND BALANCE, end of year			<u>1,033,017</u>				<u>2,147,117</u>				<u>358,335</u>				<u>3,538,469</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, 2011, expenditures in the Transportation and Capital Improvement 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

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CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET
OCTOBER 31, 2011

		Special Revenue Fund	Capital Improvement Funds			Total	
		Development Projects Fund	Public Works Fund	Capital Projects Fund	V.E.R.P. Fund	Total Capital Improvement Funds	Nonmajor Governmental Funds
ASSETS							
ASSETS							
	Cash and cash equivalents		77,263	43,278	(41,792)	78,749	78,749
	Investments		24,074	309,190	558,997	892,261	892,261
09	Receivables, net	115,944					115,944
	Interest receivable		3	186	248	437	437
	TOTAL ASSETS	<u>115,944</u>	<u>101,340</u>	<u>352,654</u>	<u>517,453</u>	<u>971,447</u>	<u>1,087,391</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
	Accounts payable	92,433					92,433
FUND BALANCES							
	Assigned	23,511	101,340	352,654	517,453	971,447	994,958
	TOTAL LIABILITIES AND FUND BALANCES	<u>115,944</u>	<u>101,340</u>	<u>352,654</u>	<u>517,453</u>	<u>971,447</u>	<u>1,087,391</u>

CITY OF RAYMORE, MISSOURI
NONMAJOR GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
YEAR ENDED OCTOBER 31, 2011

	Special Revenue Fund	Capital Improvement Funds				Total Nonmajor Governmental Funds
	Development Projects Fund	Public Works Fund	Capital Projects Fund	V.E.R.P. Fund	Total	
REVENUES						
Taxes						
Other			115,456		115,456	115,456
Investment income		1,033	1,577	2,415	5,025	5,025
Total revenues		1,033	117,033	2,415	120,481	120,481
EXPENDITURES						
Capital outlay			91,038	150,384	241,422	241,422
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		1,033	25,995	(147,969)	(120,941)	(120,941)
OTHER FINANCING SOURCES (USES)						
Transfers in			91,035	419,910	510,945	510,945
Transfers out				(210,000)	(210,000)	(210,000)
Total other financing sources (uses)			91,035	209,910	300,945	300,945
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES		1,033	117,030	61,941	180,004	180,004
FUND BALANCE, beginning of year	23,511	100,307	235,624	455,512	791,443	814,954
FUND BALANCE, end of year	<u>23,511</u>	<u>101,340</u>	<u>352,654</u>	<u>517,453</u>	<u>971,447</u>	<u>994,958</u>

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR DEBT SERVICE FUND
 YEAR ENDED OCTOBER 31, 2011

	Debt Service Fund			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property	1,830,950	1,830,950	1,830,355	(595)
Fines and forfeitures	9,155	9,155	16,074	6,919
Interest	<u>3,466</u>	<u>3,466</u>	<u>8,381</u>	<u>4,915</u>
Total revenues	<u>1,843,571</u>	<u>1,843,571</u>	<u>1,854,810</u>	<u>11,239</u>
EXPENDITURES				
Principal	843,348	843,348	843,348	
Interest and fiscal fees	<u>1,042,125</u>	<u>1,042,125</u>	<u>1,041,197</u>	<u>928</u>
Total expenditures	<u>1,885,473</u>	<u>1,885,473</u>	<u>1,884,545</u>	<u>928</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(41,902)	(41,902)	(29,735)	12,167
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(153,336)</u>	<u>(153,336)</u>	<u>(136,805)</u>	<u>16,531</u>
NET CHANGE IN FUND BALANCE	<u>(195,238)</u>	<u>(195,238)</u>	(166,540)	<u>28,698</u>
FUND BALANCE, beginning of year			<u>910,021</u>	
FUND BALANCE, end of year			<u>743,481</u>	

CITY OF RAYMORE, MISSOURI
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 MAJOR CAPITAL IMPROVEMENT FUND
 YEAR ENDED OCTOBER 31, 2011

	Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes				
Sales	908,049	908,049	919,712	11,663
Charges for services	2,863	2,863		(2,863)
Refunds and reimbursements			16,547	16,547
Interest	<u>977</u>	<u>977</u>	<u>2,132</u>	<u>1,155</u>
Total revenues	<u>911,889</u>	<u>911,889</u>	<u>938,391</u>	<u>26,502</u>
EXPENDITURES				
Capital outlay	166,600	173,600	209,884	(36,284)
Debt service				
Principal	353,850	353,850	200,000	153,850
Interest and fiscal fees	<u>470</u>	<u>470</u>	<u>154,137</u>	<u>(153,667)</u>
Total expenditures	<u>520,920</u>	<u>527,920</u>	<u>564,021</u>	<u>(36,101)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	390,969	383,969	374,370	(9,599)
OTHER FINANCING SOURCES (USES)				
Transfers in	91,038	91,038	437,847	346,809
Transfers out			<u>(99,332)</u>	<u>(99,332)</u>
Total other financing sources (uses)	<u>91,038</u>	<u>91,038</u>	<u>338,515</u>	<u>247,477</u>
NET CHANGE IN FUND BALANCE	<u>482,007</u>	<u>475,007</u>	712,885	<u>237,878</u>
FUND BALANCE, beginning of year			<u>453,932</u>	
FUND BALANCE, end of year			<u>1,166,817</u>	

CITY OF RAYMORE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NONMAJOR CAPITAL IMPROVEMENT FUNDS
YEAR ENDED OCTOBER 31, 2011

	Capital Projects 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)
REVENUES												
Taxes												
Other	67,480	67,480	115,456	47,976					67,480	67,480	115,456	47,976
Interest	312	312	1,577	1,265			2,415	2,415	312	312	3,992	3,680
Total revenues	<u>67,792</u>	<u>67,792</u>	<u>117,033</u>	<u>49,241</u>			<u>2,415</u>	<u>2,415</u>	<u>67,792</u>	<u>67,792</u>	<u>119,448</u>	<u>51,656</u>
EXPENDITURES												
Capital outlay	<u>91,038</u>	<u>91,038</u>	<u>91,038</u>		<u>107,310</u>	<u>107,310</u>	<u>150,384</u>	<u>(43,074)</u>	<u>198,348</u>	<u>198,348</u>	<u>241,422</u>	<u>(43,074)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(23,246)</u>	<u>(23,246)</u>	<u>25,995</u>	<u>49,241</u>	<u>(463,717)</u>	<u>(463,717)</u>	<u>(147,969)</u>	<u>315,748</u>	<u>(130,556)</u>	<u>(130,556)</u>	<u>(121,974)</u>	<u>8,582</u>
OTHER FINANCING SOURCES (USES)												
Transfers in	91,035	91,035	91,035		439,909	439,909	419,910	(19,999)	530,944	530,944	510,945	(19,999)
Transfers out							(210,000)	(210,000)			(210,000)	(210,000)
Total other financing sources (uses)	<u>91,035</u>	<u>91,035</u>	<u>91,035</u>		<u>439,909</u>	<u>439,909</u>	<u>209,910</u>	<u>(229,999)</u>	<u>530,944</u>	<u>530,944</u>	<u>300,945</u>	<u>(229,999)</u>
NET CHANGE IN FUND BALANCE	<u>67,789</u>	<u>67,789</u>	117,030	<u>49,241</u>	<u>332,599</u>	<u>332,599</u>	61,941	<u>(270,658)</u>	<u>400,388</u>	<u>400,388</u>	178,971	<u>(221,417)</u>
FUND BALANCE, beginning of year			235,624				455,512				691,136	
FUND BALANCE, end of year			<u>352,654</u>				<u>517,453</u>				<u>870,107</u>	

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Statistical Section

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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.	65 - 69
Revenue Trends These schedules contain information to help the reader assess the City's most significant own-source revenue, the property tax.	70 - 75
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.	76 - 80
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.	81 - 82
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.	83 - 85

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. The City implemented GASB 54 in fiscal year 2011; schedules that include governmental fund balance classifications for fiscal years prior to 2011 are presented on pre-GASB 54 format.

