

# **CITY OF ROCK HILL, MISSOURI**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
MARCH 31, 2012**

# **CITY OF ROCK HILL, MISSOURI**

## **Comprehensive Annual Financial Report For The Fiscal Year Ended March 31, 2012**

Prepared by:  
George Liyeos, City Administrator  
and  
Sandra Stephens, Treasurer

# CITY OF ROCK HILL, MISSOURI

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

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**INTRODUCTORY SECTION**

**CITY OF ROCK HILL, MISSOURI**  
**PRINCIPAL CITY OFFICIALS**

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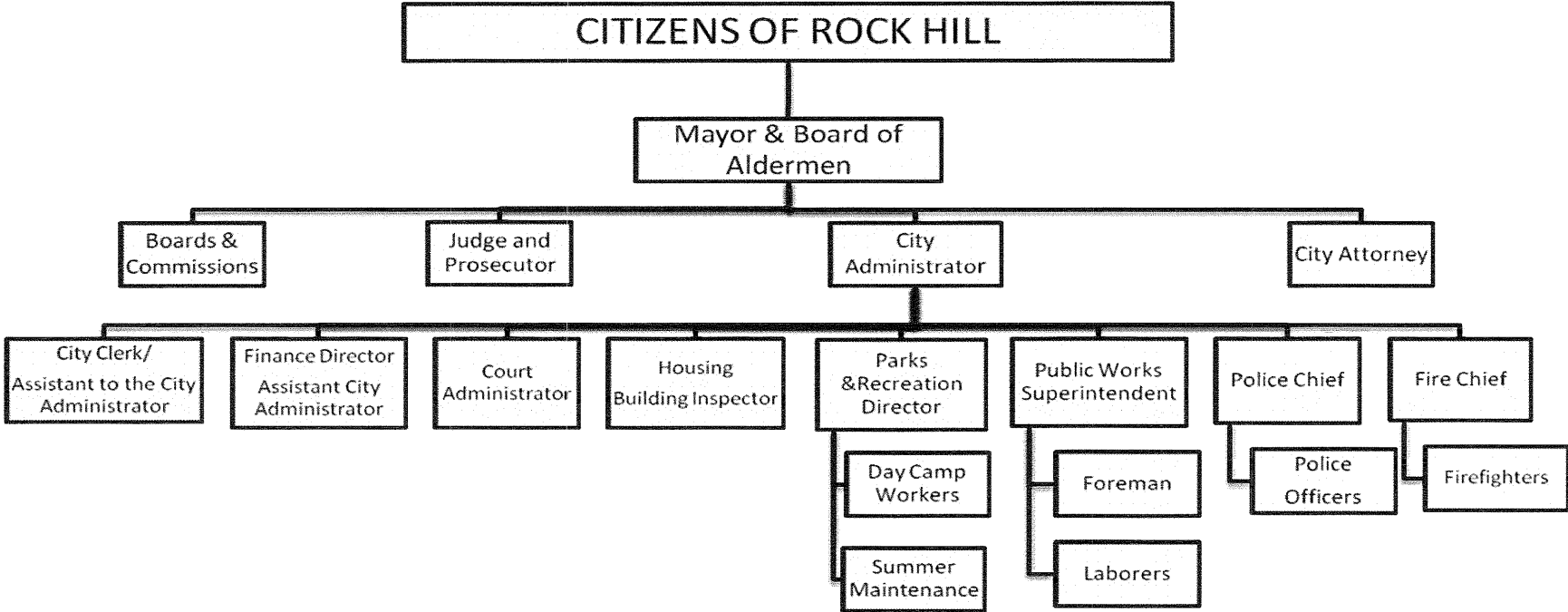
**Elected Officials (As of Report Date)**

<b><u>Position</u></b>	<b><u>Name</u></b>	<b><u>Term</u></b>
Mayor	Daniel DiPlacido	4/10 - 4/14
Alderman Ward 1	Philip Scherry	4/12 - 4/14
Alderman Ward 1	Edward Johnson	4/11 - 4/13
Alderman Ward 2	Edward Mahan	4/12 - 4/14
Alderwoman Ward 2	Chris Graber	4/11 - 4/13
Alderman Ward 3	Robert Weider	4/12 - 4/14
Alderwoman Ward 3	Mary Wofford	4/11 - 4/13

**Appointed Officials and Department Heads**

<b><u>Position</u></b>	<b><u>Name</u></b>
City Administrator	George Liyeos, CCM
Treasurer	Sandra Stephens
City Clerk/Assistant	
City Administrator	Jennifer Yackley
City Attorney	Paul Martin
City Prosecutor	Stephen Jianakoplos
Judge	Mark Levitt
Police Chief	Paul Arnett
Fire Chief	Kevin Halloran
Court Administrator	Rita Lay
Building Inspector	C. Cummings (Neil) Cantwell
Park and Recreation Director	Al Hayden
Public Works Superintendent	Ron Meyer

**CITY OF ROCK HILL, MISSOURI**  
**ORGANIZATION CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Rock Hill  
Missouri

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
March 31, 2011

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. Davidson*

President

*Jeffrey R. Enen*

Executive Director





## CITY OF ROCK HILL

320 W. Thornton Ave. ♦ Rock Hill, MO 63119 ♦ (314)968-1410 ♦ Fax (314)968-4843

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September 25, 2012

The Honorable Mayor Daniel DiPlacido,  
Members of the Board of Aldermen, and the  
Citizens of the City of Rock Hill, Missouri

We hereby present this Comprehensive Annual Financial Report (CAFR) for fiscal year ended March 31, 2012, for the City of Rock Hill, Missouri (the City) for your review. This report was prepared using U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by an independent firm of licensed certified public accountants.

This report is the City's management representations concerning the finances of the City and, therefore, management assumes full responsibility for the completeness and reliability of all information presented in this report. The City's Administration Department prepared this report and believes that the financial statements, supporting schedules, and statistical information fairly present the financial position of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain a reasonable understanding of the City's financial affairs. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in conformity with GAAP. This internal control structure is designed to provide a 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 City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed, certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended March 31, 2012, are free of material misstatement. Based on their audit, they concluded that there was a reasonable basis for rendering an unqualified opinion of the financial statements for the year ended March 31, 2012. They also concluded that the financial statements are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

## **Profile of the City**

The City is located in St. Louis County and is approximately three miles west of the City of St. Louis, Missouri. The City covers approximately 1.1 square mile and serves 4,635 residents.

The City was incorporated in 1929 as a fourth class city under Missouri statute. The City operates under a mayor-board-administrator form of government. The Board of Aldermen is comprised of six aldermen and a mayor. Two aldermen are elected from each of the City's three wards and serve two-year terms. The mayor, elected at large to serve a four-year term, is the presiding officer of the Board of Aldermen. The Mayor may vote in the event of a tie vote by the Board of Aldermen. In addition, one alderman is elected as Board President to act in the Mayor's behalf during his absence. The Board of Aldermen is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and appointing the City Administrator and the City Clerk. The City Administrator is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the City.

The City has approximately 30 full-time and 10 seasonal employees and provides a range of municipal services including general administration, police protection, fire protection, municipal court, planning and zoning, public works, and parks and recreation.

The annual budget serves as the foundation for the City's financial planning and control. All of the departments of the City are required to submit requests for funds to the City Administrator who uses these requests as the basis for a proposed budget. The Finance Director develops estimates of revenues for the upcoming fiscal year which are also incorporated into the proposed budget. The City Administrator, along with department heads, presents the proposed budget to the Mayor and Board of Aldermen who hold work sessions in addition to board meetings and adopt a budget by April 1. The budget is prepared by fund, department (e.g., police), and line item (e.g., office supplies). The City Administrator has authority to transfer funds between line items within individual departments. Transfers of funds between departments require the approval of the Board of Aldermen. Budget-to-actual comparisons are provided in this report for each individual fund for which an annual budget was adopted. For the General Fund, this comparison is presented as part of the financial statements for the governmental funds.

## **Factors Affecting Financial Condition**

The information presented in this report is best understood within a broader economic context.

**Local Economy.** The City is a suburban community located in St. Louis County with easy access to Interstate 64. The City has a mix of commercial, industrial, and residential property.

The City has a variety of housing within its borders. The majority of the housing was constructed post-World War II. However, new homes continue to be constructed on the remaining lots scattered throughout the City.

The City has a commercial corridor along Manchester Road that stretches most of the length of the City. Additionally, there are two industrial areas north and south of Manchester at Rock Hill Industrial Court.

**Long-term Financial Planning and Major Initiatives.** In recent years the City has improved the General Fund balance to a balance of \$2,156,699. The policy goal is to maintain a General Fund balance of 25% of operating expenditures so that City services are not adversely impacted by fluctuating economic conditions. The City receives its primary revenue from sales and utility taxes at 42% and 27% of revenues, respectively.

The Board of Aldermen has approved two Tax Increment Financing (TIF) projects in the last fifteen years designed to improve sales tax revenues for the City. The first TIF is the McKnight Crossing development and was completed in 1999 with 40,000 square feet of retail and commercial space. The second TIF includes 46 acres split north and south of Manchester Road west of the McKnight intersection. The project is being done in two phases. Phase one (SW TIF), Market at McKnight, has 127,300 square feet of retail space and was substantially completed in 2008. Phase one is 80% leased with the newest tenant, Salon Centric, opening in September 2012. Phase two (NW TIF) has been delayed due to the economic downturn in late 2008. The phase two site has also been reduced from 21.7 acres to 2.29 acres. This reduction removed the residential properties from the redevelopment area while leaving the corner commercial properties in the TIF area. These projects will lead to increased sales tax revenue for the City so that it can maintain the current level of municipal services.

One of the City's major initiatives continues to be completing the street repair work. A successful 2003 street bond ballot initiative lead to \$3 million dollars of work. In April 2011 voters approved an additional \$3.5 million in street bonds to do additional work. Those bonds were issued in July 2011 and will provide the City with street bond project funds for the next three years. The 2012 summer construction season saw the completion of street reconstruction on Hudson Avenue and Fredric Court and the beginning of work on Rockford Avenue. The City engineer has begun the design work on Mueck Terrace and Euclid Avenue for the 2013 construction season.

**Financial Policies.** The resignation of the City's Finance Director in March brought about the opportunity for an expansion of the existing shared services contract with the City of Kirkwood. The City has contracted with the City of Kirkwood for payroll services since 2006. This year the City expanded the contract to encompass all of the duties associated with City's Finance Department. This arrangement gives the City access to a larger Finance Department Staff while still maintaining the level of professionalism and financial knowledge the City has had previously.

**Debt Management.** At year-end the City had five debt issues outstanding. The current issues include: General Obligation (GO) Bonds Series 2010 totaling \$1,715,000 for street repairs, GO Bonds Series 2011 totaling \$3,470,000 for street improvements, TIF bonds totaling \$173,400 for McKnight Crossing, TIF notes totaling \$18,812,199 for Market at McKnight, \$114,603 in three capital leases for vehicles and equipment, and \$141,817 in compensated absences. The GO bonds are paid with property tax revenues from a specially levied tax for this purpose contained in the Street Bond Special Revenue Fund. The TIF bonds are repaid with revenues generated by the site including economic activity taxes (EATS) and payments in lieu of taxes (PILOTS) which are contained in the McKnight Crossing TIF Fund. TIF notes are held until the project is taken to the bond market for financing and then repaid through project EATS and PILOTS which are contained in the NW and SW TIF Funds. Capital leases and compensated absences are paid with general revenue funds.

**Pension.** The City has two pension plans. The first is the Uniformed Employees of the City (UE). UE is a single-employer, defined benefit pension plan covering all uniformed, full-time employees of the Police and Fire Departments of the City hired before October 28, 2003. This plan is currently under funded. The City made a \$213,226 contribution in the current fiscal year. Another contribution of \$210,325 is included in next year's budget. Further discussion of this plan is in Note D of the financial statements.

The second pension is 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. The City covers all full-time employees with this plan. Police and Firefighters were transitioned to the LAGERS plan in 2007. The City contributes the full cost of participation for qualifying employees which was \$118,037 for the fiscal year covered in this report. Further discussion of this plan is in Note D of the financial statements.

### **Awards**

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 for its CAFR for the fiscal year ended March 31, 2011. This was the third year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

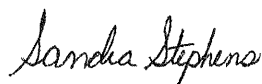
### **Acknowledgements**

The preparation of this report would not have been possible without the efficient and dedicated service of the City Treasurer. We would like to express our appreciation to all members of the various City departments who assisted in the preparation of this report. We would also like to thank our auditors, Hochschild, Bloom & Company LLP, for their help in preparing this report. Credit also must be given to the Mayor and the Board of Aldermen for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



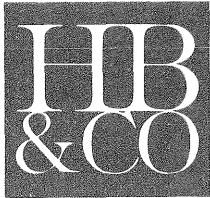
George Liyeos  
City Administrator



Sandra Stephens  
City Treasurer

**FINANCIAL SECTION**

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**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

## **INDEPENDENT AUDITORS' REPORT**

September 25, 2012

Honorable Mayor and Board of Aldermen  
**CITY OF ROCK HILL, MISSOURI**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF ROCK HILL, MISSOURI** (the City) as of and for the year ended March 31, 2012, 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 opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of March 31, 2012, and the respective changes in financial position thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

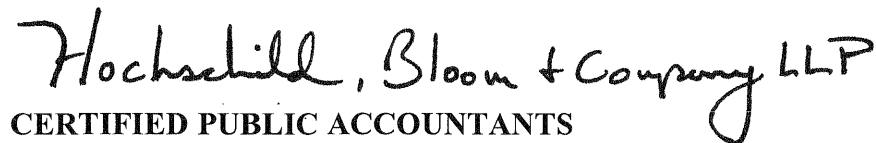
In accordance with *Government Auditing Standards*, we have also issued a report dated September 25, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial

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- ☐ 1000 Washington Square, P. O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

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 important for assessing the results of our audit.

U.S. generally accepted accounting principles require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, 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 supplemental information in accordance with U.S. generally accepted auditing standards, 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 financial statements as a whole. The introductory section, other supplemental information as listed in the table contents, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The other supplemental information is the responsibility of management and was 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 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 U.S. generally accepted auditing standards. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have 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 them.

