



CITY OF ROCK HILL, MISSOURI

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
MARCH 31, 2013**

CITY OF ROCK HILL, MISSOURI

Comprehensive Annual Financial Report For The Fiscal Year Ended March 31, 2013

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

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

CITY OF ROCK HILL, MISSOURI
PRINCIPAL CITY OFFICIALS

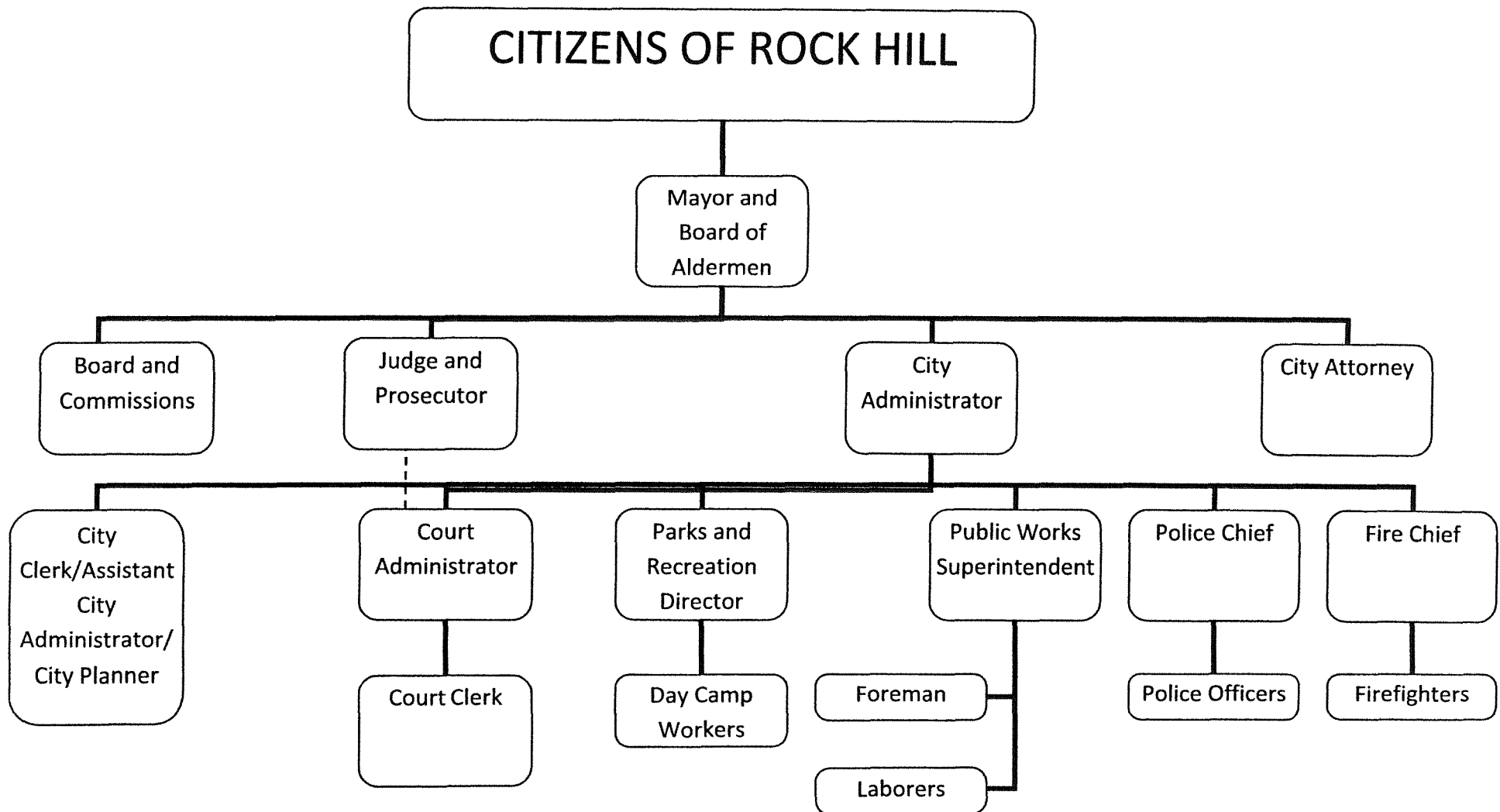
Elected Officials (As of Report Date)

| <u>Position</u> | <u>Name</u> | <u>Term</u> |
|------------------------|--------------------|--------------------|
| Mayor | Daniel DiPlacido | 4/10 - 4/14 |
| Alderman Ward 1 | Philip Scherry | 4/12 - 4/14 |
| Alderman Ward 1 | Edward Johnson | 4/13 - 4/15 |
| Alderman Ward 2 | Edward Mahan | 4/12 - 4/14 |
| Alderwoman Ward 2 | Chris Graber | 4/13 - 4/15 |
| Alderman Ward 3 | Robert Weider | 4/12 - 4/14 |
| Alderwoman Ward 3 | Mary Wofford | 4/13 - 4/15 |

Appointed Officials and Department Heads

| <u>Position</u> | <u>Name</u> |
|------------------------------|-----------------------------|
| 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





Government Finance Officers Association

**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, 2012

Executive Director/CEO



CITY OF ROCK HILL

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

September 30, 2013

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, 2013, for the City of Rock Hill, Missouri (the City) for your review. This report was prepared using accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America 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, 2013, 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, 2013. They also concluded that the financial statements are fairly presented in conformity with GAAP. The independent auditor's 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 auditor's 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 Treasurer 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 \$2,147,373. 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 40% and 26% 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. In January 2013 the City began the process of amending the TIF area to accommodate the development of a CVS Pharmacy. The City expects the pharmacy to complete construction during the upcoming fiscal year. 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 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 the 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 four debt issues outstanding. The current issues include: General Obligation (GO) Bonds Series 2010 totaling \$1,565,000 for street repairs, GO Bonds Series 2011 totaling \$3,415,000 for street improvements, TIF notes totaling \$18,812,199 for Market at McKnight, \$78,044 in three capital leases for vehicles and equipment, and \$134,571 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. 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 are paid with the Capital Projects Fund and compensated absences are paid with the General Fund.

Pension. The City has two pension plans. The first is the Uniformed Employees (UE) of the City. 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 \$210,325 contribution in the current fiscal year. 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 \$143,033 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, 2012. This was the fourth 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



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

INDEPENDENT AUDITOR'S REPORT

September 30, 2013

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

REPORT ON THE FINANCIAL STATEMENTS

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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 of the City as of March 31, 2013, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplemental Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated, in all material respects, in relation to the basic 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.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013 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 reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hochschild, Bloom & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF ROCK HILL, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2013

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, 2013. 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 \$11,723,994. The City has a negative unrestricted net position totaling \$18,774,601 due to \$18,812,199 in TIF 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 \$6,034,984.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,684,658.
- The City's total long-term debt decreased \$430,100 during the current fiscal year primarily due to normal debt service payments.

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's finances in a manner similar to a private-sector business. Note that the government-wide financial statements exclude fiduciary fund activities.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 the 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, 2013

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 13 and 14 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 nine 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 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 15 through 18 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 position and statement of changes in fiduciary net position - Pension Trust Fund can be found on pages 19 and 20 of this report.