Note: Information presented in this section is required by GASB 44 to include current year plus nine years of subsequent data. In some cases, the City has not presented nine years of subsequent data as it is not readily available or has not been tracked by the City in the past.

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

	2004	2005	2006	2007	2008	2009	2010	2011
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	39,153,934
Restricted	7,033,416	5,603,780	5,274,454	17,230,635	18,293,358	8,542,671	4,113,386	2,315,880
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>	<u>8,554,216</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>	<u>50,024,030</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	34,507,565
Restricted	6,106,515	1,538,716	1,006,255	1,506,076	1,948,711	1,089,846	1,562,478	1,166,923
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>	<u>5,315,378</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>	<u>40,989,866</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	73,661,499
Restricted	13,139,931	7,142,496	6,280,709	18,736,711	20,242,069	9,632,517	5,675,864	3,482,803
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>	<u>13,869,594</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>	<u>91,013,896</u>

Note: GASB 34 was implemented in the 2004 fiscal year, so only eight fiscal years are shown.

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

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
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	1,801,232
Development	630,108	711,572	889,017	798,654	823,065	769,986	726,471	739,675
Parks and property	717,971	970,286	894,435	508,468	1,044,180	1,183,045	1,501,150	1,670,554
Public works	1,103,369	1,056,084	1,316,986	1,351,029	1,385,134	1,274,025	4,866,429	4,362,832
Public safety	2,348,342	2,522,026	2,757,201	2,883,631	3,105,732	3,037,085	2,896,797	3,298,657
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	1,039,036
Depreciation and amortization	2,112,066	1,823,592	2,061,799	2,368,793	3,036,210	3,421,006		
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>	<u>12,911,986</u>
Business-type activities								
Water and sewer	4,377,812	5,286,961	5,254,766	5,395,132	6,145,864	6,145,487	7,266,387	7,393,722
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>	<u>7,393,722</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>	<u>20,305,708</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	451,868
Parks and recreation	147,478	227,969	232,037	188,911	270,419	269,069	316,810	327,006
Other activities	220,075	1,627,453	1,026,619	304,363	299,015	390,434	329,892	360,157
Operating grants and contributions	1,410	340,111	170,073	270,572	77,266	91,701	590,145	211,951
Capital grants and contributions	196,411	5,578,615	8,536,490	1,387,636	3,797,631	303,372	5,127,759	
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>	<u>1,350,982</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	6,207,730
Capital grants and contributions		2,260,861	2,918,943	848,069	1,636,176			500,992
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>	<u>6,708,722</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>	<u>8,059,704</u>

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

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
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)	(11,561,004)
Business-type activities	443,722	2,932,716	3,686,879	1,057,988	776,350	(1,298,836)	(1,363,850)	(685,000)
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>	<u>(12,246,004)</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	3,955,594
Sales taxes	1,123,647	3,853,012	3,899,016	4,542,021	4,678,101	4,669,535	4,219,216	4,380,399
Franchise taxes	3,675,435	1,187,256	1,320,823	1,489,994	2,604,620	2,259,873	2,479,055	2,634,537
Other taxes		493,723	1,380,087	1,215,299	532,404	498,876	534,372	491,126
Investment earnings	96,755	334,464	745,868	968,713	873,841	323,373	56,963	69,938
Miscellaneous	79,822	139,127	644,800	1,918,018	292,137	595,530	323,977	220,403
Transfers	565,976	325,284	499,242	696,484	(652,743)	847,457	499,335	220,734
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>	<u>11,972,731</u>
Business-type activities								
Investment earnings	265,879	401,885	642,045	660,406	428,361	208,481	146,489	114,550
Miscellaneous			29,672	7,605				20,078
Transfers	(565,976)	(325,284)	(499,242)	(696,484)	652,743	(847,457)	(499,335)	(320,066)
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>	<u>(185,438)</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>	<u>11,787,293</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	411,727
Business-type activities	143,625	3,009,317	3,859,354	1,029,515	1,857,454	(1,937,812)	(1,716,696)	(870,438)
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>	<u>(458,711)</u>

Note: GASB 34 was implemented in the 2004 fiscal year, so only eight fiscal years are shown.