  
CERTIFIED PUBLIC ACCOUNTANTS



# **CITY OF ROCK HILL, MISSOURI**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEAR ENDED MARCH 31, 2012**

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As management of the City of Rock Hill, Missouri (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended March 31, 2012. We encourage readers to consider the information presented here along with the City's financial statements, including footnotes that follow this Management's Discussion and Analysis (MD&A).

#### **FINANCIAL HIGHLIGHTS**

- On a government-wide basis the liabilities of the City exceeded its assets for the most recent fiscal year by \$11,866,538. The City has a deficit unrestricted net assets totaling \$17,905,325 due to \$18,985,599 in TIF bonds and notes outstanding at year-end for infrastructure assets not owned by the City.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$7,247,780.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,716,749.
- The City's total long-term debt increased \$10,561,845 during the current fiscal year. The City issued general obligation bonds, new capital leases, and refunded the TIF notes, while the rest of the long-term debt was paid down.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplemental information and other supplemental information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City in a manner similar to a private-sector business. Note that the government-wide financial statements exclude fiduciary fund activities.

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

The statement of activities presents information showing how the City'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 accrued vacation leave).

The government-wide financial statements distinguish functions of the City 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 include general administration, police services, fire services, public works,

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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parks and recreation, housing, judicial, and economic development. The City does not operate any business-type activities.

The government-wide financial statements can be found on pages 12 and 13 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 can be divided into two categories: governmental funds and fiduciary funds. The City has no proprietary (enterprise or internal service) funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable 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 financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

The City maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the following major funds: General Fund, SW TIF Fund, Street Bond Fund, and the Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "other governmental funds". Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements in the other supplemental information section of this report.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

The governmental funds financial statements can be found on pages 14 through 17 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds (which the City has none). The statement of fiduciary net assets and statement of changes in fiduciary net assets - Pension Trust Fund can be found on pages 18 and 19 of this report.

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

**Notes to the basic 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 basic financial statements can be found on pages 20 through 38 of this report.

**Required supplemental information.** In addition to the basic financial statements and accompanying notes, certain required supplemental information can be found on pages 40 through 49 of this report.

**Other supplemental information.** The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplemental information. Combining and individual fund statements can be found on pages 52 through 59 of this report.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The City presents its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The City's combined net assets (deficiency) increased to (\$11,866,538) from a deficit of (\$9,334,282) or 27.1% in the most recent fiscal year.

The City's condensed statement of net assets is as follows:

	March 31		2012 Change	
	2012	2011	Amount	Percent
<b>ASSETS</b>				
Current and other assets	\$ 7,663,361	4,685,797	2,977,564	63.5 %
Capital assets, net	6,145,859	4,272,732	1,873,127	43.8
Total Assets	<u>13,809,220</u>	<u>8,958,529</u>	<u>4,850,691</u>	54.1
<b>LIABILITIES</b>				
Long-term liabilities	24,887,488	14,252,327	10,635,161	74.6
Current liabilities	<u>788,270</u>	<u>4,040,484</u>	<u>(3,252,214)</u>	(80.5)
Total Liabilities	<u>25,675,758</u>	<u>18,292,811</u>	<u>7,382,947</u>	40.4
<b>NET ASSETS (DEFICIENCY)</b>				
Invested in capital assets, net of related debt	4,208,402	2,457,784	1,750,618	71.2
Restricted	1,830,385	1,623,477	206,908	12.7
Unrestricted (deficit)	<u>(17,905,325)</u>	<u>(13,415,543)</u>	<u>(4,489,782)</u>	(33.5)
Total Net Assets (Deficiency)	<u>\$ (11,866,538)</u>	<u>(9,334,282)</u>	<u>(2,532,256)</u>	(27.1) %

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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A portion of the City's net assets, \$4,208,402 in 2012, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its 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.

An additional portion of the City's net assets, \$1,830,385 in 2012, represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations or other governments, or restrictions imposed by law through constitutional provisions or legislation.

The remaining category of the City's net assets represents a deficit unrestricted net assets balance of \$17,905,325 in 2012. This deficit is primarily the result of the balance of \$18,985,599 in TIF notes and bonds outstanding at year-end for infrastructure assets not owned by the City. The TIF notes and bonds are limited obligations of the City and are funded only by incremental revenues generated within the TIF district.

**Governmental activities.** Governmental activities decreased the City's net assets by \$2,532,256. Key elements of this are as follows:

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	For The Years Ended March 31		2012 Change	
	2012	2011	Amount	Percent
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 674,647	709,083	(34,436)	(4.9) %
Operating grants and contributions	283,439	287,645	(4,206)	(1.5)
Capital grants and contributions	983,179	-	983,179	100.0
Total Program Revenues	1,941,265	996,728	944,537	94.8
General revenues:				
Taxes	4,169,753	4,097,460	72,293	1.8
Investment income	26,621	24,105	2,516	10.4
Other	52,958	62,788	(9,830)	(15.7)
Total Revenues	6,190,597	5,181,081	1,009,516	19.5
<b>EXPENSES</b>				
Administration	897,961	1,032,427	(134,466)	(13.0)
Police department	939,677	864,021	75,656	8.8
Fire department	894,295	800,864	93,431	11.7
Public works	605,242	626,795	(21,553)	(3.4)
Parks and recreation	126,532	130,224	(3,692)	(2.8)
Housing department	75,067	85,105	(10,038)	(11.8)
Municipal court	124,764	122,836	1,928	1.6
Economic development	3,545,333	-	3,545,333	100.0
Interest on long-term debt	1,513,982	1,265,037	248,945	19.7
Total Expenses	8,722,853	4,927,309	3,795,544	77.0
<b>CHANGE IN NET ASSETS</b>	(2,532,256)	253,772	(2,786,028)	(1,097.8)
<b>NET ASSETS (DEFICIENCY), APRIL 1</b>	(9,334,282)	(9,588,054)	253,772	2.6
<b>NET ASSETS (DEFICIENCY), MARCH 31</b>	<u>\$ (11,866,538)</u>	<u>(9,334,282)</u>	<u>(2,532,256)</u>	(27.1) %

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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

At March 31, 2012, the City's combined fund balance was \$7,247,780, an increase of \$2,897,479 from 2011. 24% of the total amount (\$1,716,749) constitutes unassigned fund balance which is available for spending at the City's discretion.

During the year ended March 31, 2012, the fund balance in the City's General Fund decreased by \$264,766 or 10.9% from the prior year fund balance. The change of the current year's fund balance is mainly due to the decrease of revenues and increase in capital outlay expenditures.

The SW TIF Fund decreased by \$64,057 due to increased debt service expenditures and increased sales tax revenues. The TIF notes were refunded, and with that refunding, the proceeds paid large amounts of prior accrued interest and economic development expenditures for eligible transportation project costs.

The Street Bond Fund increased by \$3,409,719 due to the issuance of general obligation bonds to be used for street improvements.

The Capital Projects Fund decreased by \$170,098 due to increased expenditures for capital projects partially funded by grant proceeds.

**Fiduciary funds.** The City maintains an Agency Fund for monies received and held for the benefit of others from collection and release of monies for asset forfeiture. At March 31, 2012, cash in the Agency Fund equaled \$5,952 due to normal activity.

The City also maintains a fiduciary fund for the assets of the uniformed personnel through the Police and Firemen's Pension Trust Fund. As of the end of the current fiscal year ending March 31, 2012, the net assets of the Pension Trust Fund totaled \$1,748,170.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** The City has invested, net of accumulated depreciation, \$6,145,859 at March 31, 2012 in a broad range of capital assets, including park facilities, roads, buildings, equipment, automobiles, trucks, and infrastructure. This amount represents a net increase for the current fiscal year (including additions and deductions) of \$1,873,127. The City purchased capital assets totaling \$2,122,496 during the fiscal year ended March 31, 2012. The City's capital assets, net of accumulated depreciation, consisted of:

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<b>March 31</b>		<b>2012 Change</b>	
	<b>2012</b>	<b>2011</b>	<b>Amount</b>	<b>Percent</b>
Land	\$ 282,639	270,939	11,700	4.3 %
Construction in progress	1,392,383	273,941	1,118,442	408.3
Buildings and improvements	471,364	403,049	68,315	16.9
Vehicles	469,013	33,873	435,140	1,284.6
Equipment	27,394	31,097	(3,703)	(11.9)
Infrastructure	3,503,066	3,259,833	243,233	7.5
<b>Total</b>	<b>\$ 6,145,859</b>	<b>4,272,732</b>	<b>1,873,127</b>	<b>43.8 %</b>

Additional information on the City's capital assets can be found in Note C in the notes to financial statements.

**Long-term debt.** The following is a summary of long-term debt:

	<b>March 31</b>		<b>2012 Change</b>	
	<b>2012</b>	<b>2011</b>	<b>Amount</b>	<b>Percent</b>
General obligation bonds	\$ 5,188,739	1,787,405	3,401,334	190.3 %
Tax increment revenue bonds	173,400	310,100	(136,700)	(44.1)
Tax increment revenue notes	18,812,199	11,600,000	7,212,199	62.2
Capital leases	114,603	27,543	87,060	316.1
Compensated absences	141,817	143,865	(2,048)	(1.4)
<b>Total</b>	<b>\$ 24,430,758</b>	<b>13,868,913</b>	<b>10,561,845</b>	<b>76.2 %</b>

Additional information on the City's long-term debt can be found in Note G in the notes to financial statements.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City adjusted various revenue and expenditure accounts in the General Fund during the fiscal year. Revenues were \$20,045 above the final budget of \$3,120,648 primarily due to increased gross receipts taxes and miscellaneous income. Expenditures were \$100,537 below the final budget of \$3,518,139 due to various decreases in expenditures.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

For the fiscal year ended March 31, 2013, the City budgeted for revenue decreases due to decreased grant revenues anticipated. The City budgeted for various expenditure increases in the General Fund. The Capital Projects Fund expenditures were decreased to coincide with the grant revenue decreases. The Street Bond Fund expenditures were increased to allow for the spending of the street bond proceeds.

**CITY OF ROCK HILL, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Rock Hill  
320 W. Thornton Ave.  
Rock Hill, MO 63119



**CITY OF ROCK HILL, MISSOURI****STATEMENT OF NET ASSETS****MARCH 31, 2012**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 6,386,093
Receivables (net):	
Property tax	637,824
Municipal taxes	362,067
Intergovernmental	124,307
Other	17,627
Due from Agency Fund	1,910
Prepaid items	5,887
Bond issue costs	113,160
Cash - restricted	14,486
Capital assets:	
Land and construction in progress	1,675,022
Other capital assets, net of accumulated depreciation	4,470,837
Total Assets	<u>13,809,220</u>
<b>LIABILITIES</b>	
Accounts payable	118,194
Accrued payroll	58,673
Accrued interest	557,937
Due to others	26,103
Plan deposits	27,363
Noncurrent liabilities:	
Due within one year	491,202
Due in more than one year	23,939,556
Due in more than one year - net pension obligation	456,730
Total Liabilities	<u>25,675,758</u>
<b>NET ASSETS (DEFICIENCY)</b>	
Invested in capital assets, net of related debt	4,208,402
Restricted for:	
Capital projects	147,100
Debt service	434,858
Parks and stormwater	105,189
Police training	4,605
Sewer lateral	22,043
Tax increment financing	1,116,590
Unrestricted (deficit)	<u>(17,905,325)</u>
Total Net Assets (Deficiency)	<u>\$ (11,866,538)</u>

# CITY OF ROCK HILL, MISSOURI

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED MARCH 31, 2012

					Net Revenues (Expenses) And Change In Net Assets

See notes to financial statements

**CITY OF ROCK HILL, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**MARCH 31, 2012**

	<b>General Fund</b>	<b>SW TIF Fund</b>	<b>Street Bond Fund</b>	<b>Capital Projects Fund</b>	<b>Other Govern- mental Funds</b>	<b>Total Govern- mental Funds</b>
<b>ASSETS</b>						
Cash and investments	\$ 1,831,189	191,559	3,776,106	118,587	468,652	6,386,093
Receivables (net):						
Property tax	41,533	397,531	62,299	-	136,461	637,824
Municipal taxes	283,975	33,211	-	41,217	3,664	362,067
Intergovernmental	3,784	-	-	120,523	-	124,307
Other receivables	15,243	-	-	-	2,384	17,627
Due from other funds	1,910	-	-	-	-	1,910
Prepaid items	5,887	-	-	-	-	5,887
Cash - restricted	14,486	-	-	-	-	14,486
Advances to other funds	133,227	-	-	-	-	133,227
Total Assets	<u>\$ 2,331,234</u>	<u>622,301</u>	<u>3,838,405</u>	<u>280,327</u>	<u>611,161</u>	<u>7,683,428</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 25,679	-	92,515	-	-	118,194
Accrued payroll	58,673	-	-	-	-	58,673
Deferred revenues	36,717	-	32,370	-	3,001	72,088
Due to others	26,103	-	-	-	-	26,103
Plan deposits	27,363	-	-	-	-	27,363
Advances from other funds	-	-	-	133,227	-	133,227
Total Liabilities	<u>174,535</u>	<u>-</u>	<u>124,885</u>	<u>133,227</u>	<u>3,001</u>	<u>435,648</u>
<b>Fund Balances</b>						
Nonspendable:						
Long-term interfund advances	133,227	-	-	-	-	133,227
Prepaid items	5,887	-	-	-	-	5,887
Restricted for:						
Capital projects	-	-	3,365,885	147,100	-	3,512,985
Debt service	-	-	347,635	-	87,223	434,858
Parks and stormwater	105,189	-	-	-	-	105,189
Police training	-	-	-	-	4,605	4,605
Sewer lateral	-	-	-	-	22,043	22,043
Tax increment financing	-	622,301	-	-	494,289	1,116,590
Assigned for:						
Subsequent year's budget	195,647	-	-	-	-	195,647
Unassigned	1,716,749	-	-	-	-	1,716,749
Total Fund Balances	<u>2,156,699</u>	<u>622,301</u>	<u>3,713,520</u>	<u>147,100</u>	<u>608,160</u>	<u>7,247,780</u>
Total Liabilities And Fund Balances	<u>\$ 2,331,234</u>	<u>622,301</u>	<u>3,838,405</u>	<u>280,327</u>	<u>611,161</u>	<u>7,683,428</u>