**CITY OF ROCK HILL, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2013**

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 21 through 39 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 41 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 60 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 position increased to (\$11,723,994) from a deficit of (\$11,955,076) or 1.9% in the most recent fiscal year.

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

CITY OF ROCK HILL, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2013

| | March 31 | | 2013 Change | |
|---|-----------------|--------------|-------------|----------|
| | 2013 | 2012 | Amount | Percent |
| ASSETS | | | | |
| Current and other assets | \$ 6,351,090 | 7,532,208 | (1,181,118) | (15.7) % |
| Capital assets, net | 7,897,798 | 6,145,859 | 1,751,939 | 28.5 |
| Total Assets | 14,248,888 | 13,678,067 | 570,821 | 4.2 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refunding | 97,573 | 108,516 | (10,943) | (10.1) |
| LIABILITIES | | | | |
| Long-term liabilities | 24,600,333 | 24,996,004 | (395,671) | (1.6) |
| Current liabilities | 1,470,122 | 745,655 | 724,467 | 97.2 |
| Total Liabilities | 26,070,455 | 25,741,659 | 328,796 | 1.3 |
| NET POSITION | | | | |
| Net investment in capital assets | 4,840,917 | 4,208,402 | 632,515 | 15.0 |
| Restricted | 2,209,690 | 1,830,385 | 379,305 | 20.7 |
| Unrestricted (deficit) | (18,774,601) | (17,993,863) | (780,738) | (4.3) |
| Total Net Position | \$ (11,723,994) | (11,955,076) | 231,082 | 1.9 % |

A portion of the City's net position, \$4,840,917 in 2013, 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 position, \$2,209,690 in 2013, 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 position represents a deficit unrestricted net position balance of \$18,774,601 in 2013. This deficit is primarily the result of the balance of \$18,812,199 in TIF notes outstanding at year-end for infrastructure assets not owned by the City. The TIF notes are limited obligations of the City and are funded only by incremental revenues generated within the TIF district.

CITY OF ROCK HILL, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2013

Governmental activities. Governmental activities increased the City's net position by \$231,082. Key elements of this are as follows:

| | For The Years | | 2013 Change | |
|------------------------------------|-----------------------|--------------|--------------------|----------------|
| | Ended March 31 | | Amount | Percent |
| | 2013 | 2012 | | |
| REVENUES | | | | |
| Program revenues: | | | | |
| Charges for services | \$ 918,592 | 674,647 | 243,945 | 36.2 % |
| Operating grants and contributions | 273,754 | 283,439 | (9,685) | (3.4) |
| Capital grants and contributions | 403,918 | 983,179 | (579,261) | (58.9) |
| Total Program Revenues | 1,596,264 | 1,941,265 | (345,001) | (17.8) |
| General revenues: | | | | |
| Taxes | 3,960,764 | 4,169,753 | (208,989) | (5.0) |
| Investment income | 26,345 | 26,621 | (276) | (1.0) |
| Other | 19,850 | 52,958 | (33,108) | (62.5) |
| Total Revenues | 5,603,223 | 6,190,597 | (587,374) | (9.5) |
| EXPENSES | | | | |
| Administration | 841,141 | 897,961 | (56,820) | (6.3) |
| Police department | 969,445 | 939,677 | 29,768 | 3.2 |
| Fire department | 970,839 | 894,295 | 76,544 | 8.6 |
| Public works | 720,896 | 605,242 | 115,654 | 19.1 |
| Parks and recreation | 136,525 | 126,532 | 9,993 | 7.9 |
| Housing department | 35,535 | 75,067 | (39,532) | (52.7) |
| Municipal court | 144,443 | 124,764 | 19,679 | 15.8 |
| Economic development | 25,982 | 3,545,333 | (3,519,351) | (99.3) |
| Interest on long-term debt | 1,527,335 | 1,513,982 | 13,353 | 0.9 |
| Total Expenses | 5,372,141 | 8,722,853 | (3,350,712) | (38.4) |
| CHANGE IN NET POSITION | 231,082 | (2,532,256) | 2,763,338 | 109.1 |
| NET POSITION, APRIL 1 | (11,955,076) | (9,422,820) | (2,532,256) | (26.9) |
| NET POSITION, MARCH 31 | \$ (11,723,994) | (11,955,076) | 231,082 | 1.9 % |

**CITY OF ROCK HILL, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2013**

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.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term in-flows, 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, 2013, the City's combined fund balance was \$6,034,984, a decrease of \$1,237,418 from 2012. 28% of the total amount (\$1,684,658) constitutes unassigned fund balance which is available for spending at the City's discretion.

During the year ended March 31, 2013, the fund balance in the City's General Fund decreased by \$29,906 or 1.4% from the prior year fund balance. The change of the current year's fund balance is due to normal operating activities.

The SW TIF Fund increased by \$89,354 due to timing of the debt service expenditures delayed until May 2013.

The Street Bond Fund decreased by \$1,331,777 due to capital outlay expenditures related to the bond issue in the prior year.

The Capital Projects Fund increased by \$252,940 due to a reduction in capital outlay expenditures.

Fiduciary funds. The City maintains an Agency Fund for monies received and held for municipal court appearance bonds.

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, 2013, the net position of the Pension Trust Fund totaled \$1,891,531.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City has invested, net of accumulated depreciation, \$7,897,798 at March 31, 2013 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 \$1,751,939. The City purchased capital assets totaling \$2,015,075 during the fiscal year ended March 31, 2013. 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, 2013

| | March 31 | | 2013 Change | |
|----------------------------|---------------------|------------------|--------------------|----------------|
| | 2013 | 2012 | Amount | Percent |
| Land | \$ 282,639 | 282,639 | - | - % |
| Construction in progress | 879,856 | 1,392,383 | (512,527) | (36.8) |
| Buildings and improvements | 437,710 | 471,364 | (33,654) | (7.1) |
| Vehicles | 438,498 | 469,013 | (30,515) | (6.5) |
| Equipment | 128,883 | 27,394 | 101,489 | 370.5 |
| Infrastructure | 5,730,212 | 3,503,066 | 2,227,146 | 63.6 |
| Total | \$ 7,897,798 | 6,145,859 | 1,751,939 | 28.5 % |

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:

| | March 31 | | 2013 Change | |
|-----------------------------|----------------------|-------------------|--------------------|----------------|
| | 2013 | 2012 | Amount | Percent |
| General obligation bonds | \$ 5,084,360 | 5,297,255 | (212,895) | (4.0) % |
| Tax increment revenue bonds | - | 173,400 | (173,400) | (100.0) |
| Tax increment revenue notes | 18,812,199 | 18,812,199 | - | - |
| Capital leases | 78,044 | 114,603 | (36,559) | (31.9) |
| Compensated absences | 134,571 | 141,817 | (7,246) | (5.1) |
| Total | \$ 24,109,174 | 24,539,274 | (430,100) | (1.8) % |

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 \$38,805 above the final budget of \$3,332,040 primarily due to increased fines and court costs. Expenditures were \$77,123 below the final budget of \$3,479,171 due to various decreases in expenditures.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- For the fiscal year ended March 31, 2014, the City budgeted for revenue increases due to the termination of the McKnight Crossing TIF district.
- The City budgeted for various expenditure decreases in the General Fund.
- The Capital Projects Fund expenditures were increased to coincide with the grant revenue increases.