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

	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL FUND								
Nonspendable								118,115
Restricted								145,066
Committed								114,666
Assigned								99,044
Unassigned								4,445,004
Reserved	184,501	104,808	119,722	128,947	161,926	97,655	82,583	
Unreserved	1,888,163	2,124,155	2,605,121	2,805,888	2,866,224	3,852,162	4,425,631	
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>	<u>4,921,895</u>
ALL OTHER GOVERNMENTAL FUNDS								
Nonspendable								6,606
Restricted								2,170,814
Assigned								4,266,305
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	292,296	778,861	967,402	3,088,922	2,504,736	1,612,675	23,511	
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>	<u>6,443,725</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>	<u>11,365,620</u>

Note: GASB 34 was implemented in the 2004 fiscal year, so only eight fiscal years are shown.

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

	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES								
Taxes								
Property	2,691,327	2,282,011	2,291,253	2,912,790	3,139,336	3,358,679	3,863,969	3,955,594
Franchise	1,123,647	1,187,256	1,320,823	1,489,994	2,604,620	2,259,873	2,479,055	2,634,537
Sales	3,675,435	4,740,513	4,977,983	6,107,279	5,210,505	5,168,411	4,753,588	4,871,525
Fees and permits	1,682,640	1,741,302	1,387,127	947,723	1,196,195	1,041,586	798,432	762,800
Municipal court	220,075	191,358	284,539	304,363	313,366	408,373	346,451	376,231
Miscellaneous	549,157	891,485	1,956,411	1,495,457	1,018,768	1,313,976	959,885	502,292
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>	<u>13,102,979</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	1,690,864
Public safety	2,348,342	2,540,058	2,769,945	2,932,059	3,081,156	3,037,085	2,848,533	3,138,478
Public works	981,985	1,293,600	1,412,159	1,533,114	1,378,383	1,274,025	1,506,969	1,425,662
Parks and property	717,971	610,949	683,449	640,878	1,048,886	1,180,864	1,219,764	1,247,237
Planning and development	630,108	711,572	894,509	798,654	816,418	769,985	720,680	731,660
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	2,300,517
Debt service								
Principal	688,863	546,055	1,156,085	6,617,134	2,391,049	6,772,029	1,142,840	1,251,348
Interest	1,240,046	1,220,316	1,237,527	1,201,985	1,682,137	1,428,966	1,273,793	1,242,209
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>	<u>13,027,975</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>	<u>75,004</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	2,980,679
Transfers out	(2,125,707)				(3,847,420)	(1,469,268)	(1,683,503)	(2,759,945)
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>	<u>220,734</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>	<u>295,738</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	23.84%	20.96%	24.71%	51.78%	33.46%	51.66%	23.61%	23.24%

Note: GASB 34 was implemented in the 2004 fiscal year, so only eight fiscal years are shown.

CITY OF RAYMORE, MISSOURI
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST EIGHT 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
2011	3,955,594	4,380,399	2,634,537	491,126	11,461,656

Note: GASB 34 was implemented in the 2004 fiscal year, however, the financial presentation was presented differently in 2004, therefore only eight 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	
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
2011	1.000	0.500	0.500	0.500	2.500	4.225	1.250	0.500	0.750	9.225

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				
2002	98,298,540	10,875,750	366,870	23,971,674	2,166,126	136,045,830	1.33	633,815,286	21.46%
2003	114,503,885	11,528,920	365,510	26,360,592	2,125,987	155,250,404	1.31	728,250,109	21.32%
2004	123,616,685	12,139,940	362,150	28,090,133	4,485	164,575,543	1.31	776,704,992	21.19%
2005	147,655,603	12,248,940	357,440	28,536,527	1,815,422	190,971,372	1.31	910,538,875	20.97%
2006	159,083,643	13,030,460	372,930	31,080,130	1,900,976	205,841,069	1.31	981,233,031	20.98%
2007	177,899,820	14,917,070	325,977	33,716,535	2,012,289	229,197,668	1.31	1,094,106,882	20.95%
2008	192,072,335	18,079,880	330,390	35,585,238	1,953,997	248,352,230	1.31	1,184,100,196	20.97%
2009	197,967,160	19,590,740	329,320	37,907,071	1,955,799	258,079,410	1.31	1,226,879,601	21.04%
2010	201,271,100	20,424,640	365,860	35,837,986	2,674,555	260,940,001	1.31	1,243,155,354	20.99%
2011	202,361,370	20,537,420	365,740	34,454,575	3,728,143	261,812,988	1.31	1,248,345,363	20.97%