**CITY OF ROCK HILL, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET ASSETS**  
**MARCH 31, 2012**

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Total Fund Balances - Governmental Funds	\$ 7,247,780
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$7,780,347 and the accumulated depreciation is \$1,634,488.	6,145,859
Net pension obligations are not financial resources and, therefore, are not reported in the governmental funds.	(456,730)
Some revenues are not available soon enough to pay for current expenditures and are not reported as revenues in the governmental funds.	72,088
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued compensated absences	(141,817)
Accrued interest payable	(557,937)
Lease payable	(114,603)
Bonds payable	(5,362,139)
Tax increment financing notes	(18,812,199)
Unamortized bond issuance costs	<u>113,160</u>
Total Net Assets (Deficiency) Of Governmental Activities	<u><u>\$ (11,866,538)</u></u>

**CITY OF ROCK HILL, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<b>General Fund</b>	<b>SW TIF Fund</b>	<b>Street Bond Fund</b>	<b>Capital Projects Fund</b>	<b>Other Govern- mental Funds</b>	<b>Total Govern- mental Funds</b>
<b>REVENUES</b>						
Property tax	\$ 252,067	422,926	368,362	-	112,278	1,155,633
Gross receipts taxes	849,723	-	-	-	-	849,723
Licenses and permits	184,877	-	-	-	-	184,877
Intergovernmental	23,027	-	-	1,233,375	-	1,256,402
Sales tax	1,341,372	511,591	-	319,485	27,709	2,200,157
Fines and court costs	415,417	-	-	-	-	415,417
Investment income	13,001	19	13,582	5	14	26,621
Miscellaneous	61,209	-	20	-	65,529	126,758
Total Revenues	<u>3,140,693</u>	<u>934,536</u>	<u>381,964</u>	<u>1,552,865</u>	<u>205,530</u>	<u>6,215,588</u>
<b>EXPENDITURES</b>						
Current:						
Administration	797,808	8,485	-	-	1,463	807,756
Police department	902,908	-	-	-	7,966	910,874
Fire department	818,660	-	-	-	-	818,660
Public works	459,138	-	-	-	-	459,138
Parks and recreation	115,751	-	-	-	-	115,751
Housing department	79,631	-	-	-	-	79,631
Municipal court	123,489	-	-	-	-	123,489
Economic development	-	3,545,333	-	-	-	3,545,333
Capital outlay	120,217	-	149,016	1,804,720	52,745	2,126,698
Debt service:						
Principal	-	300,396	180,000	57,382	136,700	674,478
Interest	-	689,712	140,262	5,303	19,975	855,252
Interest - refinancing	-	3,967,262	-	-	-	3,967,262
Bond issuance costs	-	-	77,176	-	-	77,176
Total Expenditures	<u>3,417,602</u>	<u>8,511,188</u>	<u>546,454</u>	<u>1,867,405</u>	<u>218,849</u>	<u>14,561,498</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(276,909)</u>	<u>(7,576,652)</u>	<u>(164,490)</u>	<u>(314,540)</u>	<u>(13,319)</u>	<u>(8,345,910)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital assets	12,143	-	-	-	-	12,143
Refunding of long-term debt	-	(11,600,000)	-	-	-	(11,600,000)
Issuance of long-term debt	-	19,112,595	3,500,000	144,442	-	22,757,037
Premium on issuance of long-term debt	-	-	74,209	-	-	74,209
Total Other Financing Sources (Uses)	<u>12,143</u>	<u>7,512,595</u>	<u>3,574,209</u>	<u>144,442</u>	<u>-</u>	<u>11,243,389</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(264,766)</u>	<u>(64,057)</u>	<u>3,409,719</u>	<u>(170,098)</u>	<u>(13,319)</u>	<u>2,897,479</u>
<b>FUND BALANCES, APRIL 1</b>	<u>2,421,465</u>	<u>686,358</u>	<u>303,801</u>	<u>317,198</u>	<u>621,479</u>	<u>4,350,301</u>
<b>FUND BALANCES, MARCH 31</b>	<u>\$ 2,156,699</u>	<u>622,301</u>	<u>3,713,520</u>	<u>147,100</u>	<u>608,160</u>	<u>7,247,780</u>

**CITY OF ROCK HILL, 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 MARCH 31, 2012**

Net Change In Fund Balances - Governmental Funds	\$ 2,897,479
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in the governmental funds as expenditures, however, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold (\$2,122,496) exceeded depreciation (\$272,769) in the current period.	1,849,727
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The net effect of various miscellaneous transactions involving capital assets:	
Contributed capital assets	23,400

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. This is the net effect of these differences in the treatment of long-term debt.

Debt issued during the current year:

Bonds payable	(3,500,000)
Tax increment revenue notes	(19,112,595)
Capital leases	(144,442)
Bond issuance costs	77,176
Premium	(74,209)

Repayments during the current year:

Bonds payable	316,700
Tax increment revenue notes	11,900,396
Capital leases	57,382
Amortization	(13,994)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:

Decrease in deferred revenues	(60,534)
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Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. The net changes of these items are:

Decrease in accrued compensated absences	2,048
Decrease in accrued interest	3,322,526
Net pension obligation	(73,316)

Change In Net Assets Of Governmental Activities	\$ (2,532,256)
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**CITY OF ROCK HILL, MISSOURI**  
**STATEMENT OF FIDUCIARY NET ASSETS -**  
**FIDUCIARY FUNDS**  
**MARCH 31, 2012**

	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
Cash	\$ -	5,952
Investments, at fair value:		
Mutual funds	1,100,692	-
Government securities	579,603	-
Money market funds	65,228	-
Accrued interest and dividends	2,647	-
Total Assets	<u>1,748,170</u>	<u>5,952</u>
<b>LIABILITIES</b>		
Deposits held for others	-	4,042
Due to other funds	<u>-</u>	<u>1,910</u>
Total Liabilities	<u>-</u>	<u>5,952</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u><u>\$ 1,748,170</u></u>	<u><u>-</u></u>

**CITY OF ROCK HILL, MISSOURI**  
**STATEMENT OF CHANGES IN FIDUCIARY**  
**NET ASSETS - PENSION TRUST FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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	<u>Pension Trust Fund</u>
<b>ADDITIONS</b>	
Investment income:	
Interest and dividends	\$ 24,575
Net appreciation in fair value of investments	44,933
Total Investment Income	<u>69,508</u>
Employer contributions	213,226
Total Additions	<u>282,734</u>
<b>DEDUCTIONS</b>	
Benefits paid	192,392
Fees paid	1,718
Total Deductions	<u>194,110</u>
<b>NET INCREASE</b>	88,624
<b>NET ASSETS HELD IN TRUST FOR PENSION</b> <b>BENEFITS, APRIL 1</b>	<u>1,659,546</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION</b> <b>BENEFITS, MARCH 31</b>	<u><u>\$ 1,748,170</u></u>



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The **CITY OF ROCK HILL, MISSOURI** (the City) was incorporated on April 29, 1929. The City operates under a council-administrator form of government and provides the following services: public safety (police and fire), public works, parks and recreation, housing, judicial, and general administrative services.

The accounting policies and financial reporting practices of the City conform to U.S. generally accepted accounting principles as applied to governmental entities. The following is a summary of the more significant policies.

**1. Reporting Entity**

The financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units - an Amendment of GASB 14*. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's governing body or because the component unit will provide a financial benefit or impose a financial burden on the City. It was determined that the City does not have any component units.

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, 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 expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are Pension Trust Fund financial statements. The Agency Fund's financial statements are reported using the accrual basis of accounting with no economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the 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 measurable and available when they are collectible within 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 fiscal 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, are recorded only when payment is due (i.e., matured).

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

The City reports the following major governmental funds:

**General Fund** -- The General Fund accounts for all activities except those required to be accounted for in another fund. Revenues in this fund are derived from taxes, fees, and other sources that are used for general ongoing government services such as parks, police, fire, public works, and administration.

**SW TIF Fund** -- The SW TIF Fund is used to account for tax increment financing revenue from the SW redevelopment area.

**Street Bond Fund** -- The Street Bond Fund is used to account for property tax revenues levied for the repayment of long-term debt principal, interest, related costs, and capital expenditures related to the street bonds.

**Capital Projects Fund** -- The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction, or improvements of major capital facilities and infrastructure.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Additionally, the City reports the following fund types:

**Pension Trust Fund** -- The Pension Trust Fund is used to account for assets held in a trustee capacity for the City's eligible employees.

**Agency Fund** -- The Agency Fund (Asset Forfeiture) is used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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 and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**4. Cash and Investments**

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. The City invests all temporary cash surpluses in certificates of deposit with various banks as authorized by Missouri state statute. Pension Funds may also invest in mutual funds. Investments are stated at fair value.

**5. Capital Assets**

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements, net of accumulated depreciation. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Capital Assets (Continued)**

The City has elected not to record the historical cost of infrastructure placed in service prior to April 1, 2004.

Depreciation is being computed on the straight-line method with no depreciation in the year placed in service, using asset lives as follows:

<b>Assets</b>	<b>Years</b>
Buildings and improvements	10 - 40
Vehicles	5 - 7
Equipment	7 - 25
Infrastructure	40

**6. Compensated Absences**

The City accrues compensated absences when vested. The current and noncurrent portions are recorded in the government-wide financial statements.

Vacations accrue to employees based on their anniversary date of employment and are limited to a maximum of ten days over the employee's yearly entitlement. Upon leaving employment of the City, an employee is entitled to payment for accrued vacation.

Compensatory time accrues to a maximum of 240 hours for Fire Fighters, 80 hours for Police Officers, and 40 hours for all other employees.

Sick leave accrues to a maximum of 648 hours for Fire Fighters and 480 hours for all other employees. Upon leaving employment of the City, an employee is not entitled to payment for accrued sick leave.

**7. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums and discounts, as well as deferred charges and issuance costs, are deferred and amortized generally over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premium or discount and deferred charges.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**8. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1, based on the assessed value of the property. Taxes are levied in October and are due and payable on or before December 31.

Property tax revenue is recognized to the extent it is collected within 60 days after year-end in the fund financial statements. Property taxes not collected within 60 days of year-end are deferred for fund financial statements but are recognized as revenue in the government-wide financial statements.

All property tax assessment, billing, and collection functions are handled by the St. Louis County government. Taxes collected are remitted to the City by the St. Louis County Collector (the County Collector) in the month subsequent to the actual collection date. Taxes held by the County Collector, if any, are included in property taxes receivable in the accompanying fund financial statements.

**9. Allowance**

Receivables are shown net of an allowance for uncollectibles of \$15,243.

**10. Advances and Due To/From Other Funds**

Noncurrent portions of long-term interfund loans receivable (reported in “advances to” asset accounts) are equally offset by a fund balance nonspendable account which indicates that they do not constitute “available spendable resources”. Current portions of long-term interfund loans receivable (reported in “due from” asset accounts) are considered “available spendable resources” and are subject to elimination upon consolidation.

**11. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are recorded in the government-wide financial statements and in the fund financial statements if they expire within 30 days.

**12. Use of Estimates**

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Fund Balance Policies**

The City's policy is to report the fund balance in the following categories, when applicable, listed from the most restrictive to the least restrictive:

**Nonspendable** -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

**Restricted** -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

**Committed** -- The portion of fund balance with constraints or limitations by formal action of the Board of Aldermen, the highest level of decision-making authority.

**Assigned** -- The portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City officials to which the Board of Aldermen has designated authority.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unassigned fund balance of not less than 25% of annual operating expenditures for the fiscal year.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of March 31, 2012, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

# CITY OF ROCK HILL, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### NOTE B - CASH AND INVESTMENTS (Continued)

#### 2. Investments

As of March 31, 2012, the City had the following investments:

Investments	Fair Value	No Maturity	Maturities		Credit Risk
			Less Than One Year	1 - 5 Years	
<b>Primary Government</b>					
Money market funds	\$ 1,327,140	1,327,140	-	-	Not rated
<b>Fiduciary Funds</b>					
Mutual funds	1,100,692	1,100,692	-	-	N/A
Government securities:					
Federal National					
Mortgage Association	262,245	-	61,145	201,100	AAA
U.S. Treasury notes	317,358	-	-	317,358	AAA
Money market funds	65,228	65,228	-	-	Not rated
Total Fiduciary Funds					
Investments	1,745,523	1,165,920	61,145	518,458	
Total Investments	\$ 3,072,663	2,493,060	61,145	518,458	

#### Investments Policies

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy states that they minimize credit risk by prequalifying the financial institutions, brokers/dealers, and advisors with which the City will do business and diversifying the portfolio to reduce potential losses on individual securities.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's investment policy states that they minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing primarily in shorter term securities.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that they minimize concentration of credit risk by diversifying the investment portfolio.

**CITY OF ROCK HILL, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - CAPITAL ASSETS**

The following is a summary of changes in capital assets:

<b>For The Year Ended March 31, 2012</b>				
	<b>Balance March 31 2011</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance March 31 2012</b>
Capital assets not being depreciated:				
Land	\$ 270,939	11,700	-	282,639
Construction in progress	273,941	1,118,442	-	1,392,383
Total Capital Assets Not Being Depreciated	544,880	1,130,142	-	1,675,022
Capital assets being depreciated:				
Buildings and improvements	594,813	96,340	-	691,153
Vehicles	746,623	549,874	140,664	1,155,833
Equipment	217,485	11,700	17,695	211,490
Infrastructure	3,689,009	357,840	-	4,046,849
Total Capital Assets Being Depreciated	5,247,930	1,015,754	158,359	6,105,325
Less - Accumulated depreciation for:				
Buildings and improvements	191,764	28,025	-	219,789
Vehicles	712,750	114,734	140,664	686,820
Equipment	186,388	15,403	17,695	184,096
Infrastructure	429,176	114,607	-	543,783
Total Accumulated Depreciation	1,520,078	272,769	158,359	1,634,488
Total Capital Assets Being Depreciated, Net	3,727,852	742,985	-	4,470,837
Capital Assets, Net	<u>\$ 4,272,732</u>	<u>1,873,127</u>	<u>-</u>	<u>6,145,859</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

	<b>For The Year Ended March 31 2012</b>
Administration	\$ 17,294
Public works	156,761
Parks and recreation	8,882
Fire department	68,433
Police department	<u>21,399</u>
Total	<u>\$272,769</u>



**NOTE D - EMPLOYEE RETIREMENT SYSTEMS**

**Missouri Local Government Employees Retirement System**

**1. Plan Description**

The City's employees participate 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 LAGERS' 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. LAGERS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

**2. Funding Policy**

The City's full-time employees do not contribute to the pension plan. The City is required by state statute to contribute at an actuarially determined rate; the current rate is 2.4% (general), 11.2% (police), and 12.2% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by state statute.