**CITY OF ROCK HILL, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2013**

- The Street Bond Fund expenditures were decreased as the spending of the street bond proceeds progresses.

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 POSITION****MARCH 31, 2013**

| | Governmental Activities |
|---|------------------------------------|
| ASSETS | |
| Cash and investments | \$ 5,255,682 |
| Receivables (net): | |
| Property tax | 519,098 |
| Municipal taxes | 338,785 |
| Intergovernmental | 175,046 |
| Other | 40,813 |
| Prepaid items | 21,666 |
| Capital assets: | |
| Land and construction in progress | 1,162,495 |
| Other capital assets, net of accumulated depreciation | 6,735,303 |
| Total Assets | <u>14,248,888</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred charge on refunding | <u>97,573</u> |
| LIABILITIES | |
| Accounts payable | 158,954 |
| Accrued payroll | 62,300 |
| Accrued interest | 1,245,768 |
| Plan deposits | 3,100 |
| Noncurrent liabilities: | |
| Due within one year | 319,529 |
| Due in more than one year | 23,789,645 |
| Due in more than one year - net pension obligation | 491,159 |
| Total Liabilities | <u>26,070,455</u> |
| NET POSITION | |
| Net investment in capital assets | 4,840,917 |
| Restricted for: | |
| Capital projects | 400,040 |
| Debt service | 373,795 |
| Law enforcement | 8,034 |
| Parks and stormwater | 330,027 |
| Police training | 12,223 |
| Sewer lateral | 4,084 |
| Tax increment financing | 1,081,487 |
| Unrestricted (deficit) | <u>(18,774,601)</u> |
| Total Net Position | <u><u>\$ (11,723,994)</u></u> |

CITY OF ROCK HILL, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2013

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | | Net Revenues (Expenses) And Change In Net Position |
|--------------------------------|---------------------|----------------------------|--|--|---|
| | | Charges For Services | Operating Grants And Contributions | Capital Grants And Contributions | Governmental Activities |
| Governmental Activities | | | | | |
| Administration | \$ 841,141 | 193,375 | - | - | (647,766) |
| Police department | 969,445 | 660,923 | 3,919 | - | (304,603) |
| Fire department | 970,839 | - | - | - | (970,839) |
| Public works | 720,896 | 54,471 | 263,735 | 283,468 | (119,222) |
| Parks and recreation | 136,525 | 9,823 | 6,100 | 120,450 | (152) |
| Housing department | 35,535 | - | - | - | (35,535) |
| Municipal court | 144,443 | - | - | - | (144,443) |
| Economic development | 25,982 | - | - | - | (25,982) |
| Interest on long-term debt | 1,527,335 | - | - | - | (1,527,335) |
| Total Governmental Activities | <u>\$ 5,372,141</u> | <u>918,592</u> | <u>273,754</u> | <u>403,918</u> | <u>(3,775,877)</u> |
| General Revenues | | | | | |
| Taxes: | | | | | |
| Property | | | | | 1,092,999 |
| Sales | | | | | 1,983,516 |
| Utility | | | | | 861,544 |
| Cigarette | | | | | 22,705 |
| Investment income | | | | | 26,345 |
| Miscellaneous | | | | | 19,850 |
| Total General Revenues | | | | | <u>4,006,959</u> |
| CHANGE IN NET POSITION | | | | | 231,082 |
| NET POSITION, APRIL 1 | | | | | <u>(11,955,076)</u> |
| NET POSITION, MARCH 31 | | | | | <u>\$ (11,723,994)</u> |

See notes to financial statements

CITY OF ROCK HILL, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2013

| | <u>General Fund</u> | <u>SW TIF Fund</u> | <u>Street Bond Fund</u> | <u>Capital Projects Fund</u> | <u>Other Govern- mental Funds</u> | <u>Total Govern- mental Funds</u> |
|---|-------------------------|------------------------|---------------------------------|--------------------------------------|---|---|
| ASSETS | | | | | | |
| Cash and investments: | | | | | | |
| Held by trustee | \$ - | 189,615 | - | - | - | 189,615 |
| Unrestricted | 1,850,362 | 70,476 | 2,407,917 | 306,161 | 431,151 | 5,066,067 |
| Receivables (net): | | | | | | |
| Property tax | 34,433 | 425,209 | 51,649 | - | 7,807 | 519,098 |
| Municipal taxes | 272,286 | 26,355 | - | 40,141 | 3 | 338,785 |
| Intergovernmental | 3,784 | - | - | 171,262 | - | 175,046 |
| Other receivables | 39,288 | - | - | - | 1,525 | 40,813 |
| Due from other funds | 9,971 | - | - | - | - | 9,971 |
| Prepaid items | 21,666 | - | - | - | - | 21,666 |
| Advances to other funds | 111,022 | - | - | - | - | 111,022 |
| Total Assets | <u>\$ 2,342,812</u> | <u>711,655</u> | <u>2,459,566</u> | <u>517,564</u> | <u>440,486</u> | <u>6,472,083</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 77,780 | - | 46,137 | 6,502 | 28,535 | 158,954 |
| Accrued payroll | 62,300 | - | - | - | - | 62,300 |
| Due to other funds | - | - | - | - | 9,971 | 9,971 |
| Plan deposits | 3,100 | - | - | - | - | 3,100 |
| Advances from other funds | - | - | - | 111,022 | - | 111,022 |
| Total Liabilities | <u>143,180</u> | <u>-</u> | <u>46,137</u> | <u>117,524</u> | <u>38,506</u> | <u>345,347</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue: | | | | | | |
| Property taxes | 18,748 | - | 31,686 | - | 7,807 | 58,241 |
| Court | 33,511 | - | - | - | - | 33,511 |
| Total Deferred Inflows Of Resources | <u>52,259</u> | <u>-</u> | <u>31,686</u> | <u>-</u> | <u>7,807</u> | <u>91,752</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Long-term interfund advances | 111,022 | - | - | - | - | 111,022 |
| Prepaid items | 21,666 | - | - | - | - | 21,666 |
| Restricted for: | | | | | | |
| Capital projects | - | - | 2,007,948 | 400,040 | - | 2,407,988 |
| Debt service | - | - | 373,795 | - | - | 373,795 |
| Law enforcement | - | - | - | - | 8,034 | 8,034 |
| Parks and stormwater | 330,027 | - | - | - | - | 330,027 |
| Police training | - | - | - | - | 12,223 | 12,223 |
| Sewer lateral | - | - | - | - | 4,084 | 4,084 |
| Tax increment financing | - | 711,655 | - | - | 369,832 | 1,081,487 |
| Unassigned | 1,684,658 | - | - | - | - | 1,684,658 |
| Total Fund Balances | <u>2,147,373</u> | <u>711,655</u> | <u>2,381,743</u> | <u>400,040</u> | <u>394,173</u> | <u>6,034,984</u> |
| Total Liabilities, Deferred Inflows Of Resources, And Fund Balances | <u>\$ 2,342,812</u> | <u>711,655</u> | <u>2,459,566</u> | <u>517,564</u> | <u>440,486</u> | <u>6,472,083</u> |

CITY OF ROCK HILL, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
MARCH 31, 2013