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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	
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	0.3729	5.0397	0.6000	8.0049
2011	0.4647	0.7170	0.1251	1.3068	0.0300	0.1357	0.1500	0.0500	0.2520	0.6997	0.3766	5.0397	0.6000	8.0405

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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 EIGHT YEARS AGO

Taxpayer	2011			2004		
	Taxable Assessed Value	Rank	Percentages of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentages of Total Assessed Valuation
Wal-Mart	3,467,870	1	1.34	3,866,165	1	2.02
Launch Raymore, LLC (Manor Homes Apts.)	2,992,140	2	1.16			
Lowe's (Jemsite Development)	2,466,020	3	0.96			
Raymore Group LLC (Raymore Mkt. Ctr.)	2,270,830	4	0.88			
Foxwood Springs	1,265,080	5	0.49			
Missouri Gas Energy	1,059,600	6	0.41	687,410	3	0.36
Raymore Galleria LLC	966,370	7	0.37			
Willowind LLC				847,070	2	0.44
Creekmoor Property Owners Assoc Inc.	861,140	8	0.33			
MBSR Raymore MO LLC (Walgreens)	736,010	9	0.29			
JJJ Enterprises LLC (Orschlens)	736,000	7	0.29			
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>16,821,060</u>		<u>6.52</u>	<u>8,316,293</u>		<u>2.83</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	258,079,410			190,971,372		

Source: Cass County Collector's Office

This information was not able to be obtained for 2003 or 2002; therefore, 2004 is presented for the period eight years ago.

CITY OF RAYMORE, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST NINE 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	95.276%	95,838	2,028,657	100.000%
2004	2,150,015	2,052,220	95.451%	97,795	2,150,015	100.000%
2005	2,495,614	2,382,499	95.467%	113,114	2,495,613	100.000%
2006	2,689,931	2,565,138	95.361%	124,793	2,689,931	100.000%
2007	2,995,155	2,857,661	95.409%	137,494	2,995,155	100.000%
2008	3,245,467	2,944,747	90.734%	299,913	3,244,660	99.975%
2009	3,372,582	3,156,012	93.579%	215,431	3,371,443	99.966%
2010	3,405,183	3,281,939	96.381%	115,865	3,397,804	99.783%
2011	3,421,372	3,153,260	92.164%		3,153,260	92.164%

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Source: Cass County Collector's Office

This information was not able to be obtained for 2002; therefore, only nine fiscal years' information is presented.

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
	G.O. Bonds C.A. Bonds Notes Pay	Special Assessment Bonds	Certificates of Participation	Revenue Bonds	General Obligation Bonds			
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
2011	20,357,373	3,445,000	1,265,000	1,685,000		26,752,373	4.96%	1,392.92

Note: The per capita ratios are calculated using personal income and population data see page 81.

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
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
2011	20,595,000	(743,481)	19,851,519	1.59%	1,033.61

Notes: See page 72 for property value data
See page 81 for population data

CITY OF RAYMORE, MISSOURI
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF OCTOBER 31, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes Raymore-Peculiar School District	86,826,216	0.833	72,304,314
City of Raymore, Missouri Direct Debt			<u>20,595,000</u>
Total direct and overlapping debt			<u>92,899,314</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 EIGHT FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit	32,915,109	38,194,274	41,168,214	45,839,534	49,670,446	51,615,882	52,188,000	52,114,828
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>	<u>19,851,519</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>	<u>32,263,309</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%	38.09%

Legal Debt Margin Calculation for Fiscal Years 2011

Assessed value	260,574,141
Add back: exempt real property	<u>- 0 -</u>
Total assessed value	260,574,141
Debt limit (20% of total assessed value)	52,114,828
Debt applicable to limit:	
General obligation bonds	20,595,000
Less: Amount set aside for repayment of general obligation debt	<u>(743,481)</u>
Total net debt applicable to limit	<u>19,851,519</u>
Legal debt margin	<u>32,263,309</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.