**3. Annual Pension Cost**

The City's annual pension cost and net pension obligation (NPO) for the current year were as follows:

Annual required contribution	\$118,037
Interest on NPO	-
Adjustment to annual required contribution	<u>-</u>
Annual Pension Cost	118,037
Actual contributions	<u>118,037</u>
Increase in NPO	-
NPO, beginning of year	<u>-</u>
NPO, End Of Year	\$ <u><u>-</u></u>

**NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**3. Annual Pension Cost (Continued)**

The annual required contribution was determined as part of the February 28, 2009 and 2010 annual actuarial valuation 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% to 6% 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 zero years for men and zero years for women; and e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back zero years for men and zero 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 an open basis. The amortization period as of February 28, 2009 was 8 years for the general division, 28 years for the police division, and 27 years for the fire division. The amortization period as of February 28, 2010 was 9 years for the general division, 27 years for the police division, and 26 years for the fire division.

**Three-year Trend Information**

<b><u>For The Plan Years Ended June 30</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage Of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
2011	\$118,037	100%	\$ -
2010	104,525	100	-
2009	117,424	100	-

**Schedule of Funding Progress**

<b><u>For The Actuarial Valuation Years Ended February 28/29</u></b>	<b><u>Actuarial Value Of Assets</u></b>	<b><u>Entry Age Actuarial Accrued Liability (AAL)</u></b>	<b><u>Unfunded AAL</u></b>
2011	\$1,404,404	\$1,684,210	(\$279,806)
2010	1,178,877	1,413,494	(234,617)
2009	1,038,410	1,301,052	(262,642)

**NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**3. Annual Pension Cost (Continued)**

<b>For The Actuarial Valuation Years Ended <u>February 28/29</u></b>	<b><u>Funded Ratio</u></b>	<b><u>Annual Covered Payroll</u></b>	<b><u>Unfunded AAL As A Percentage Of Covered Payroll</u></b>
2011	83.4%	\$1,604,909	(17.4%)
2010	83.4	1,444,134	(16.2)
2009	79.8	1,593,280	(16.5)

Note: The above assets and AAL do not include the assets and present value of benefits associated with the Benefit Reserve Fund and 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 valuations, please contact the LAGERS' office in Jefferson City, MO.

**Pension Plan for the Uniformed Employees of the City of Rock Hill**

**1. Plan Description**

The Pension Plan for the Uniformed Employees of the City of Rock Hill (the Plan) is a single-employer, defined benefit pension plan covering all full-time employees of the Police and Fire Departments of the City hired before October 28, 2003. The Plan was created and governed by ordinance in accordance with state statutes. The Plan may be amended under the provisions of the original ordinance. The City contributes amounts to the Plan. The Plan provides retirement benefits based on service and salary with the City. The Plan also provides to the deceased member's spouse or children, based on the participant's service and salary with the City. The Plan is included in the financial statements of the City as a Pension Trust Fund and does not issue a separate financial statement.

As of May 1, 2010 (the most recent actuarial valuation date), membership in the Plan is comprised of the following:

Retirees and beneficiaries currently receiving benefits and vested terminated employees	20
Active employees	10

Covered employees are vested in their Accrued Monthly Pension Benefit after 5 or more years of vesting service.

Covered employees who have attained the age of 60 years and have 20 years of vesting service shall be eligible for normal retirement benefits. Covered employees who have attained the age of 50 years and have 10 years of vesting service shall be eligible for early retirement benefits.

**NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**1. Plan Description (Continued)**

Participants who had not started receiving benefits by May 1, 2003 shall be eligible to receive 30% for their final average monthly compensation reduced by 1/20<sup>th</sup> for each year of benefit service at normal retirement less than 20 years plus a temporary benefit of 20% of final average monthly compensation reduced 1/20<sup>th</sup> for each year of benefit service at normal retirement less than 20 years. This temporary benefit shall be payable only until the participant reaches age 62.

Participants who were age 50 or had 15 years of service as of April 30, 2003 shall be eligible for 50% of their final average monthly compensation reduced by 1/20<sup>th</sup> for each year of benefit service at normal retirement less than 20 years.

Participants who were not age 50 or had 15 years of service as of April 30, 2003 and former participants who began receiving benefits prior to May 1, 2003 shall be eligible for 40% of their final average monthly compensation reduced 1/20<sup>th</sup> for each year of benefit service at normal retirement less than 20 years plus a temporary benefit of 10% of final average monthly compensation reduced 1/20<sup>th</sup> for each year of benefit service at normal retirement less than 20 years. This temporary benefit shall be payable only until the participant reaches age 62.

Final average compensation is defined as the participant's highest average five consecutive completed plan years' earnings prior to retirement or termination. Years of benefit service is defined as the number of full years of continuous service from the date of hire. The monthly normal retirement pension is payable for the life of the participant with 120 payments guaranteed.

**2. Funding Status and Progress - Entry Age Actuarial Cost Method**

The City uses the aggregate actuarial cost method for determining contributions. This actuarial method does not directly calculate the AAL. The purpose of presenting the AAL using the entry age method is to provide information that serves as a surrogate for the funded status and funding progress of the City. The following schedule of funding progress is presented using the entry age actual cost method:

<b>Pension Plan</b>			
<b>Valuation For The Actuarial Years Ended May 1</b>	<b>Actuarial Value Of Assets</b>	<b>Entry Age AAL</b>	<b>Unfunded AAL (UAAL)</b>
2011*	N/A	N/A	N/A
2010	\$1,420,031	\$3,757,032	\$2,337,001
2009*	N/A	N/A	N/A

**CITY OF ROCK HILL, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**2. Funding Status and Progress - Entry Age Actuarial Cost Method (Continued)**

<b>Valuation For The Actuarial Years Ended May 1</b>	<b>Funded Ratio</b>	<b>Annual Covered Payroll</b>	<b>UAAL As A Percentage Of Covered Payroll</b>
2011*	N/A	N/A	N/A
2010	37.8%	\$543,362	430.1%
2009*	N/A	N/A	N/A

**Schedule Of Contributions**

<b>For The Years Ended April 30</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2011*	N/A	\$213,226	N/A
2010	\$293,522	280,000	95.4%
2009*	N/A	142,000	N/A

\*Valuation was not performed

Actuarial assumptions for the entry age actuarial cost method are the same as the assumptions used for the aggregate actuarial cost method.

Additional information as of the latest actuarial valuation follows:

Valuation date	May 1, 2010
Actuarial cost method	Aggregate cost method
Amortization method	Not Applicable - Aggregate cost method
Asset valuation method	Fair value
Investment rate of return	6%
Projected salary increase	2.5%
Pre-retirement mortality	1983 Group Annuity Mortality Table
Inflation rate	-
Post-retirement benefit increase	-

**3. Annual Pension Cost**

Annual pension costs for the Plan are shown in the trend information. The City had a net pension obligation of \$456,730 for the actuarial year ended March 31, 2012.

# CITY OF ROCK HILL, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)

#### 4. Trend Information

Historical trend information about the Plan is presented herewith as required supplementary information. This information is intended to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparison with other Public Employee Retirement Systems (PERS).

Pension Plan							
Valuation For The Years Ended March 31				Annual Pension Cost	Percentage Contributed	Net Pension Obligation	
2012				\$286,542	74.4%	\$456,730	
2011				289,821	96.6	383,414	
2010				258,775	54.9	373,593	

Valuation For The Actuarial Years Ended March 31	Annual Required Contri- bution	Adjustment To Annual Required Contribution	Interest On Net Pension Obligation	Annual Pension Cost	Actual Contri- bution	Increase In Net Pension Obligation	Net Pension Obligation End Of Year
2012	\$293,522	(29,985)	23,005	286,542	(213,226)	73,316	456,730
2011	293,522	(26,117)	22,416	289,821	(280,000)	9,821	383,414
2010	260,954	(16,304)	14,125	258,775	(142,000)	116,775	373,593

### NOTE E - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the St. Louis Area Insurance Trust (SLAIT), which is a not-for-profit, self-insurance risk pool formed by various St. Louis County municipalities to cover worker's compensation, health insurance, and general liability matters. The purpose of this trust is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

SLAIT requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of SLAIT have no legal interest in the assets, liabilities, or fund balances of SLAIT. However, the City is contingently liable to fund its pro rata share if any deficit incurred by SLAIT should SLAIT cease operation at some future date.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**CITY OF ROCK HILL, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE F - COMMITMENTS AND CONTINGENCIES**

The City receives various grants and state funding for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The City is not aware of any noncompliance with federal or state provisions that might require the City to provide reimbursement.

All Missouri entities which have collected confiscation funds may be required to remit part or all of these funds to other governmental entities. There is no information presently available to project the impact, if any, on the City's financial position.

**NOTE G - LONG-TERM DEBT**

Long-term debt consists of the following:

**General Obligation Bonds**

	<b>March 31 2012</b>
Series 2011 general obligation bonds of \$3,500,000 used for street improvements, due in annual installments through March 1, 2031, interest payable at 2% to 4.5%.	\$3,470,000
Series 2010 general obligation bonds of \$1,750,000 used for advance refunding of the 2002 issue for street improvements, due in annual installments through March 1, 2022, interest payable at 1% to 4%.	<u>1,715,000</u>
Total General Obligation Bonds	<u>\$5,185,000</u>

Debt service requirements for the bonds are as follows:

<b>For The Years Ended March 31</b>	<b>General Obligation Bonds</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	\$ 205,000	178,433	383,433
2014	210,000	174,334	384,334
2015	215,000	170,134	385,134
2016	220,000	165,834	385,834
2017	225,000	159,034	384,034
2018-2022	1,235,000	693,336	1,928,336
2023-2027	1,475,000	468,988	1,943,988
2028-2031	<u>1,400,000</u>	<u>159,225</u>	<u>1,559,225</u>
Total	<u>\$5,185,000</u>	<u>2,169,318</u>	<u>7,354,318</u>

# CITY OF ROCK HILL, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### NOTE G - LONG-TERM DEBT (Continued)

#### Tax Increment Revenue Bonds

The City has tax increment revenue bonds which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds do not constitute a general obligation of the City. Bonds outstanding are as follows:

	<u>Date Issued</u>	<u>Date Of Maturity</u>	<u>Date Of Annual Payment</u>	<u>Original Amount</u>	<u>Balance March 31 2012</u>
Tax increment revenue bonds:					
McKnight Crossing	7-28-1999	12-1-2019	December 1	\$373,200	<u>\$173,400</u>

#### Tax Increment Revenue Notes

During 2011, the City issued \$19,112,595 of Tax Increment Revenue Notes, Series 2011, to refund the Tax Increment Revenue Notes, Series 2006 which were used to pay for a portion of the redevelopment project costs in connection with the "NW/SW Redevelopment Project - RPA 1", to pay accrued interest on the 2006 notes, and for eligible transportation project costs. The tax increment revenue notes are considered a special limited obligation of the City. The City will make principal and interest payments on the tax increment revenue notes based on the incremental payments in lieu of taxes (PILOTS) and economic activity tax (EATS).

Since annual repayment amounts for the tax increment revenue notes will be determined based on future revenues, a schedule of debt service requirements to maturity cannot be established. The notes have been issued to an aggregate of \$19,112,595.

The following is a summary of the changes in the City's long-term debt:

	<u>For The Year Ended March 31, 2012</u>			<u>Amounts Due Within One Year</u>
	<u>Balance March 31 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance March 31 2012</u>
General obligation bonds	\$ 1,865,000	3,500,000	180,000	5,185,000
Plus - Premium	44,998	74,209	6,952	112,255
Less - Deferred charges	(122,593)	-	(14,077)	(108,516)
Tax increment revenue bonds	310,100	-	136,700	173,400
Tax increment revenue notes	11,600,000	19,112,595	11,900,396	18,812,199
Capital leases	27,543	144,442	57,382	114,603
Compensated absences	143,865	94,263	96,311	141,817
Total	<u>\$ 13,868,913</u>	<u>22,925,509</u>	<u>12,363,664</u>	<u>24,430,758</u>

March 31, 2011 amounts have been reclassified for certain bond principal and deferred charge amounts.



**CITY OF ROCK HILL, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE G - LONG-TERM DEBT (Continued)**

The general obligation bonds are to be liquidated by the Street Bond Fund. The tax increment revenue bonds are to be liquidated by the McKnight Crossing TIF Fund. The tax increment revenue notes are to be liquidated by the SW TIF Fund. The capital leases are to be liquidated by the Capital Projects Fund. The compensated absences are to be liquidated by the General Fund.

**Capital Leases**

The City entered into lease agreements for the acquisition of two police cars, a fire command vehicle, and a backhoe. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the capital leases are as follows:

	<b>March 31</b>
	<b><u>2012</u></b>
Vehicles	\$144,442
Less - Accumulated depreciation	<u>28,888</u>
Net Book Value	<u>\$115,554</u>

A schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of March 31, 2012 is as follows:

<b>For The Years</b>	
<b><u>Ended March 31</u></b>	
2013	\$ 30,498
2014	40,530
2015	25,878
2016	17,275
2017	<u>8,637</u>
	122,818
Less - Amount representing interest	<u>8,215</u>
Present Value of Minimum Lease Payments	<u>\$114,603</u>

**NOTE H - INTERFUND ASSETS/LIABILITIES**

Individual interfund assets and liabilities balances are as follows:

**CITY OF ROCK HILL, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H - INTERFUND ASSETS/LIABILITIES (Continued)**

**Due from/to other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>March 31 2012</u>
General Fund	Agency Fund	<u>\$1,910</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ending March 31, 2013.

**Advances from/to other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>March 31 2012</u>
General Fund	Capital Projects Fund	<u>\$133,227</u>

The amounts payable to the General Fund relate to a loan to the Capital Projects Fund to help finance the acquisition of a fire truck. The balance will be repaid in annual installments through the fiscal year ending March 31, 2018.