Total Fund Balances - Governmental Funds \$ 6,034,984

Amounts reported for governmental activities in the statement of net position
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 \$9,667,491 and the accumulated depreciation is \$1,769,693. 7,897,798

Net pension obligations are not financial resources and, therefore, are not reported
in the governmental funds. (491,159)

Some revenues are not available soon enough to pay for current expenditures and
are not reported as revenues in the governmental funds. 91,752

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 | (134,571) |
| Accrued interest payable | (1,245,768) |
| Leases payable | (78,044) |
| Bonds payable | (4,980,000) |
| Tax increment financing notes | (18,812,199) |
| Unamortized bond premium | (104,360) |
| Unamortized deferred charges on refunding | 97,573 |

Total Net Position Of Governmental Activities \$ (11,723,994)

CITY OF ROCK HILL, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2013

| | General Fund | SW TIF Fund | Street Bond Fund | Capital Projects Fund | Other Govern- mental Funds | Total Govern- mental Funds |
|---|-------------------------|------------------------|---------------------------------|--------------------------------------|---|---|
| REVENUES | | | | | | |
| Property tax | \$ 284,941 | 427,518 | 353,206 | - | 25,938 | 1,091,603 |
| Gross receipts taxes | 861,544 | - | - | - | - | 861,544 |
| Sales tax | 1,353,648 | 305,926 | - | 312,336 | 11,606 | 1,983,516 |
| Licenses, permits, fines, and fees | 806,459 | - | - | - | 12,691 | 819,150 |
| Intergovernmental | 22,705 | - | - | 667,653 | - | 690,358 |
| Investment income | 11,740 | 16 | 14,576 | - | 13 | 26,345 |
| Miscellaneous | 29,808 | 1,000 | 3,551 | 4,728 | 70,659 | 109,746 |
| Total Revenues | <u>3,370,845</u> | <u>734,460</u> | <u>371,333</u> | <u>984,717</u> | <u>120,907</u> | <u>5,582,262</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Administration | 743,388 | 2,911 | - | - | 38,740 | 785,039 |
| Police department | 953,026 | - | - | - | 17,269 | 970,295 |
| Fire department | 866,722 | - | - | - | - | 866,722 |
| Public works | 523,286 | - | - | - | - | 523,286 |
| Parks and recreation | 122,187 | - | - | - | - | 122,187 |
| Housing department | 35,205 | - | - | - | - | 35,205 |
| Municipal court | 141,896 | - | - | - | - | 141,896 |
| Economic development | - | - | - | - | 25,982 | 25,982 |
| Capital outlay | 16,338 | - | 1,318,932 | 697,951 | 72,430 | 2,105,651 |
| Debt service: | | | | | | |
| Principal | - | - | 205,000 | 36,559 | 173,400 | 414,959 |
| Interest | - | 642,195 | 179,178 | 3,970 | 11,115 | 836,458 |
| Total Expenditures | <u>3,402,048</u> | <u>645,106</u> | <u>1,703,110</u> | <u>738,480</u> | <u>338,936</u> | <u>6,827,680</u> |
| REVENUES OVER (UNDER) EXPENDITURES | <u>(31,203)</u> | <u>89,354</u> | <u>(1,331,777)</u> | <u>246,237</u> | <u>(218,029)</u> | <u>(1,245,418)</u> |
| OTHER FINANCING SOURCES | | | | | | |
| Sale of capital assets | <u>1,297</u> | <u>-</u> | <u>-</u> | <u>6,703</u> | <u>-</u> | <u>8,000</u> |
| NET CHANGE IN FUND BALANCES | <u>(29,906)</u> | <u>89,354</u> | <u>(1,331,777)</u> | <u>252,940</u> | <u>(218,029)</u> | <u>(1,237,418)</u> |
| FUND BALANCES, APRIL 1 | <u>2,177,279</u> | <u>622,301</u> | <u>3,713,520</u> | <u>147,100</u> | <u>612,202</u> | <u>7,272,402</u> |
| FUND BALANCES, MARCH 31 | <u>\$ 2,147,373</u> | <u>711,655</u> | <u>2,381,743</u> | <u>400,040</u> | <u>394,173</u> | <u>6,034,984</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, 2013

| | |
|--|----------------|
| Net Change In Fund Balances - Governmental Funds | \$ (1,237,418) |
|--|----------------|

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 (\$2,015,075) exceeded depreciation (\$246,772) in the current period. | 1,768,303 |
|--|-----------|

| | |
|--|----------|
| The net effect of various miscellaneous transactions involving capital assets: | |
| Cost of disposals, net of accumulated depreciation | (16,364) |

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 position. This is the net effect of these differences in the treatment of long-term debt.

Repayments during the current year:

| | |
|-----------------------------|---------|
| Bonds payable | 205,000 |
| Tax increment revenue bonds | 173,400 |
| Capital leases | 36,559 |
| Amortization | (3,048) |

| | |
|---|--------|
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds: | |
| Increase in unavailable revenues | 19,664 |

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 | 7,246 |
| Increase in accrued interest | (687,831) |
| Increase in net pension obligation | (34,429) |

| | |
|---|------------|
| Change In Net Position Of Governmental Activities | \$ 231,082 |
|---|------------|

CITY OF ROCK HILL, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
MARCH 31, 2013

| | <u>Pension Trust Fund</u> | <u>Agency Fund</u> |
|------------------------------------|-------------------------------|------------------------|
| ASSETS | | |
| Cash | \$ - | 11,775 |
| Investments, at fair value: | | |
| Mutual funds | 1,734,454 | - |
| Money market funds | 156,389 | - |
| Accrued interest and dividends | 688 | - |
| Total Assets | <u>1,891,531</u> | <u>11,775</u> |
| LIABILITIES | | |
| Deposits held for others | <u>-</u> | <u>11,775</u> |
| NET POSITION | | |
| Held in trust for pension benefits | <u><u>\$ 1,891,531</u></u> | <u><u>-</u></u> |

CITY OF ROCK HILL, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION - PENSION TRUST FUND
FOR THE YEAR ENDED MARCH 31, 2013

| | <u>Pension Trust Fund</u> |
|--|------------------------------------|
| ADDITIONS | |
| Investment income: | |
| Interest and dividends | \$ 25,854 |
| Net appreciation in fair value of investments | 114,689 |
| Total Investment Income | <u>140,543</u> |
| Employer contributions | 210,325 |
| Total Additions | <u>350,868</u> |
| DEDUCTIONS | |
| Benefits paid | 205,745 |
| Fees paid | 1,762 |
| Total Deductions | <u>207,507</u> |
| NET INCREASE | 143,361 |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS, APRIL 1 | <u>1,748,170</u> |
| NET POSITION HELD IN TRUST FOR PENSION BENEFITS, MARCH 31 | <u><u>\$ 1,891,531</u></u> |

CITY OF ROCK HILL, MISSOURI

NOTES TO FINANCIAL STATEMENTS

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 accounting principles generally accepted in the United States of America 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, entities which are financially accountable to the City. The City does not currently have any component units.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position 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.

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.

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 (Court Bonds) is used to account for assets held by the City for court appearance bonds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

CITY OF ROCK HILL, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court fines and cost. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. 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.