This information was not able to be obtained for 2002 and 2003, so only eight fiscal years are shown.

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

Fiscal Year	Water and Sewer Charges and Other	Less Operating Expenses	Net Available Revenue	Revenue Bonds			Sales Tax Revenues	Certificates of Participation and Special Obligation Bonds		
				Debt Service				Debt Service		
				Principal	Interest	Coverage		Principal	Interest	Coverage
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
2011	6,207,730	4,821,005	1,386,725	420,000	126,456	840,269	1,839,424	390,000	196,320	1,253,104

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

This information was not able to be obtained for 2002 and 2003, so only eight fiscal years are shown.

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
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
2011	19,206	78,778	28,060	36.5	68.9	5,907	6.6

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 EIGHT YEARS AGO

Employer	2011			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Raymore-Peculiar School District	766	1	8.69	542	2	6.73
Wal-Mart	330	2	3.74	550	1	6.83
Foxwood Springs	320	3	3.63	260	3	3.23
Cosentino's Price Chopper	156	4	1.77			
Rehabilitation Center of Raymore	139	5	1.58	100	4	1.24
Lowe's Home Improvement	130	6	1.47			
City of Raymore	95	7	1.08	92	5	1.14
McDonald's	45	9	0.51	30	10	0.37
Ryan's Steakhouse				60	6	0.74
South Metro Fire District	49	8	0.56	33	9	0.41
Culver's of Raymore	43	10	0.49			
Community Bank of Raymore				38	7	0.47
Wendy's				34	8	0.42
Totals	<u>2,073</u>		<u>23.52</u>	<u>1,739</u>		<u>21.58</u>
Total estimated workforce over age of 16	<u>8,814</u>			<u>8,058</u>		

Source: Raymore's Economic Development Department

This information was not able to be obtained for 2003 or 2002; therefore, 2004 is presented for the period eight years ago.

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

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Administration	4.50	5.50	4.75	4.75	5.75	6.00	5.50	5.50	6.00	6.00
Information Technology	1.00	1.00	1.50	1.50	2.00	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	2.00
Community Development	6.75	7.75	8.75	9.00	10.00	10.00	8.00	8.00	6.50	6.50
Buildings and Grounds	0.75	0.75	1.00	2.10	2.00	2.00	2.20	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	1.50
Finance	5.00	6.00	6.00	5.00	5.00	6.38	6.00	6.00	5.00	5.00
Police										
Law Enforcement	32.00	33.00	32.75	35.25	36.25	39.25	39.50	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	1.00
Public Works										
Engineering	6.25	6.25	6.25	6.25	5.75	5.75	4.45	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	3.12
Stormwater							2.92	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	5.75
Sewer	4.58	4.92	4.58	5.25	5.50	5.52	5.75	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	5.15
Recreation						3.55	4.05	2.65	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>	<u>95.49</u>