**NOTE I - UNRESTRICTED NET ASSET DEFICIT**

The government-wide statement of net assets reflects an unrestricted net asset deficit of (\$17,905,325). This total is comprised of \$1,080,274 in unrestricted net assets from operations and unrestricted net assets deficit resulting from the issuance of various tax increment revenue bonds and notes in the amount of \$18,985,599, which is for development not owned by the City.

The City's responsibility to repay the tax increment revenue bonds and notes extends only to the incremental revenues generated by the TIF district. The tax increment revenue bonds and notes are a special limited obligation of the City and are not used in calculating the City's debt limit.

**NOTE J - RESTRICTED NET ASSETS**

The government-wide statement of net assets reports \$5,196,270 of restricted net assets, of which \$4,761,412 is restricted by enabling legislation.

**NOTE K - TAX INCREMENT REVENUES PLEDGED**

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds and notes issued to finance certain improvements in the City. The bonds and notes are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds and notes. Total principal remaining on the bonds and notes is reported in Note G. For the current year, principal and interest paid excluding refinanced interest and total incremental tax revenues were \$1,146,783 and \$1,074,537, respectively.

**NOTE L - FEDERAL FORFEITURE ACTIVITY**

For the year ended March 31, 2012, the City had a beginning balance of \$7,683, revenues of \$12,691, and expenditures of \$7,241, for an ending balance of \$13,133 in the federal forfeiture account.

**NOTE M - FUTURE ACCOUNTING PRONOUNCEMENTS**

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63), establishes guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position. GASB 63 will be effective for the City for the fiscal year ending March 31, 2013. The City, however, has not yet completed its assessment of the statement.

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
<b>Property Tax</b>	<u>\$ 256,379</u>	<u>256,379</u>	<u>252,067</u>	<u>(4,312)</u>
<b>Gross Receipts Taxes</b>				
Cable television	35,222	35,222	32,700	(2,522)
Electric	261,141	261,141	308,051	46,910
Gas	197,409	197,409	179,033	(18,376)
Telephone	270,974	270,974	271,943	969
Water	50,538	50,538	57,996	7,458
Total Gross Receipts Taxes	<u>815,284</u>	<u>815,284</u>	<u>849,723</u>	<u>34,439</u>
<b>Licenses and Permits</b>				
Auto personal property	9,043	9,043	14,737	5,694
Building permits	16,292	16,292	17,339	1,047
Liquor	9,092	9,092	8,396	(696)
Merchants' licenses	170,543	170,543	144,405	(26,138)
Total Licenses And Permits	<u>204,970</u>	<u>204,970</u>	<u>184,877</u>	<u>(20,093)</u>
<b>Intergovernmental</b>				
Cigarette tax	<u>22,704</u>	<u>22,704</u>	<u>23,027</u>	<u>323</u>
<b>Sales Tax</b>				
County sales tax	843,776	843,776	806,453	(37,323)
Fire sales tax	171,862	171,862	178,101	6,239
Parks/stormwater sales tax	346,099	346,099	356,818	10,719
Total Sales Tax	<u>1,361,737</u>	<u>1,361,737</u>	<u>1,341,372</u>	<u>(20,365)</u>
<b>Fines and Court Costs</b>	<u>418,733</u>	<u>418,733</u>	<u>415,417</u>	<u>(3,316)</u>
<b>Investment Income</b>	<u>19,816</u>	<u>19,816</u>	<u>13,001</u>	<u>(6,815)</u>
<b>Miscellaneous</b>				
Miscellaneous	14,500	14,500	40,902	26,402
Grant income	1,200	1,200	9,736	8,536
Parks and recreation	5,325	5,325	10,571	5,246
Total Miscellaneous	<u>21,025</u>	<u>21,025</u>	<u>61,209</u>	<u>40,184</u>
Total Revenues	<u>3,120,648</u>	<u>3,120,648</u>	<u>3,140,693</u>	<u>20,045</u>

(Continued)

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES</b>				
<b>Administration</b>				
Personnel services:				
Salaries	249,910	249,910	247,854	(2,056)
Employee health insurance	37,753	37,753	46,193	8,440
Employee life insurance	2,816	2,816	2,755	(61)
Employee pension	16,150	229,416	236,263	6,847
Fitness program	240	240	239	(1)
Payroll taxes	18,558	18,558	18,808	250
Unemployment	6,000	6,000	5,206	(794)
Operating expenditures:				
Board and mayor	2,290	2,290	371	(1,919)
Codification	3,500	3,500	1,147	(2,353)
Communications	11,400	11,400	9,007	(2,393)
Dues	5,250	5,250	4,430	(820)
Election	2,400	2,400	1,444	(956)
Insurance and bonds	18,431	18,431	12,830	(5,601)
Miscellaneous	62,500	10,324	23,637	13,313
Rent	93,488	93,488	92,086	(1,402)
Postage	5,190	5,190	3,743	(1,447)
Supplies and materials	6,845	6,845	5,051	(1,794)
Telephone	4,980	4,980	6,835	1,855
Training and education	12,147	12,147	6,316	(5,831)
Contracted services:				
Audit	18,000	18,000	18,197	197
Clerical	3,000	3,000	-	(3,000)
Employees	200	200	150	(50)
Legal	25,000	25,000	27,184	2,184
Other	30,171	30,171	28,062	(2,109)
Capital outlay	2,372	98,712	98,212	(500)
Total Administration	<u>638,591</u>	<u>896,021</u>	<u>896,020</u>	<u>(1)</u>
 <b>Police Department</b>				
Personnel services:				
Salaries	517,783	553,963	546,624	(7,339)
Clothing allowance	7,419	7,419	7,703	284
Employee health insurance	74,522	74,522	73,535	(987)

(Continued)

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>Police Department (Continued)</b>				
Personnel services (Continued):				
Employee life insurance	6,789	6,789	6,790	1
Employee pension	55,772	55,772	53,155	(2,617)
Fitness program	2,394	2,394	1,796	(598)
Payroll taxes	39,611	39,611	39,327	(284)
Contracted services:				
Consulting	9,091	9,091	7,952	(1,139)
Crossing guard	500	500	550	50
Dispatching	37,050	37,050	45,110	8,060
Rejis computer expenditure	21,025	21,025	19,610	(1,415)
Vehicle operation	37,650	49,753	46,852	(2,901)
Jail expenditures	3,480	3,480	2,820	(660)
Operating expenditures:				
Dues	1,145	1,145	1,179	34
Insurance and bonds	35,041	35,041	30,728	(4,313)
Miscellaneous	2,250	2,250	1,701	(549)
Repairs and maintenance	565	565	214	(351)
Supplies and materials	6,475	6,475	6,285	(190)
Telephone	14,340	14,340	10,977	(3,363)
Training and education	6,500	6,500	-	(6,500)
Capital outlay	-	-	10,817	10,817
Total Police Department	<u>879,402</u>	<u>927,685</u>	<u>913,725</u>	<u>(13,960)</u>

**Fire Department**

Personnel services:				
Salaries	500,792	516,328	512,982	(3,346)
Clothing allowance	7,400	7,400	6,174	(1,226)
Fitness program	8,140	8,140	7,819	(321)
Employee health insurance	81,171	81,171	97,726	16,555
Employee life insurance	6,597	6,597	6,656	59
Employee pension	60,096	60,096	62,373	2,277
Payroll taxes	38,311	38,311	37,313	(998)
Contracted services:				
Dispatching	16,429	16,429	7,935	(8,494)
Employees	500	500	500	-

(Continued)

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>Fire Department (Continued)</b>				
Operating expenditures:				
Dues	1,830	1,830	1,747	(83)
EMS supplies	1,000	1,000	1,033	33
Fire prevention	1,500	1,500	1,326	(174)
Insurance and bonds	33,849	33,849	29,720	(4,129)
Miscellaneous	1,500	1,500	3,200	1,700
Protective clothing	2,700	2,700	675	(2,025)
Repairs and maintenance	2,700	2,700	2,741	41
Supplies and materials	1,500	1,500	1,543	43
Telephone	9,980	9,980	5,882	(4,098)
Training and education	5,450	5,450	4,234	(1,216)
Vehicle operation	21,720	21,720	27,081	5,361
Capital outlay	500	4,560	4,603	43
Total Fire Department	<u>803,665</u>	<u>823,261</u>	<u>823,263</u>	<u>2</u>
 <b>Public Works</b>				
Personnel services:				
Salaries	221,425	221,425	218,435	(2,990)
Clothing allowance	4,680	4,680	4,871	191
Employee health insurance	36,419	36,419	42,834	6,415
Employee life insurance	3,113	3,113	3,153	40
Employee pension	4,126	4,126	5,780	1,654
Payroll taxes	16,939	16,939	16,091	(848)
Operating expenditures:				
Beautification	400	400	-	(400)
Equipment rental	1,500	1,500	893	(607)
Insurance and bonds	16,967	16,967	13,151	(3,816)
Miscellaneous	573	573	320	(253)
Mosquito fogging	1,650	1,650	1,274	(376)
Repairs and maintenance	10,720	10,720	10,447	(273)
Rock and asphalt	29,400	29,400	15,267	(14,133)
Salt	24,445	24,445	21,593	(2,852)
Street lighting	39,000	39,000	40,263	1,263

**(Continued)**



**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>Public Works (Continued)</b>				
Operating expenditures (Continued):				
Street signs	3,060	3,060	2,405	(655)
Street sweeping	1,400	1,400	680	(720)
Supplies and materials	8,485	8,485	9,035	550
Telephone	3,420	3,420	3,676	256
Traffic paint	1,810	1,810	253	(1,557)
Trash removal	2,340	2,340	2,400	60
Tree removal	6,000	6,000	6,250	250
Training and education	600	600	590	(10)
Utilities	23,000	23,000	23,086	86
Vehicle operation	19,532	19,532	16,026	(3,506)
Weed killer	780	780	365	(415)
Capital outlay	6,326	6,326	6,585	259
Total Public Works	<u>488,110</u>	<u>488,110</u>	<u>465,723</u>	<u>(22,387)</u>
 <b>Parks and Recreation</b>				
Personnel services:				
Salaries	96,157	96,157	80,192	(15,965)
Employee health insurance	5,052	5,052	5,849	797
Employee life insurance	982	982	990	8
Employee pension	1,364	1,364	1,925	561
Payroll taxes	7,356	7,356	6,204	(1,152)
Operating expenditures:				
Day camp	3,200	3,200	3,142	(58)
Fall festival	7,500	7,500	8,285	785
Insurance and bonds	7,452	7,452	5,697	(1,755)
Miscellaneous	2,835	2,835	97	(2,738)
Special programs	2,600	2,600	2,016	(584)
Sports and recreation programs	1,000	1,000	542	(458)
Supplies and materials	750	750	142	(608)
Telephone	780	780	670	(110)
Capital outlay	2,624	2,624	-	(2,624)
Total Parks And Recreation	<u>139,652</u>	<u>139,652</u>	<u>115,751</u>	<u>(23,901)</u>

(Continued)

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>Housing Department</b>				
Personnel services:				
Salaries	61,236	61,236	53,607	(7,629)
Clothing allowance	200	200	-	(200)
Employee health insurance	11,549	11,549	11,442	(107)
Employee life insurance	891	891	748	(143)
Employee pension	1,225	1,225	1,511	286
Payroll taxes	4,685	4,685	3,680	(1,005)
Operating expenditures:				
Dues and subscriptions	215	215	70	(145)
Insurance and bonds	4,746	4,746	3,634	(1,112)
Miscellaneous	800	800	1,480	680
Nuisance fees	1,200	1,200	695	(505)
Supplies and materials	70	70	70	-
Telephone	700	700	579	(121)
Training and education	500	500	758	258
Vehicle operation	3,950	3,950	1,357	(2,593)
Capital outlay	15,600	15,600	-	(15,600)
Total Housing Department	<u>107,567</u>	<u>107,567</u>	<u>79,631</u>	<u>(27,936)</u>
<b>Municipal Court</b>				
Personnel services:				
Salaries	73,483	73,483	69,735	(3,748)
Employee health insurance	7,944	7,944	9,394	1,450
Employee life insurance	685	685	690	5
Employee pension	1,423	1,423	1,296	(127)
Fitness program	240	240	239	(1)
Payroll taxes	5,622	5,622	4,873	(749)
Operating expenditures:				
Computer expenditure	22,630	22,630	18,136	(4,494)
Contracted services	7,668	7,668	6,483	(1,185)
Insurance and bonds	5,619	5,619	4,302	(1,317)
Miscellaneous	820	820	580	(240)
Supplies and materials	3,516	3,516	3,394	(122)

**(Continued)**

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>Municipal Court (Continued)</b>				
Operating expenditures (Continued):				
Telephone	2,412	2,412	2,015	(397)
Training and education	3,281	3,281	2,352	(929)
Vehicle operation	500	500	-	(500)
Total Municipal Court	<u>135,843</u>	<u>135,843</u>	<u>123,489</u>	<u>(12,354)</u>
Total Expenditures	<u>3,192,830</u>	<u>3,518,139</u>	<u>3,417,602</u>	<u>(100,537)</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(72,182)</u>	<u>(397,491)</u>	<u>(276,909)</u>	<u>120,582</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	71,182	-	-	-
Transfer out	-	(65,178)	-	(65,178)
Sale of capital assets	<u>1,000</u>	<u>1,000</u>	<u>12,143</u>	<u>11,143</u>
Total Other Financing Sources (Uses)	<u>72,182</u>	<u>(64,178)</u>	<u>12,143</u>	<u>76,321</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(461,669)</u>	<u>(264,766)</u>	<u>196,903</u>
<b>FUND BALANCE, APRIL 1</b>			<u>2,421,465</u>	
<b>FUND BALANCE, MARCH 31</b>			<u>\$ 2,156,699</u>	

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SW TIF FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Property tax	\$ 342,349	342,349	422,926	80,577
Sales tax	320,000	320,000	511,591	191,591
Investment income	-	-	19	19
Total Revenues	<u>662,349</u>	<u>662,349</u>	<u>934,536</u>	<u>272,187</u>
<b>EXPENDITURES</b>				
Current:				
Administration	8,500	8,500	8,485	(15)
Debt service:				
Principal	300,000	300,396	300,396	-
Interest	353,849	690,455	689,712	(743)
Total Expenditures	<u>662,349</u>	<u>999,351</u>	<u>998,593</u>	<u>(758)</u>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ -</u>	<u>(337,002)</u>	(64,057)	<u>272,945</u>
FUND BALANCE, APRIL 1			<u>686,358</u>	
FUND BALANCE, MARCH 31			<u>\$ 622,301</u>	

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - STREET BOND FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>				
Property taxes	\$ 300,000	300,000	368,362	68,362
Investment income	225	225	13,582	13,357
Miscellaneous	-	-	20	20
Total Revenues	<u>300,225</u>	<u>300,225</u>	<u>381,964</u>	<u>81,739</u>
<b>EXPENDITURES</b>				
Capital outlay	-	163,596	149,016	(14,580)
Debt service:				
Principal	135,000	180,000	180,000	-
Interest	96,299	140,262	140,262	-
Total Expenditures	<u>231,299</u>	<u>483,858</u>	<u>469,278</u>	<u>(14,580)</u>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ 68,926</u>	<u>(183,633)</u>	(87,314)	<u>96,319</u>
<b>ADJUSTMENT TO RECONCILE TO GAAP BASIS</b>				
Unbudgeted activity			<u>3,497,033</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			3,409,719	
FUND BALANCE, APRIL 1			<u>303,801</u>	
<b>FUND BALANCE, MARCH 31</b>			<u>\$ 3,713,520</u>	

**CITY OF ROCK HILL, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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**Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data:

- a. Formal budgetary integration is employed as a management control device during the year. This budget is adopted on a basis consistent with the City's basis of accounting, described previously.
- b. Unused appropriations lapse at the end of the year.
- c. Budget amounts may include budget amendments that were made during the year, if any.
- d. Board approval is required for budget amendments.
- e. The legal level of budgetary control is at the department level.
- f. A budget is adopted for the General Fund, SW TIF Fund, NW TIF Fund, Street Bond Fund, Sewer Lateral Fund, Police Training Fund, McKnight Crossing TIF Fund, and Capital Projects Fund.
- g. The issuance of long-term refunding debt and proceeds of capital leases and related expenditures are not budgeted.