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:

| Assets | Years |
|----------------------------|--------------|
| Buildings and improvements | 10 - 40 |
| Vehicles | 5 - 7 |
| Equipment | 7 - 25 |
| Infrastructure | 40 |

7. 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.

8. Long-term Obligations

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Long-term Obligations (Continued)

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.

9. 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.

10. Allowance

Receivables are shown net of an allowance for uncollectibles of \$33,511.

11. 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.

12. 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.

CITY OF ROCK HILL, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Use of Estimates

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

14. 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 (ordinance) 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 City Treasurer to which the Board of Aldermen has designated authority per the City's fund balance policy.

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 - committed, assigned, and then unassigned.

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

CITY OF ROCK HILL, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

1. Deposits (Continued)

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, 2013, 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.

2. Investments

As of March 31, 2013, the City had the following investments:

| Investments | Fair Value | No Maturity | Maturities | | Credit Risk |
|---------------------------|--------------|-------------|--------------------|-------------|-------------|
| | | | Less Than One Year | 1 - 5 Years | |
| Primary Government | | | | | |
| Money market funds | \$ 1,298,377 | 1,298,377 | - | - | Not rated |
| Fiduciary Funds | | | | | |
| Mutual funds | 1,734,454 | 1,734,454 | - | - | N/A |
| Money market funds | 156,389 | 156,389 | - | - | Not rated |
| Total Fiduciary Funds | | | | | |
| Investments | 1,890,843 | 1,890,843 | - | - | |
| Total Investments | \$ 3,189,220 | 3,189,220 | - | - | |

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:

| | For The Year Ended March 31, 2013 | | | |
|--|--|--|--|--------------------------------------|
| | Balance March 31 2012 | Transfers And Additions | Transfers And Deletions | Balance March 31 2013 |
| Capital assets not being depreciated: | | | | |
| Land | \$ 282,639 | - | - | 282,639 |
| Construction in progress | 1,392,383 | 1,594,296 | 2,106,823 | 879,856 |
| Total Capital Assets Not Being Depreciated | 1,675,022 | 1,594,296 | 2,106,823 | 1,162,495 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 691,153 | - | 50,705 | 640,448 |
| Vehicles | 1,155,833 | 62,238 | 52,026 | 1,166,045 |
| Equipment | 211,490 | 122,700 | 25,200 | 308,990 |
| Infrastructure | 4,046,849 | 2,342,664 | - | 6,389,513 |
| Total Capital Assets Being Depreciated | 6,105,325 | 2,527,602 | 127,931 | 8,504,996 |
| Less - Accumulated depreciation for: | | | | |
| Buildings and improvements | 219,789 | 27,319 | 44,370 | 202,738 |
| Vehicles | 686,820 | 92,753 | 52,026 | 727,547 |
| Equipment | 184,096 | 11,182 | 15,171 | 180,107 |
| Infrastructure | 543,783 | 115,518 | - | 659,301 |
| Total Accumulated Depreciation | 1,634,488 | 246,772 | 111,567 | 1,769,693 |
| Total Capital Assets Being Depreciated, Net | 4,470,837 | 2,280,830 | 16,364 | 6,735,303 |
| Total Capital Assets, Net | <u>\$ 6,145,859</u> | <u>3,875,126</u> | <u>2,123,187</u> | <u>7,897,798</u> |

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

| | For The Year Ended March 31 2013 |
|----------------------|---|
| Administration | \$ 15,033 |
| Public works | 140,872 |
| Parks and recreation | 6,505 |
| Fire department | 68,430 |
| Police department | <u>15,932</u> |
| Total | <u>\$246,772</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 3.4% (general), 11.3% (police), and 12.0% (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 (APC)

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

| | |
|--|----------------|
| Annual required contribution | \$143,033 |
| Interest on NPO | - |
| Adjustment to annual required contribution | - |
| APC | <u>143,033</u> |
| Actual contributions | <u>143,033</u> |
| Increase in NPO | - |
| NPO, beginning of year | <u>-</u> |
| NPO, End Of Year | <u>\$ -</u> |

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)

3. Annual Pension Cost (APC) (Continued)

The annual required contribution was determined as part of the February 28, 2010 and 2011 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, 2010 was 9 years for the general division, 27 years for the police division, and 26 years for the fire division. The amortization period as of February 28, 2011 was 9 years for the general division, 27 years for the police division, and 26 years for the fire division.

Three-year Trend Information

| For The Years Ended March 31 | APC | Percentage Of APC Contributed | NPO |
|---|------------|--|------------|
| 2013 | \$143,033 | 100% | \$ - |
| 2012 | 127,107 | 100 | - |
| 2011 | 112,225 | 100 | - |

Schedule of Funding Progress

| For The Actuarial Valuation Years Ended February 28/29 | Actuarial Value Of Assets | Entry Age Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) |
|---|--|--|--------------------------------|
| 2012 | \$1,662,316 | \$1,892,187 | (\$229,871) |
| 2011 | 1,404,404 | 1,684,210 | (279,806) |
| 2010 | 1,178,877 | 1,413,494 | (234,617) |

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - EMPLOYEE RETIREMENT SYSTEMS (Continued)

3. Annual Pension Cost (APC) (Continued)

| For The Actuarial Valuation Years Ended February 28/29 | Funded Ratio | Annual Covered Payroll | UAAL As A Percentage Of Covered Payroll |
|---|-------------------------|---------------------------------------|--|
| 2012 | 87.9% | \$1,524,245 | (15.1%) |
| 2011 | 83.4 | 1,604,909 | (17.4) |
| 2010 | 83.4 | 1,444,134 | (16.2) |

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, 2012 (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.

CITY OF ROCK HILL, MISSOURI

NOTES TO FINANCIAL STATEMENTS

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 1/20th 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 1/20th 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 1/20th 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 1/20th 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 1/20th 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:

| Pension Plan | | | |
|---|---|-------------------------------------|--------------------|
| Valuation For The Actuarial Years Ended <u>May 1</u> | Actuarial Value Of <u>Assets</u> | Entry Age <u>AAL</u> | <u>UAAL</u> |
| 2012 | \$1,746,542 | \$3,505,143 | \$1,758,601 |
| 2011* | N/A | N/A | N/A |
| 2010 | 1,420,031 | 3,757,032 | 2,337,001 |

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)

| Valuation For The Actuarial Years Ended May 1 | Funded Ratio | Annual Covered Payroll | UAAL As A Percentage Of Covered Payroll |
|--|-------------------------|---------------------------------------|--|
| 2012 | 49.8% | \$530,109 | 331.7% |
| 2011* | N/A | N/A | N/A |
| 2010 | 37.8 | 543,362 | 430.1 |

Schedule Of Contributions

| For The Years Ended April 30 | Annual Required Contribution | Actual Contribution | Percentage Contributed |
|---|---|--------------------------------|-----------------------------------|
| 2012 | \$251,551 | \$210,325 | 83.6% |
| 2011* | 293,522 | 213,226 | 72.6 |
| 2010 | 293,522 | 280,000 | 95.4 |

*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, 2012 |
| 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 | 0% |
| Pre-retirement mortality | 1983 Group Annuity Mortality Table |
| Inflation rate | - |
| Post-retirement benefit increase | - |

3. Annual Pension Cost (APC)

APC for the Plan are shown in the trend information. The City had a NPO of \$491,159 for the actuarial year ended March 31, 2013.