Source: Annual budget

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

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Development										
Building permits issued	n/a	1,933	2,024	2,365	1,862	1,290	870	652	675	678
Inspections completed	n/a	7,801	9,662	11,845	11,188	7,465	4,470	3,150	3,032	3,223
Code enforcement complaints	n/a	n/a	n/a	n/a	n/a	n/a	n/a	364	434	410
Code enforcement cases	n/a	n/a	n/a	n/a	n/a	104	307	352	435	425
Development plans reviewed	n/a	562	481	522	321	216	392	286	352	251
Police										
911 calls taken	9,925	7,572	n/a	8,100	7,978	7,984	8,127	8,137	8,454	8,114
Arrests made	780	636	658	719	932	980	870	832	1,014	925
Citations issued	1,708	1,292	1,563	1,257	2,478	1,932	1,749	2,467	1,956	2,508
Animal control cases	330	305	345	360	458	438	432	463	487	344
Streets and highways										
Street resurfacing (sq yds)	52,500	37,144	55,940	12,595	14,834	104,237	17,242	37,985	159,058	106,958
Street reconstruction (sq yds)	5,525					87,666	54,725	44,653	4,000	12,855
New roads (sq yds)		78,465	42,320	105,507	131,211	26,659	30,573	56,336	57,952	
Potholes repaired (sq yds)									3,686	2,100
Property										
Buildings maintained (sq ft)	24,508	24,508	50,508	50,508	62,032	63,632	63,632	63,632	63,632	67,162
Land (acres)	148	148	152	152	178	178	256	285	285	285
Recreation										
Recreation programs offered	58	89	74	75	62	47	72	50	45	93
Recreation programs participation	876	1,527	1,485	2,533	2,913	1,934	3,571	3,381	3,913	3,800
Special events	5	6	8	9	11	11	13	13	13	14
Shelter rentals	n/a	n/a	n/a	n/a	n/a	82	74	97	102	110
Park house rentals	n/a	n/a	n/a	n/a	n/a	84	115	110	116	116
Theme park tickets sold	81	173	2,725	3,460	273	2,293	175	102	111	92
Court										
Completed court cases	n/a	n/a	n/a	1,954	2,866	3,057	2,705	3,534	2,785	3,148
Water										
New connections	238	436	424	302	278	189	98	34	60	68
Line breaks repaired	7	24	6	7	9	11	9	7	6	7
Meters replaced	n/a	n/a	n/a	n/a	n/a	572	1,165	512	157	269
Sewer										
New residential connections	n/a	n/a	449	497	413	200	107	87	63	66
New commercial connections	n/a	n/a	10	18	10	13	29	32	n/a	2
Line breaks repaired	n/a	n/a	n/a	n/a	n/a	3	2	2	n/a	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	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	6	6	7	9	9	9	9	9	9	9
Highways and streets										
Streets (miles)	95.8	99.9	102.5	109.7	117.5	119.3	121.4	121.4	123.1	123.1
Streetlights	764	832	928	1,076	1,166	1,233	1,253	1,262	1,288	1,293
Culture and recreation										
Parks acreage - Developed	115.35	148.35	148.35	148.35	173.65	173.65	202.01	202.01	205.89	205.89
Parks acreage - Undeveloped	33		4	4	4	4	83	83	79	79
Parks - Developed	4	5	5	5	6	6	5	6	7	7
Parks - Undeveloped	1		1	1	1	1	2	2	1	1
Multi-purpose trails (miles)	0.9	1.5	3.9	4.4	4.4	6.1	10.4	10.4	10.0	10.0
Tennis courts	6	6	6	6	6	6	6	6	6	6
Baseball fields	8	8	8	8	8	8	8	10	8	8
Picnic Tables	34	34	34	48	48	48	48	48	48	48
Playgrounds	3	3	3	3	3	3	3	3	3	4
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	7	7	7
Shelter House	3	3	3	4	4	4	4	4	4	4
Skate parks				1	1	1	1	1	1	1
Primitive Campgrounds			1	1	1	1	1	1	1	1
Water										
Water mains (miles)	78.7	83.2	86.1	91.9	99.4	100.1	103.5	103.5	103.9	103.9
Fire hydrants	627	669	720	811	883	902	910	921	921	921
Sewer										
Storm sewers (miles)		26.5	28.2	32.1	47.3	47.9	49.9	50.5	53.9	54.0
Sanitary sewers (miles)		81	84.1	91.1	95.9	98.1	100.9	101.9	102.2	102.2

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DANA F. COLE & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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, 2011, which collectively comprise the City of Raymore, Missouri's basic financial statements and have issued our report thereon dated February 13, 2012. 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 responses that we consider to be significant deficiencies in internal control over financial reporting as item 2011-1. 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 response 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 F Cole + Company, LLP

Overland Park, Kansas
February 13, 2012

CITY OF RAYMORE, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED OCTOBER 31, 2011

2011-1 CONTROL OF THE FINANCIAL REPORTING PROCESS

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.

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
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
YEAR ENDED OCTOBER 31, 2011

2010-1 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. We recommended 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. This is a continued finding as noted in the Schedule of Findings and Responses as Item 2011-1 for the year ending October 31, 2011.