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessment, expendable trusts, or major capital projects) that are legally restricted to expenditures for special purposes.

**Sewer Lateral Fund --** This fund is used to account for the accumulation of and the payment of the sewer lateral tax.

**Police Training Fund --** This fund is used to account for the accumulation of and the payment of certain specified training funds.

**McKnight Crossing TIF Fund --** This fund is used to account for the accumulation of resources for, and the payment of tax increment refunding revenue bonds' principal and interest.

**NW TIF Fund --** This fund is used to account for tax increment financing revenue from the NW redevelopment area.



**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING**  
**BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**MARCH 31, 2012**

	<b>Special Revenue Funds</b>				
	<b>Sewer Lateral Fund</b>	<b>Police Training Fund</b>	<b>McKnight Crossing TIF Fund</b>	<b>NW TIF Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>					
Cash and investments	\$ 19,659	4,605	87,611	356,777	468,652
Receivables:					
Property tax	-	-	112,278	24,183	136,461
Municipal taxes	-	-	3,664	-	3,664
Other receivables	2,384	-	-	-	2,384
Total Assets	<u>\$ 22,043</u>	<u>4,605</u>	<u>203,553</u>	<u>380,960</u>	<u>611,161</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Deferred revenues	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>3,001</u>	<u>3,001</u>
<b>Fund Balances</b>					
Restricted for:					
Debt service	-	-	87,223	-	87,223
Police training	-	4,605	-	-	4,605
Sewer lateral	22,043	-	-	-	22,043
Tax increment financing	-	-	116,330	377,959	494,289
Total Fund Balances	<u>22,043</u>	<u>4,605</u>	<u>203,553</u>	<u>377,959</u>	<u>608,160</u>
Total Liabilities And Fund Balances	<u>\$ 22,043</u>	<u>4,605</u>	<u>203,553</u>	<u>380,960</u>	<u>611,161</u>

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Sewer Lateral Fund</b>	<b>Police Training Fund</b>	<b>McKnight Crossing TIF Fund</b>	<b>NW TIF Fund</b>	
<b>REVENUES</b>					
Property tax	\$ -	-	112,278	-	112,278
Sales tax	-	-	27,191	518	27,709
Investment income	-	-	14	-	14
Miscellaneous	54,516	11,013	-	-	65,529
Total Revenues	<u>54,516</u>	<u>11,013</u>	<u>139,483</u>	<u>518</u>	<u>205,530</u>
<b>EXPENDITURES</b>					
Current:					
Administration	-	-	1,463	-	1,463
Police department	-	7,966	-	-	7,966
Capital outlay	52,745	-	-	-	52,745
Debt service:					
Principal	-	-	136,700	-	136,700
Interest	-	-	19,975	-	19,975
Total Expenditures	<u>52,745</u>	<u>7,966</u>	<u>158,138</u>	<u>-</u>	<u>218,849</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,771	3,047	(18,655)	518	(13,319)
FUND BALANCES, APRIL 1	<u>20,272</u>	<u>1,558</u>	<u>222,208</u>	<u>377,441</u>	<u>621,479</u>
<b>FUND BALANCES, MARCH 31</b>	<u>\$ 22,043</u>	<u>4,605</u>	<u>203,553</u>	<u>377,959</u>	<u>608,160</u>

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SEWER LATERAL FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Miscellaneous	\$ 52,200	52,200	54,516	2,316
<b>EXPENDITURES</b>				
Capital outlay	<u>45,000</u>	<u>52,745</u>	<u>52,745</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 7,200</u>	<u>(545)</u>	1,771	<u>2,316</u>
<b>FUND BALANCE, APRIL 1</b>			<u>20,272</u>	
<b>FUND BALANCE, MARCH 31</b>			<u>\$ 22,043</u>	

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - POLICE TRAINING FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Miscellaneous	\$    3,600	11,013	7,413
<b>EXPENDITURES</b>			
Current:			
Police department	<u>3,578</u>	<u>7,966</u>	<u>4,388</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$        22</u>	3,047	<u>3,025</u>
<b>FUND BALANCE, APRIL 1</b>		<u>1,558</u>	
<b>FUND BALANCE, MARCH 31</b>		<u>\$    4,605</u>	

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - MCKNIGHT CROSSING TIF FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Property tax	\$ 112,000	112,000	112,278	278
Sales tax	31,290	31,290	27,191	(4,099)
Investment income	-	-	14	14
Total Revenues	<u>143,290</u>	<u>143,290</u>	<u>139,483</u>	<u>(3,807)</u>
<b>EXPENDITURES</b>				
Current:				
Administration	1,326	1,463	1,463	-
Debt service:				
Principal	123,864	136,700	136,700	-
Interest	18,100	19,975	19,975	-
Total Expenditures	<u>143,290</u>	<u>158,138</u>	<u>158,138</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(14,848)</u>	<u>(18,655)</u>	<u>(3,807)</u>
FUND BALANCE, APRIL 1			<u>222,208</u>	
FUND BALANCE, MARCH 31			<u>\$ 203,553</u>	

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND**  
**BALANCE - BUDGET AND ACTUAL - NW TIF FUND**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Property tax	\$ 85,000	-	(85,000)
Sales tax	<u>72,044</u>	<u>518</u>	<u>(71,526)</u>
Total Revenues	157,044	518	(156,526)
 <b>EXPENDITURES</b>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <b>NET CHANGE IN FUND BALANCE</b>	 <u><u>\$ 157,044</u></u>	 518	 <u><u>(156,526)</u></u>
 <b>FUND BALANCE, APRIL 1</b>		 <u>377,441</u>	
 <b>FUND BALANCE, MARCH 31</b>		 <u><u>\$ 377,959</u></u>	

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Intergovernmental:				
Gasoline tax	\$ 136,393	136,393	126,044	(10,349)
Motor vehicle tax	49,699	49,699	48,318	(1,381)
Road and bridge	86,138	86,138	99,234	13,096
Grant income	1,462,917	1,462,917	959,779	(503,138)
Sales tax - capital improvements	317,976	317,976	319,485	1,509
Investment income	-	-	5	5
Total Revenues	<u>2,053,123</u>	<u>2,053,123</u>	<u>1,552,865</u>	<u>(500,258)</u>
<b>EXPENDITURES</b>				
Capital outlay	2,229,561	2,372,814	1,660,278	(712,536)
Debt service:				
Principal	57,382	57,382	57,382	-
Interest	5,303	5,303	5,303	-
Total Expenditures	<u>2,292,246</u>	<u>2,435,499</u>	<u>1,722,963</u>	<u>(712,536)</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(239,123)</u>	<u>(382,376)</u>	<u>(170,098)</u>	<u>212,278</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	65,178	-	(65,178)
Transfer out	<u>(71,182)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(71,182)</u>	<u>65,178</u>	<u>-</u>	<u>(65,178)</u>
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ (310,305)</u>	<u>(317,198)</u>	<u>(170,098)</u>	<u>147,100</u>
<b>FUND BALANCE, APRIL 1</b>			<u>317,198</u>	
<b>FUND BALANCE, MARCH 31</b>			<u>\$ 147,100</u>	

**CITY OF ROCK HILL, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - STATEMENT OF**  
**CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2012**

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	<b>Balance March 31 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance March 31 2012</b>
<b>ASSET FORFEITURE</b>				
<b>ASSETS</b>				
Cash	<u>\$ 7,966</u>	<u>2,645</u>	<u>4,659</u>	<u>5,952</u>
<b>LIABILITIES</b>				
Deposits held for others	\$ 7,966	735	4,659	4,042
Due to other funds	<u>-</u>	<u>1,910</u>	<u>-</u>	<u>1,910</u>
Total Liabilities	<u>\$ 7,966</u>	<u>2,645</u>	<u>4,659</u>	<u>5,952</u>



**STATISTICAL SECTION**

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# CITY OF ROCK HILL, MISSOURI

## STATISTICAL SECTION OVERVIEW

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

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	62 - 66
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	67 - 73
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	74 - 78
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	79 - 80
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	81 - 83

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. Prior to the fiscal year ended March 31, 2007, the City presented its financial statements on the cash basis of accounting.

**CITY OF ROCK HILL, MISSOURI**

**NET ASSETS BY COMPONENT**

**LAST EIGHT FISCAL YEARS**

	March 31							
	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental Activities</b>								
Invested in capital assets, net of related debt	\$ 4,208,402	2,457,784	2,054,591	1,225,261	1,736,653	936,930	789,170	(1,063,327)
Restricted	1,830,385	1,623,477	1,049,064	795,665	489,787	674,895	304,265	299,359
Unrestricted (deficit)	<u>(17,905,325)</u>	<u>(13,415,543)</u>	<u>(12,691,709)</u>	<u>(12,384,732)</u>	<u>(12,680,248)</u>	<u>(11,310,855)</u>	<u>(7,633,826)</u>	<u>(462,549)</u>
 Total Governmental Activities Net Assets (Deficiency)	 <u>\$ (11,866,538)</u>	 <u>(9,334,282)</u>	 <u>(9,588,054)</u>	 <u>(10,363,806)</u>	 <u>(10,453,808)</u>	 <u>(9,699,030)</u>	 <u>(6,540,391)</u>	 <u>(1,226,517)</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2005.

**CITY OF ROCK HILL, MISSOURI**  
**CHANGES IN NET ASSETS**  
**LAST EIGHT FISCAL YEARS**

For The Years Ended March 31								
	2012	2011	2010	2009	2008	2007	2006	2005
<b>EXPENSES</b>								
Administration	\$ 897,961	1,032,427	707,580	897,594	831,720	944,833	985,619	1,124,631
Police department	939,677	864,021	857,755	918,182	867,216	974,993	1,120,582	1,237,179
Fire department	894,295	800,864	833,474	783,028	735,159	715,554	812,094	859,402
Public works	605,242	626,795	543,215	587,699	512,210	523,213	819,166	813,145
Parks and recreation	126,532	130,224	118,781	150,181	121,133	129,643	143,272	157,600
Housing department	75,067	85,105	84,045	83,589	82,019	56,859	79,883	68,321
Municipal court	124,764	122,836	152,125	150,167	152,929	155,356	146,994	160,568
Economic development	3,545,333	-	-	268,923	1,266,583	3,628,898	6,435,596	-
Interest on long-term debt	1,513,982	1,265,037	1,254,762	1,241,446	1,378,350	761,408	599,786	176,844
Total Expenses	8,722,853	4,927,309	4,551,737	5,080,809	5,947,319	7,890,757	11,142,992	4,597,690
<b>PROGRAM REVENUES</b>								
Charges for services:								
Administration	184,877	208,906	218,618	234,162	238,826	244,643	269,043	274,666
Police department	424,683	436,811	446,940	544,176	506,678	434,629	478,157	352,518
Public works	54,516	55,754	55,883	53,444	54,691	54,060	53,860	55,551
Parks and recreation	10,571	7,612	9,491	5,485	10,995	17,660	25,825	33,140
Operating grants and contributions	283,439	287,645	282,792	285,105	300,016	408,578	279,311	288,204
Capital grants and contributions	983,179	-	238,391	5,160	151,300	-	-	24,598
Total Program Revenues	1,941,265	996,728	1,252,115	1,127,532	1,262,506	1,159,570	1,106,196	1,028,677
<b>NET REVENUES (EXPENSES)</b>	<b>(6,781,588)</b>	<b>(3,930,581)</b>	<b>(3,299,622)</b>	<b>(3,953,277)</b>	<b>(4,684,813)</b>	<b>(6,731,187)</b>	<b>(10,036,796)</b>	<b>(3,569,013)</b>

(Continued)

**CITY OF ROCK HILL, MISSOURI**  
**CHANGES IN NET ASSETS (Continued)**  
**LAST EIGHT FISCAL YEARS**

	For The Years Ended March 31							
	2012	2011	2010	2009	2008	2007	2006	2005
<b>GENERAL REVENUES AND OTHER</b>								
<b>CHANGES IN NET ASSETS</b>								
Taxes:								
Property	1,096,846	1,366,855	1,262,535	1,218,117	838,915	760,051	589,630	617,488
Sales	2,200,157	1,874,108	1,824,338	1,830,656	1,983,143	1,958,597	1,778,192	2,045,653
Utility	849,723	833,792	914,252	813,280	931,999	664,372	631,957	583,584
Other	23,027	22,705	22,705	22,746	22,705	22,705	22,705	22,705
Investment income	26,621	24,105	19,033	30,843	49,898	28,987	10,964	20,740
Miscellaneous	40,815	55,941	32,511	127,637	103,375	137,836	83,951	83,800
Gain on sale of capital assets	12,143	6,847	-	-	-	-	1,327,677	100,000
Total General Revenues And								
Other Changes In Net Assets	4,249,332	4,184,353	4,075,374	4,043,279	3,930,035	3,572,548	4,445,076	3,473,970
<b>PRIOR PERIOD ADJUSTMENT</b>								
<b>CASH TO ACCRUAL BASIS</b>	-	-	-	-	-	-	277,846	-
<b>CHANGES IN NET ASSETS</b>	<u>\$ (2,532,256)</u>	<u>253,772</u>	<u>775,752</u>	<u>90,002</u>	<u>(754,778)</u>	<u>(3,158,639)</u>	<u>(5,313,874)</u>	<u>(95,043)</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2005.