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 | | APC | | Percentage Contributed | | NPO | |
| 2013 | | \$244,754 | | 85.9% | | \$491,159 | |
| 2012 | | 286,542 | | 74.4 | | 456,730 | |
| 2011 | | 289,821 | | 96.6 | | 383,414 | |

| Valuation For The Actuarial Years Ended March 31 | Annual Required Contri- bution | Adjustment To Annual Required Contribution | Interest On NPO | APC | Actual Contri- bution | Increase In NPO | NPO End Of Year |
|---|---|---|----------------------------|------------|--------------------------------------|----------------------------|----------------------------|
| 2013 | \$251,551 | (34,201) | 27,404 | 244,754 | (210,325) | 34,429 | 491,159 |
| 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 |

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

| | <u>March 31</u> <u>2013</u> |
|---|--|
| 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%. | \$3,415,000 |
| 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>1,565,000</u> |
| Total General Obligation Bonds | <u><u>\$4,980,000</u></u> |

Debt service requirements for the bonds are as follows:

| <u>For The Years</u> <u>Ended March 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|----------------------------|-------------------------|-------------------------|
| 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 | 230,000 | 153,659 | 383,659 |
| 2019 - 2023 | 1,280,000 | 652,771 | 1,932,771 |
| 2024 - 2028 | 1,530,000 | 417,244 | 1,947,244 |
| 2029 - 2031 | <u>1,070,000</u> | <u>97,875</u> | <u>1,167,875</u> |
| Total | <u><u>\$ 4,980,000</u></u> | <u><u>1,990,885</u></u> | <u><u>6,970,885</u></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.

In 1999, the City issued \$373,200 of tax increment revenue bonds for McKnight Crossing. The tax increment revenues bonds maturity date was December 1, 2019; however, as of December 1, 2012 the City retired the tax increment revenue bonds seven years before this scheduled maturity.

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:

| | For The Year Ended March 31, 2013 | | | Amounts Due Within One Year |
|-----------------------------|-----------------------------------|---------------|----------------|--------------------------------------|
| | Balance March 31 2012 | Additions | Reductions | Balance March 31 2013 |
| General obligation bonds | \$ 5,185,000 | - | 205,000 | 4,980,000 |
| Plus - Premium | 112,255 | - | 7,895 | 104,360 |
| Tax increment revenue bonds | 173,400 | - | 173,400 | - |
| Tax increment revenue notes | 18,812,199 | - | - | 18,812,199 |
| Capital leases | 114,603 | - | 36,559 | 78,044 |
| Compensated absences | 141,817 | 89,790 | 97,036 | 134,571 |
| Total | <u>\$ 24,539,274</u> | <u>89,790</u> | <u>519,890</u> | <u>24,109,174</u> |

The general obligation bonds are to be liquidated by the Street Bond Fund. The tax increment revenue bonds were 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.

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - LONG-TERM DEBT (Continued)

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:

| | <u>March 31</u> <u>2013</u> |
|---------------------------------|--|
| Vehicles | \$144,442 |
| Less - Accumulated depreciation | <u>57,776</u> |
| Net Book Value | <u>\$ 86,666</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, 2013 is as follows:

For The Years
Ended March 31

| | |
|---|-----------------|
| 2014 | \$30,498 |
| 2015 | 25,878 |
| 2016 | 17,275 |
| 2017 | <u>8,637</u> |
| | 82,288 |
| Less - Amount representing interest | <u>4,244</u> |
| Present Value of Minimum Lease Payments | <u>\$78,044</u> |

NOTE H - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities balances are as follows:

Due from/to other funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>March 31</u> <u>2013</u> |
|-------------------------------|----------------------------|--|
| General Fund | Asset Forfeiture Fund | <u>\$9,971</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, 2014.

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - INTERFUND ASSETS/LIABILITIES (Continued)

Advances from/to other funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>March 31</u> <u>2013</u> |
|------------------------|-----------------------|--------------------------------|
| General Fund | Capital Projects Fund | <u>\$111,022</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 POSITION DEFICIT

The government-wide statement of net position reflects an unrestricted net position deficit of (\$18,774,601). This total is comprised of \$37,598 in unrestricted net position from operations and unrestricted net position deficit resulting from the issuance of various tax increment revenue notes in the amount of \$18,812,199, which is for development not owned by the City.

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

NOTE J - RESTRICTED NET POSITION

The government-wide statement of net position reports \$2,209,690 of restricted net position, of which \$1,835,895 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 and total incremental tax revenues were \$826,710 and \$772,017, respectively.

CITY OF ROCK HILL, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE L - PRIOR PERIOD ADJUSTMENT AND RETROACTIVE RESTATEMENT OF NET POSITION

The previously stated net position/fund balances have been adjusted as follows:

| | <u>Governmental Activities</u> | <u>General Fund</u> | <u>Asset Forfeiture Fund</u> |
|---|------------------------------------|-----------------------------|--------------------------------------|
| Fund balance/net position, March 31, 2012, as previously reported | \$ (11,866,538) | 2,156,699 | - |
| Restatement for: | | | |
| Liabilities | 42,615 | 38,573 | 4,042 |
| Revenue recognition | (17,993) | (17,993) | - |
| Implementation of GASB 65: | | | |
| Bond issue costs | (121,010) | - | - |
| Accumulated amortization | <u>7,850</u> | <u>-</u> | <u>-</u> |
| Fund Balance/Net Position, March 31, 2012, As Restated | <u><u>\$ (11,955,076)</u></u> | <u><u>2,177,279</u></u> | <u><u>4,042</u></u> |

NOTE P - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*, will require the City to record UAAL on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the City for the year ending March 31, 2015.