**CITY OF ROCK HILL, MISSOURI**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST EIGHT FISCAL YEARS**

	March 31							
	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Fund</b>								
Nonspendable	\$ 139,114	-	-	-	-	-	-	-
Restricted	105,189	-	-	-	-	-	-	-
Assigned	195,647	-	-	-	-	-	-	-
Unassigned	1,716,749	-	-	-	-	-	-	-
Reserved	-	-	6,375	-	47,771	272,174	-	-
Unreserved	-	2,421,465	2,526,544	2,381,441	1,676,434	914,353	248,545	156,188
Total General Fund	<u>\$ 2,156,699</u>	<u>2,421,465</u>	<u>2,532,919</u>	<u>2,381,441</u>	<u>1,724,205</u>	<u>1,186,527</u>	<u>248,545</u>	<u>156,188</u>
<b>All other governmental funds</b>								
Restricted	\$ 5,091,081	-	-	-	-	-	-	-
Reserved	-	87,223	87,342	87,335	88,576	92,818	88,548	87,782
Unreserved, reported in:								
Capital Projects Fund	-	317,198	(41,346)	-	-	-	-	-
Special Revenue Funds	-	1,524,415	1,309,809	1,021,314	515,677	385,912	268,403	411,040
Total All Other Governmental Funds	<u>\$ 5,091,081</u>	<u>1,928,836</u>	<u>1,355,805</u>	<u>1,108,649</u>	<u>604,253</u>	<u>478,730</u>	<u>356,951</u>	<u>498,822</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2005.

GASB 54 was implemented in 2012.

**CITY OF ROCK HILL, MISSOURI**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST EIGHT FISCAL YEARS**

	For The Years Ended March 31							
	2012	2011	2010	2009	2008	2007	2006	2005
<b>REVENUES</b>								
Property taxes	\$ 1,155,633	1,368,825	1,295,109	1,172,574	806,708	736,411	589,630	617,488
Gross receipts taxes	849,723	833,792	914,252	813,280	931,999	664,372	631,957	583,584
Licenses and permits	184,877	208,906	218,618	234,162	238,826	217,456	205,477	211,971
Intergovernmental	1,256,402	303,442	303,975	304,252	317,399	312,420	302,048	294,556
Sales tax	2,200,157	1,874,108	1,824,338	1,830,656	1,983,143	1,958,597	1,778,160	2,068,358
Fines and court costs	415,417	428,046	442,420	545,483	504,110	434,629	478,157	352,518
Investment income	26,621	24,105	19,033	30,843	49,898	28,987	10,964	20,740
Miscellaneous	126,758	129,932	336,483	195,325	325,683	355,606	227,202	253,432
Total Revenues	6,215,588	5,171,156	5,354,228	5,126,575	5,157,766	4,708,478	4,223,595	4,402,647
<b>EXPENDITURES</b>								
Administration	807,756	900,424	696,273	827,509	767,125	621,512	891,707	1,098,076
Police department	910,874	852,300	849,745	882,540	836,600	943,711	1,124,094	1,216,820
Fire department	818,660	792,533	819,402	770,806	737,679	674,597	796,835	849,830
Public works	459,138	442,792	419,425	438,321	407,531	423,816	554,498	618,551
Parks and recreation	115,751	119,522	111,847	110,631	113,762	122,886	139,773	154,457
Housing department	79,631	85,522	82,790	83,911	78,184	56,646	78,230	68,321
Municipal court	123,489	117,830	155,965	157,459	154,126	144,851	146,994	160,568
Economic development	3,545,333	-	-	268,923	1,266,583	3,628,898	-	-
Capital outlay	2,126,698	297,412	832,718	1,092,450	971,296	206,343	2,031,751	1,520,271
Debt service:								
Principal	674,478	258,914	163,923	635,391	268,750	285,000	4,050,000	220,000
Interest	855,252	682,677	824,821	445,315	269,659	169,355	279,033	176,844
Interest - refinancing	3,967,262	-	-	-	-	-	-	-
Advance refunding escrow	-	170,000	-	-	-	-	-	-
Bond issuance costs	77,176	43,834	-	-	-	-	-	-
Total Expenditures	14,561,498	4,763,760	4,956,909	5,713,256	5,871,295	7,277,615	10,092,915	6,083,738
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(8,345,910)</u>	<u>407,396</u>	<u>397,319</u>	<u>(586,681)</u>	<u>(713,529)</u>	<u>(2,569,137)</u>	<u>(5,869,320)</u>	<u>(1,681,091)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Issuance of long-term debt	22,757,037	1,750,000	-	298,447	1,376,730	3,628,898	-	150,000
Refunding of long-term debt	(11,600,000)	(1,752,194)	-	-	-	-	-	-
Premium on issuance of long-term debt	74,209	46,028	-	-	-	-	-	-
Sale of capital assets	12,143	10,347	1,315	1,449,866	-	-	5,523,202	100,000
Transfers in	-	-	141,221	205,418	171,950	311,294	24,702	150,883
Transfers out	-	-	(141,221)	(205,418)	(171,950)	(311,294)	(24,702)	(150,883)
Total Other Financing Sources (Uses)	11,243,389	54,181	1,315	1,748,313	1,376,730	3,628,898	5,523,202	250,000
<b>PRIOR PERIOD ADJUSTMENT CASH TO ACCRUAL BASIS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,604</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 2,897,479</u>	<u>461,577</u>	<u>398,634</u>	<u>1,161,632</u>	<u>663,201</u>	<u>1,059,761</u>	<u>(49,514)</u>	<u>(1,431,091)</u>
Debt service as a percentage of noncapital expenditures	44.8 %	25.6	24.0	23.0	10.9	6.4	51.8	8.4

Source: Basic Financial Statements

GASB 34 was implemented in 2005.



**CITY OF ROCK HILL, MISSOURI**  
**PROGRAM REVENUES BY FUNCTIONS/PROGRAMS**  
**LAST EIGHT FISCAL YEARS**

<b>FUNCTIONS/PROGRAMS</b>	<b>For The Years Ended March 31</b>							
	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>Governmental Activities</b>								
Administration	\$ 184,877	214,615	218,618	234,162	238,826	244,643	269,043	274,666
Police department	434,419	438,010	456,909	547,467	507,688	434,629	478,157	358,881
Fire department	237,500	-	61,682	5,160	-	-	-	-
Public works	1,050,498	336,491	505,415	335,258	353,697	343,775	333,171	327,392
Parks and recreation	33,971	7,612	9,491	5,485	162,295	136,523	25,825	67,738
Total Governmental Activities	<u>\$ 1,941,265</u>	<u>996,728</u>	<u>1,252,115</u>	<u>1,127,532</u>	<u>1,262,506</u>	<u>1,159,570</u>	<u>1,106,196</u>	<u>1,028,677</u>

Source: Basic Financial Statements

GASB 34 was implemented in 2005.

**CITY OF ROCK HILL, MISSOURI**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST EIGHT FISCAL YEARS**

<b>For The Years Ended March 31</b>	<b>Sales Tax</b>	<b>Property Taxes</b>	<b>Utility Taxes</b>	<b>Other</b>	<b>Total</b>
2012	\$ 2,200,157	\$ 1,155,633	\$ 849,723	\$ 296,623	\$ 4,502,136
2011	1,874,108	1,368,825	833,792	303,442	4,380,167
2010	1,824,338	1,295,109	914,252	303,975	4,337,674
2009	1,830,656	1,172,574	813,280	304,252	4,120,762
2008	1,983,143	806,708	931,999	317,399	4,039,249
2007	1,958,597	736,411	664,372	312,420	3,671,800
2006	1,778,160	589,630	631,957	302,048	3,301,795
2005	2,045,643	617,488	583,584	294,556	3,541,271

Source: Basic Financial Statements

**CITY OF ROCK HILL, MISSOURI**  
**SALES TAX REVENUES, GOVERNMENTAL FUNDS**  
**LAST EIGHT FISCAL YEARS**

<b>For The Years Ended March 31</b>	<b>Regular Sales Tax (1)</b>	<b>Capital Improvement (2)</b>	<b>Parks (3)</b>	<b>Fire (4)</b>	<b>Transportation Development District (5)</b>	<b>Total</b>
2012	\$ 951,598	\$ 358,375	\$ 395,955	\$ 198,084	\$ 296,145	\$ 2,200,157
2011	950,050	348,880	383,407	191,771	-	1,874,108
2010	986,739	304,262	355,055	178,282	-	1,824,338
2009	934,370	326,086	379,462	190,738	-	1,830,656
2008	990,243	359,992	421,942	210,966	-	1,983,143
2007	981,733	354,087	415,442	207,335	-	1,958,597
2006	897,465	319,696	374,011	186,988	-	1,778,160
2005	1,026,163	369,732	433,381	216,367	-	2,045,643

(1) 1% implemented in 1970 with local option 0.25% implemented in 1993

(2) 0.5% implemented in 1995

(3) 0.5% implemented in 2004

(4) 0.25% implemented in 2001

(5) 1% implemented only within the transportation development district

The sales tax rate in the City is 8.425%, which includes 4.225% for the State of Missouri, 1.7% for St. Louis County, and 2.5% for the City's direct rate which is detailed above.

Given the limited number of businesses, it would not be possible to break out sales tax information on industries because of the confidentiality of individual businesses.

Source: Basic Financial Statements

**CITY OF ROCK HILL, MISSOURI**  
**PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN CALENDAR YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
City of Rock Hill	0.6460	0.6430	0.6350	0.5640	0.5500	0.6050	0.5780	0.7140	0.8210	0.6730
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Louis County	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
St. Louis Community College	0.4180	0.4180	0.4180	0.4530	0.4530	0.4530	0.4530	0.4750	0.4750	0.4750
Special School District	0.2200	0.2179	0.2136	0.2013	0.2003	0.2233	0.2231	0.2368	0.2312	0.2320
Metro Zoo	1.0125	0.9950	0.9384	0.9184	0.9084	0.8235	0.8399	0.9051	0.8330	0.8490
Sheltered Workshop	0.2671	0.2546	0.2493	0.2344	0.2330	0.2611	0.2654	0.2756	0.2260	0.2220
Rock Hill Library	0.0840	0.0790	0.0740	0.0690	0.0700	0.0820	0.0820	0.0850	0.0850	0.0850
Metro Sewer District	0.2700	0.2670	0.2590	0.2390	0.2410	0.2970	0.2630	0.3210	0.3170	0.3290
Deer Creek Sewer	0.0818	0.0790	-	-	0.0667	0.0687	0.0686	0.0690	0.0690	0.0690
Anti Pollution	0.0840	0.0810	-	-	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Webster Groves School District	5.7555	5.5775	4.8612	4.6149	4.5669	5.2660	5.2361	4.5515	4.5003	4.6440

(1) Source: St. Louis County Collector (rates stated per \$100 assessed valuation)

Property tax rates reported in this schedule are the residential property tax rates.

**CITY OF ROCK HILL, MISSOURI**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)**  
**LAST TEN CALENDAR YEARS**

<b><u>For The Years Ended December 31</u></b>	<b><u>Residential Real Property</u></b>	<b><u>Commercial Real Property</u></b>	<b><u>Personal Property</u></b>	<b><u>Total Assessed Value</u></b>	<b><u>Total Direct Tax</u></b>	<b><u>Estimated Actual Value</u></b>
2011	\$ 61,950,700	\$ 26,313,520	\$ 10,307,790	\$ 98,572,010	0.658 *	\$ 439,212,528
2010	61,755,690	27,140,590	11,341,980	100,238,260	0.719 *	443,873,634
2009	61,737,790	26,987,790	12,156,200	100,881,780	0.635 *	445,744,828
2008	66,653,560	27,805,080	12,470,920	106,929,560	0.564 *	475,115,587
2007	66,301,250	22,690,750	11,677,570	100,669,570	0.550 *	454,898,755
2006	54,071,080	18,186,640	11,928,430	84,186,150	0.605 *	377,206,750
2005	53,764,470	17,435,760	11,775,130	82,975,360	0.578 *	372,786,568
2004	42,389,410	15,261,200	11,348,050	68,998,660	0.714 *	304,840,963
2003	42,368,040	15,794,430	11,777,473	69,939,943	0.821 *	307,683,231
2002	39,204,504	14,647,836	12,540,281	66,392,621	0.673	289,738,588

(1) Source: St. Louis County Assessor

\*Commencing in 2003, Missouri State Law required the City to calculate a separate tax rate for residential real estate, agricultural real estate, commercial real estate, and personal property. The tax rate stated above for each year 2003 through 2011 reflects a rebled rate for the various types of taxable property.