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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|---|----------------------------|-------------------------|------------------|------------------------------------|
| REVENUES | | | | |
| Property Tax | <u>\$ 288,076</u> | <u>288,076</u> | <u>284,941</u> | <u>(3,135)</u> |
| Gross Receipts Taxes | | | | |
| Cable television | 35,200 | 35,200 | 67,659 | 32,459 |
| Electric | 296,478 | 296,478 | 324,986 | 28,508 |
| Gas | 191,353 | 191,353 | 176,556 | (14,797) |
| Telephone | 266,932 | 266,932 | 226,991 | (39,941) |
| Water | 57,028 | 57,028 | 65,352 | 8,324 |
| Total Gross Receipts Taxes | <u>846,991</u> | <u>846,991</u> | <u>861,544</u> | <u>14,553</u> |
| Sales Tax | | | | |
| County sales tax | 849,106 | 849,106 | 833,350 | (15,756) |
| Fire sales tax | 184,946 | 184,946 | 173,273 | (11,673) |
| Parks/stormwater sales tax | 370,146 | 370,146 | 347,025 | (23,121) |
| Total Sales Tax | <u>1,404,198</u> | <u>1,404,198</u> | <u>1,353,648</u> | <u>(50,550)</u> |
| Licenses, Permits, Fines, and Fees | | | | |
| Auto personal property | 10,106 | 10,106 | 13,373 | 3,267 |
| Building permits | 18,773 | 18,773 | 15,752 | (3,021) |
| Liquor | 8,396 | 8,396 | 8,438 | 42 |
| Merchants' licenses | 141,092 | 141,092 | 155,742 | 14,650 |
| Fines and court costs | 361,104 | 561,104 | 613,154 | 52,050 |
| Total Licenses, Permits, Fines, And Fees | <u>539,471</u> | <u>739,471</u> | <u>806,459</u> | <u>66,988</u> |
| Intergovernmental | | | | |
| Cigarette tax | <u>22,704</u> | <u>22,704</u> | <u>22,705</u> | <u>1</u> |
| Investment Income | <u>11,500</u> | <u>11,500</u> | <u>11,740</u> | <u>240</u> |
| Miscellaneous | | | | |
| Miscellaneous | 9,925 | 9,925 | 9,966 | 41 |
| Grant income | 1,200 | 1,200 | 3,919 | 2,719 |
| Parks and recreation | 7,975 | 7,975 | 15,923 | 7,948 |
| Total Miscellaneous | <u>19,100</u> | <u>19,100</u> | <u>29,808</u> | <u>10,708</u> |
| Total Revenues | <u>3,132,040</u> | <u>3,332,040</u> | <u>3,370,845</u> | <u>38,805</u> |
| EXPENDITURES | | | | |
| Administration | | | | |
| Personnel services: | | | | |
| Salaries | 194,435 | 194,435 | 194,310 | (125) |
| Employee health insurance | 36,361 | 36,361 | 33,533 | (2,828) |
| Employee life insurance | 1,948 | 1,948 | 1,948 | - |
| Employee pension | 229,952 | 229,952 | 230,606 | 654 |

(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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|----------------------------|-------------------------|----------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Administration (Continued) | | | | |
| Personnel services (Continued): | | | | |
| Fitness program | 240 | 240 | 279 | 39 |
| Payroll taxes | 14,314 | 14,314 | 14,473 | 159 |
| Unemployment | 6,000 | 6,000 | 2,143 | (3,857) |
| Contracted services: | | | | |
| Audit | 18,300 | 18,300 | 19,842 | 1,542 |
| Clerical | 3,000 | 3,000 | 108 | (2,892) |
| Employees | 200 | 200 | 131 | (69) |
| Legal | 28,000 | 28,000 | 21,733 | (6,267) |
| Other | 54,525 | 61,825 | 68,563 | 6,738 |
| Operating expenditures: | | | | |
| Board and mayor | 2,050 | 2,050 | 333 | (1,717) |
| Codification | 3,500 | 3,500 | 2,636 | (864) |
| Communications | 11,400 | 11,400 | 4,138 | (7,262) |
| Dues | 5,450 | 5,450 | 5,137 | (313) |
| Election | 2,400 | 2,400 | 1,638 | (762) |
| Insurance and bonds | 14,132 | 14,132 | 5,756 | (8,376) |
| Miscellaneous | 7,500 | 7,500 | 8,966 | 1,466 |
| Rent | 92,738 | 92,738 | 108,702 | 15,964 |
| Postage | 5,190 | 5,190 | 3,745 | (1,445) |
| Supplies and materials | 6,620 | 6,620 | 5,949 | (671) |
| Telephone | 5,840 | 5,840 | 6,501 | 661 |
| Training and education | 8,862 | 8,862 | 2,218 | (6,644) |
| Capital outlay | 2,622 | 2,622 | 2,547 | (75) |
| Total Administration | <u>755,579</u> | <u>762,879</u> | <u>745,935</u> | <u>(16,944)</u> |
| Police Department | | | | |
| Personnel services: | | | | |
| Salaries | 552,793 | 580,131 | 574,383 | (5,748) |
| Clothing allowance | 7,435 | 18,833 | 18,833 | - |
| Employee health insurance | 91,328 | 91,328 | 98,163 | 6,835 |
| Employee life insurance | 7,129 | 7,129 | 7,038 | (91) |
| Employee pension | 56,204 | 56,204 | 52,439 | (3,765) |
| Fitness program | 2,394 | 2,394 | 1,955 | (439) |
| Payroll taxes | 40,380 | 40,380 | 42,064 | 1,684 |
| Contracted services: | | | | |
| Consulting | 7,581 | 7,581 | 6,693 | (888) |
| Employees | 500 | 500 | 600 | 100 |
| Dispatching | 38,245 | 38,245 | 37,905 | (340) |
| Criminal information system | 19,068 | 19,068 | 19,170 | 102 |
| Jail expenditures | 3,480 | 3,480 | 7,950 | 4,470 |

(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, 2013

| | Original Budget | Final Budget | Actual | Over (Under) Budget |
|--------------------------------------|----------------------------|-------------------------|----------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Police Department (Continued) | | | | |
| Operating expenditures: | | | | |
| Dues | 1,220 | 1,220 | 902 | (318) |
| Insurance and bonds | 35,823 | 35,823 | 27,013 | (8,810) |
| Miscellaneous | 2,250 | 2,250 | 2,259 | 9 |
| Vehicle operation | 37,750 | 37,750 | 40,554 | 2,804 |
| Repairs and maintenance | 565 | 565 | 686 | 121 |
| Supplies and materials | 6,775 | 6,775 | 6,388 | (387) |
| Telephone | 7,753 | 7,753 | 8,031 | 278 |
| Training and education | 5,460 | 5,460 | - | (5,460) |
| Capital outlay | 888 | 888 | 2,141 | 1,253 |
| Total Police Department | <u>925,021</u> | <u>963,757</u> | <u>955,167</u> | <u>(8,590)</u> |
| Fire Department | | | | |
| Personnel services: | | | | |
| Salaries | 513,895 | 551,383 | 547,268 | (4,115) |
| Clothing allowance | 7,400 | 7,400 | 7,092 | (308) |
| Employee health insurance | 97,417 | 97,417 | 100,680 | 3,263 |
| Employee life insurance | 6,664 | 6,664 | 6,381 | (283) |
| Employee pension | 61,667 | 61,667 | 65,168 | 3,501 |
| Fitness program | 8,140 | 8,140 | 3,974 | (4,166) |
| Payroll taxes | 39,313 | 39,313 | 39,675 | 362 |
| Contracted services: | | | | |
| Dispatching | 16,390 | 16,390 | 16,848 | 458 |
| Employees | 500 | 500 | 450 | (50) |
| Operating expenditures: | | | | |
| Dues | 1,900 | 1,900 | 1,778 | (122) |
| EMS supplies | 1,000 | 1,000 | 764 | (236) |
| Fire prevention | 1,500 | 1,500 | 1,025 | (475) |
| Insurance and bonds | 34,867 | 34,867 | 25,516 | (9,351) |
| Miscellaneous | 1,500 | 1,500 | 1,415 | (85) |
| Protective clothing | 3,000 | 3,000 | 3,467 | 467 |
| Vehicle operation | 25,510 | 25,510 | 23,970 | (1,540) |
| Repairs and maintenance | 4,510 | 4,510 | 5,901 | 1,391 |
| Supplies and materials | 1,500 | 1,500 | 1,491 | (9) |
| Telephone | 3,500 | 3,500 | 3,010 | (490) |
| Training and education | 16,000 | 16,000 | 10,849 | (5,151) |
| Capital outlay | 1,000 | 1,000 | 6,131 | 5,131 |
| Total Fire Department | <u>847,173</u> | <u>884,661</u> | <u>872,853</u> | <u>(11,808)</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, 2013