# CITY OF ROCK HILL, MISSOURI

## PRINCIPAL TAXPAYERS (1)

### CURRENT CALENDAR YEAR AND NINE YEARS AGO

Taxpayer	2011			2002		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
Market at McKnight (Novus)	\$ 5,389,810	1	5.47 %	\$ -	-	- %
Stanford Court Apartments, LLC	1,626,850	2	1.65	919,720	3	1.39
McKnight Development, LLC	1,363,710	3	1.38	-	-	-
Colonial Square Associates	928,000	4	0.94	-	-	-
Missouri American Water Co.	839,120	5	0.85	-	-	-
GBC Enterprises, LLC	832,030	6	0.84	536,460	6	0.81
Rock Hill Partnership	778,240	7	0.79	758,400	5	1.14
Waltrust Properties, Inc.	770,620	8	0.78	-	-	-
Manchester Speedway Co.	512,450	9	0.52	-	-	-
Refrigeration Supplies, Inc.	455,700	10	0.46	-	-	-
Sayers Printing Co.	-	-	-	1,420,120	1	2.14
Landside/Rock Hill Group, LLC	-	-	-	1,269,470	2	1.91
Ameren	-	-	-	823,344	4	1.24
9700 Manchester Redevelopment	-	-	-	429,310	7	0.65
Roofers Mart, Inc.	-	-	-	414,480	8	0.62
9313 Manchester, LLC	-	-	-	360,770	9	0.54
JJA Properties, LLC	-	-	-	351,580	10	0.53
Total	<u>\$ 13,496,530</u>		<u>13.68 %</u>	<u>\$ 7,283,654</u>		<u>10.97 %</u>

(1) Source: St. Louis County Assessor

**CITY OF ROCK HILL, MISSOURI**  
**PROPERTY TAX LEVIES AND COLLECTIONS (1)**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Tax Levy Year</b>	<b>Net Tax Levy (2)</b>	<b>Current Tax Collections</b>	<b>Percent Collected As Current</b>	<b>Delinquent Tax Collections (3)</b>	<b>Total Tax Collections</b>	<b>Total Collections As Percent Of Levy</b>	<b>Outstanding Delinquent Taxes (4)</b>	<b>Outstanding Delinquent Taxes As Percent Of Levy</b>
2012	2011	\$ 598,640	\$ 519,267	86.74 %	\$ -	\$ 519,267	86.74 %	\$ 79,373	13.26 %
2011	2010	607,736	500,923	82.42	119,139	620,062	102.03	18,130	2.98
2010	2009	604,250	500,832	82.88	90,910	591,742	97.93	9,094	1.51
2009	2008	575,947	491,519	85.34	82,286	573,805	99.63	1,330	0.23
2008	2007	552,458	468,435	84.79	57,912	526,348	95.27	1,241	0.22
2007	2006	514,537	460,202	89.44	90,997	551,199	107.13	20	-
2006	2005	500,603	404,755	80.85	62,363	467,118	93.31	57	0.01
2005	2004	500,483	446,128	89.14	110,672	556,800	111.25	24	-
2004	2003	580,588	464,731	80.04	52,018	516,748	89.00	40	-
2003	2002	447,482	395,221	88.32	21,195	416,416	93.06	-	-

(1) Source: St. Louis County Collector's office.

(2) Originally adjusted for strike offs and additions by St. Louis Board of Equalization after 1978.

(3) Data for delinquent tax collection, excluding penalties and interest, is not available by levy year.

(4) As of March 31, 2012

**CITY OF ROCK HILL, MISSOURI**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

For The Years Ended March 31	Governmental Activities					Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	General Obligation Bonds	Tax Increment Revenue Bonds	Tax Increment Revenue Notes	Certificates Of Participation	Capital Leases			
2012	\$ 5,185,000	\$ 173,400	\$ 18,812,199	\$ -	\$ 114,603	\$ 24,285,202	17.3 %	\$ 5,240
2011	1,865,000	310,100	11,600,000	-	27,543	13,802,643	11.7	2,978
2010	2,075,000	373,200	11,600,000	-	63,357	14,111,557	11.9	3,082
2009	2,205,000	373,200	11,600,000	-	97,280	14,275,480	12.0	3,097
2008	2,330,000	373,200	11,331,077	476,750	101,397	14,612,424	12.2	3,140
2007	2,450,000	513,200	10,064,494	476,750	-	13,504,444	11.2	2,902
2006	2,565,000	683,200	6,435,596	476,750	-	10,160,546	8.4	2,167
2005	2,680,000	818,200	-	4,276,750	-	7,774,950	6.4	1,653
2004	2,790,000	928,200	-	4,126,750	-	7,844,950	6.4	1,652
2003	2,895,000	1,038,200	-	-	-	3,933,200	3.2	825

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

(1) See Demographics and Economic Statistics Table.

Source: Basic Financial Statements



**CITY OF ROCK HILL, MISSOURI**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

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<b>For The Years Ended March 31</b>	<b>General Obligation Bonds</b>	<b>Percentage Of Estimated Actual Value Of Property (1)</b>	<b>Per Capita (2)</b>
2012	\$ 5,185,000	1.2 %	1,119
2011	1,865,000	0.4	402
2010	2,075,000	0.5	453
2009	2,205,000	0.5	478
2008	2,330,000	0.5	501
2007	2,450,000	0.6	527
2006	2,565,000	0.7	547
2005	2,680,000	0.9	570
2004	2,790,000	0.9	588
2003	2,895,000	1.0	607

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

(1) See Assessed and Estimated Actual Value of Taxable Property Table.

(2) See Demographics and Economic Statistics Table.

Source: Basic Financial Statements

**CITY OF ROCK HILL, MISSOURI**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS**

<b>TIF Revenue Bonds (1)</b>								
<b>For The Years Ended March 31</b>	<b>Sales Tax Revenues</b>	<b>Property Tax Revenues</b>	<b>Investment Income</b>	<b>Less - Operating Expenditures</b>	<b>Net Available Revenues</b>	<b>Debt Service</b>		<b>Coverage (2)</b>
						<b>Principal</b>	<b>Interest</b>	
2012	\$ 27,191	\$ 112,278	\$ 14	\$ 1,463	\$ 138,020	\$ 136,700	\$ 19,975	88.09 %
2011	35,868	126,600	10	2,946	159,532	63,100	75,141	115.40
2010	27,485	112,403	10	2,613	137,285	-	141,223	97.21
2009	39,488	108,217	1,362	2,926	146,141	-	126,441	115.58
2008	46,326	109,885	6,705	4,389	158,527	140,000	18,444	100.05
2007	46,226	106,057	3,958	-	156,241	170,000	14,219	84.81
2006	48,489	105,057	3,522	1,402	155,666	135,000	24,063	97.86
2005	53,141	93,610	1,368	2,769	145,350	110,000	31,250	102.90
2004	87,451	90,723	780	5,429	173,525	110,000	38,125	117.15
2003	87,094	86,724	2,214	5,530	170,502	125,000	42,812	101.60

(1) In 1999 the City issued \$1,373,200 in Tax Increment Financing Revenue Bonds for the McKnight Crossing Project.

(2) Coverage made with funds from previous years used for principal and interest payments.

Source: Basic Financial Statements

**CITY OF ROCK HILL, MISSOURI**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**MARCH 31, 2012**

<b>Name Of Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share Of Overlapping Debt</b>
St. Louis County	\$ 13,425,000	0.50 %	\$ 67,125
Webster Groves School District	61,861,785	17.00	10,516,503
	75,286,785		10,583,628
City direct debt	24,285,202	100.00 %	24,285,202
Total Direct And Overlapping Debt	<u>\$ 99,571,987</u>		<u>\$ 34,868,830</u>

Source: Information was obtained by contacting the taxing jurisdiction and the St. Louis County Collector's office. The percentage applicable to the City is based on the taxing jurisdiction's assessed value within the boundaries of the City.

**CITY OF ROCK HILL, MISSOURI**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>March 31</b>									
	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>	<u><b>2006</b></u>	<u><b>2005</b></u>	<u><b>2004</b></u>	<u><b>2003</b></u>
Debt limit	\$ 9,857,201	10,023,826	10,088,178	10,692,956	10,066,957	8,418,615	8,297,536	6,899,866	6,993,994	6,639,262
Net debt applicable to limit	<u>5,185,000</u>	<u>1,865,000</u>	<u>2,075,000</u>	<u>2,205,000</u>	<u>2,330,000</u>	<u>2,450,000</u>	<u>2,565,000</u>	<u>2,680,000</u>	<u>2,790,000</u>	<u>2,895,000</u>
Legal Debt Margin	<u><u>\$ 4,672,201</u></u>	<u><u>8,158,826</u></u>	<u><u>8,013,178</u></u>	<u><u>8,487,956</u></u>	<u><u>7,736,957</u></u>	<u><u>5,968,615</u></u>	<u><u>5,732,536</u></u>	<u><u>4,219,866</u></u>	<u><u>4,203,994</u></u>	<u><u>3,744,262</u></u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	52.60 %	18.61	20.57	20.62	23.15	29.10	30.91	38.84	39.89	43.60

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

Source: Basic Financial Statements

**CITY OF ROCK HILL, MISSOURI**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>For The Years Ended March 31</b>	<b>Population (1)</b>	<b>Median Household Income (2)</b>	<b>Personal Income (1)</b>	<b>Per Capita Income (1)</b>	<b>Webster Groves School District Enrollment</b>	<b>Unemployment Rate (2)</b>
2012	4,635	\$ 58,232	\$ 140,694,400	\$ 30,263	4,508	7.4
2011	4,635	47,869	117,886,104	25,803	4,248	9.4
2010	4,579	47,869	118,151,937	25,803	4,175	9.6
2009	4,609	47,869	118,926,027	25,803	4,192	8.6
2008	4,653	47,869	120,061,359	25,803	4,132	5.5
2007	4,653	47,869	120,061,359	25,803	4,068	4.4
2006	4,689	47,869	120,990,267	25,803	4,068	4.2
2005	4,703	47,869	121,351,509	25,803	4,126	4.7
2004	4,748	47,869	122,512,644	25,803	4,184	5.0
2003	4,766	47,869	122,977,098	25,803	4,141	4.8

(1) Source: U.S. Bureau of Census

(2) Source: Missouri Department of Economic Development

# CITY OF ROCK HILL, MISSOURI

## PRINCIPAL EMPLOYERS

### CURRENT YEAR AND NINE YEARS AGO

Employer	2012			2003		
	Employees	Rank	Percent Of Total City Employment	Employees	Rank	Percent Of Total City Employment
Woodward Cleaning & Restoration, Inc.	192	1	4.6 %	NA	NA	NA %
Hacienda Mexican Restaurant	99	2	2.4			
ARCO/Murray Corporate Services, Inc.	73	3	1.8			
W. Schiller & Co., Inc.	72	4	1.7			
Millman Lumber Co.	61	5	1.5			
RSI Kitchen and Bath	46	6	1.1			
Stein Mart	35	7	0.8			
Bandana's BBQ	35	7	0.8			
City of Rock Hill	30	8	0.7			
Walgreens	26	9	0.6			
Froesel Tire Service Company	25	10	0.6			
Total	694		16.6 %	NA		NA %

Source: The above named companies

Note: Employment figures prior to 2008 cannot be obtained by the City.

**CITY OF ROCK HILL, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	March 31									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government:										
Administration	3	3	3	3	3	3	4	4	4	4
Police department	10	10	10	10	10	10	10	10	13	16
Fire department	10	10	10	10	10	10	10	11	11	11
Public works	5	5	5	5	5	5	7	6	5	5
Parks and recreation	1	1	1	1	1	3	3	3	5	4
Housing department	1	1	1	1	1	1	1	1	-	1
Municipal court	1	1	1	2	2	2	2	3	3	3

Source: City payroll records

**CITY OF ROCK HILL, MISSOURI**  
**OPERATING INDICATORS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	As Of March 31									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police department:										
Average number of calls per month	400	497	477	443	422	462	NA	NA	NA	NA
Average number of arrests per month	40	23	20	25	24	27	23	23	27	34
Number of crime incidences reported	540	532	420	540	568	612	625	715	823	797
Fire department:										
Average number of fire calls per month	75	84	76	74	64	78	70	71	63	58
Housing/building inspections:										
Number of permits:										
Building (decks, porches, roofs, garages)	19	25	22	25	6	3	NA	NA	NA	NA
Driveways	15	6	12	8	10	3	20	NA	NA	NA
Fences	24	20	17	18	22	3	NA	NA	NA	NA
Residential	148	151	172	142	201	276	NA	NA	NA	NA
Commercial	78	59	83	63	152	111	287	NA	NA	NA
Cost of construction (1):										
Building (decks, porches, roofs, garages)	85,350	155,915	183,521	82,605	8,150	5,921	NA	NA	NA	NA
Driveways	73,600	25,778	41,965	24,000	30,000	9,000	NA	NA	NA	NA
Fences	44,200	49,486	28,538	27,000	33,000	4,500	NA	NA	NA	NA
Residential	1,019,311	389,811	1,464,143	878,368	1,962,143	3,126,924	3,790,743	NA	NA	NA
Commercial	7,350,637	651,143	1,799,744	1,672,746	2,259,882	9,523,704	9,970,704	NA	NA	NA
Finance and administration:										
Business licenses issued (August 1)	68	65	64	55	60	67	65	NA	NA	NA
Merchant licenses issued (August 1)	104	101	118	105	104	101	99	NA	NA	NA
Liquor licenses issued (July 1)	17	16	15	15	18	15	14	NA	NA	NA

(1) Estimates based on data provided by applicants

Source: City records - various departments listed



**CITY OF ROCK HILL, MISSOURI**  
**CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	As Of March 31									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Parks and recreation:										
Number of parks	7	7	7	7	7	7	7	7	7	6
Acres of parks	12	12	12	12	12	12	12	12	12	11
Number of tennis courts	6	6	6	6	6	6	6	6	6	6
Miles of trails	1	1	1	1	1	1	1	1	1	1
Number of ball fields	2	2	2	2	2	2	2	2	2	2
Fire department:										
Vehicles (including fire trucks)	3	3	3	4	4	4	4	4	4	4
Police department:										
Vehicles	6	7	8	8	8	8	8	8	9	NA
Public works:										
Vehicles	5	5	6	6	6	7	6	NA	5	NA
Area of City (square miles)	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Miles of streets	23.5	23.5	23.5	23.5	23.5	23.5	23.5	23.5	23.5	23.5
Number of streets	87	87	87	87	88	88	88	88	88	87
Number of street lights	327	327	325	335	335	335	335	335	335	335
Housing/building inspector:										
Vehicles	1	1	1	2	1	1	1	1	2	1
Other City owned property:										
Public works facility	1	1	1	1	1	1	1	1	1	1
City hall facilities (buildings)	-	-	-	-	-	-	2	2	2	2
Park/preschool building	1	1	1	1	1	1	1	1	1	1
Other property (parcels)	3	3	3	3	8	8	8	3	3	3

Source: City records - various departments listed