| | Original Budget | Final Budget | Actual | Over (Under) Budget |
|---------------------------------|----------------------------|-------------------------|----------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Public Works | | | | |
| Personnel services: | | | | |
| Salaries | 251,058 | 251,058 | 246,094 | (4,964) |
| Clothing allowance | 6,060 | 6,060 | 6,820 | 760 |
| Employee health insurance | 52,749 | 52,749 | 54,938 | 2,189 |
| Employee life insurance | 3,633 | 3,633 | 3,427 | (206) |
| Employee pension | 8,206 | 8,206 | 7,668 | (538) |
| Payroll taxes | 19,206 | 19,206 | 17,979 | (1,227) |
| Operating expenditures: | | | | |
| Employees | 325 | 325 | 516 | 191 |
| Beautification | 400 | 400 | 414 | 14 |
| Equipment rental | 2,000 | 2,000 | 935 | (1,065) |
| Insurance and bonds | 19,265 | 19,265 | 12,763 | (6,502) |
| Miscellaneous | 248 | 248 | - | (248) |
| Mosquito fogging | 1,650 | 1,650 | 851 | (799) |
| Repairs and maintenance | 10,720 | 10,720 | 22,315 | 11,595 |
| Rock and asphalt | 29,400 | 29,400 | 22,473 | (6,927) |
| Salt | 25,345 | 25,345 | 12,461 | (12,884) |
| Street lighting | 40,000 | 40,000 | 43,045 | 3,045 |
| Street signs | 3,060 | 3,060 | 2,193 | (867) |
| Street sweeping | 1,400 | 1,400 | 1,063 | (337) |
| Supplies and materials | 8,962 | 8,962 | 9,412 | 450 |
| Telephone | 3,520 | 3,520 | 3,664 | 144 |
| Traffic paint | 1,810 | 1,810 | 1,813 | 3 |
| Trash removal | 2,340 | 2,340 | 2,444 | 104 |
| Tree removal | 6,000 | 6,000 | 3,700 | (2,300) |
| Training and education | 600 | 600 | 1,719 | 1,119 |
| Utilities | 23,000 | 23,000 | 27,009 | 4,009 |
| Vehicle operation | 18,800 | 18,800 | 17,570 | (1,230) |
| Weed killer | 780 | 780 | - | (780) |
| Capital outlay | 4,100 | 4,100 | 5,519 | 1,419 |
| Total Public Works | <u>544,637</u> | <u>544,637</u> | <u>528,805</u> | <u>(15,832)</u> |
| Parks and Recreation | | | | |
| Personnel services: | | | | |
| Salaries | 82,568 | 82,568 | 79,266 | (3,302) |
| Employee health insurance | 5,875 | 5,875 | 6,221 | 346 |
| Employee life insurance | 991 | 991 | 991 | - |
| Employee pension | 2,388 | 2,388 | 2,388 | - |
| Payroll taxes | 6,381 | 6,381 | 6,059 | (322) |
| Operating expenditures: | | | | |
| Employees | 175 | 175 | 50 | (125) |
| Day camp | 3,600 | 3,600 | 4,370 | 770 |

(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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|---|----------------------------|-------------------------|----------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Parks and Recreation (Continued) | | | | |
| Operating expenditures (Continued): | | | | |
| Fall festival | 7,500 | 7,500 | 12,855 | 5,355 |
| Insurance and bonds | 6,464 | 6,464 | 4,132 | (2,332) |
| Miscellaneous | 500 | 500 | 2,303 | 1,803 |
| Special programs | 2,600 | 2,600 | 2,181 | (419) |
| Sports and recreation programs | - | - | 442 | 442 |
| Supplies and materials | 500 | 500 | 358 | (142) |
| Telephone | 672 | 672 | 571 | (101) |
| Capital outlay | 2,699 | 2,699 | - | (2,699) |
| Total Parks And Recreation | <u>122,913</u> | <u>122,913</u> | <u>122,187</u> | <u>(726)</u> |
| Housing Department | | | | |
| Personnel services: | | | | |
| Salaries | 19,125 | 19,125 | 19,664 | 539 |
| Clothing allowance | 200 | 200 | - | (200) |
| Employee health insurance | - | - | 236 | 236 |
| Employee life insurance | - | - | 123 | 123 |
| Payroll taxes | 1,463 | 1,463 | 1,474 | 11 |
| Operating expenditures: | | | | |
| Employees | - | - | 50 | 50 |
| Insurance and bonds | 899 | 899 | 851 | (48) |
| Miscellaneous | 24,250 | 24,250 | 12,417 | (11,833) |
| Nuisance fees | 1,200 | 1,200 | 350 | (850) |
| Supplies and materials | 70 | 70 | - | (70) |
| Telephone | 700 | 700 | - | (700) |
| Training and education | 500 | 500 | - | (500) |
| Vehicle operation | 1,000 | 1,000 | 40 | (960) |
| Capital outlay | 600 | 600 | - | (600) |
| Total Housing Department | <u>50,007</u> | <u>50,007</u> | <u>35,205</u> | <u>(14,802)</u> |
| Municipal Court | | | | |
| Personnel services: | | | | |
| Salaries | 75,526 | 87,295 | 86,295 | (1,000) |
| Employee health insurance | 9,383 | 9,383 | 12,465 | 3,082 |
| Employee life insurance | 691 | 691 | 790 | 99 |
| Employee pension | 2,107 | 2,107 | 1,595 | (512) |
| Fitness program | 240 | 240 | 279 | 39 |
| Payroll taxes | 5,778 | 5,778 | 6,154 | 376 |
| Contracted services: | | | | |
| Employees | 150 | 150 | 200 | 50 |
| Clerical | 7,668 | 7,668 | 708 | (6,960) |
| Computer expenditure | 20,800 | 20,800 | 17,491 | (3,309) |

(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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|------------------------------------|----------------------------|-------------------------|---------------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Municipal Court (Continued) | | | | |
| Operating expenditures: | | | | |
| Insurance and bonds | 5,777 | 5,777 | 4,212 | (1,565) |
| Miscellaneous | 820 | 820 | 114 | (706) |
| Supplies and materials | 4,016 | 4,016 | 5,022 | 1,006 |
| Telephone | 1,536 | 1,536 | 1,544 | 8 |
| Training and education | 3,281 | 3,281 | 4,992 | 1,711 |
| Vehicle operation | 500 | 500 | 35 | (465) |
| Capital outlay | 275 | 275 | - | (275) |
| Total Municipal Court | <u>138,548</u> | <u>150,317</u> | <u>141,896</u> | <u>(8,421)</u> |
| Total Expenditures | <u>3,383,878</u> | <u>3,479,171</u> | <u>3,402,048</u> | <u>(77,123)</u> |
| REVENUES UNDER EXPENDITURES | <u>(251,838)</u> | <u>(147,131)</u> | <u>(31,203)</u> | <u>115,928</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfer in | 54,691 | 54,691 | - | (54,691) |
| Sale of capital assets | <u>1,500</u> | <u>1,500</u> | <u>1,297</u> | <u>(203)</u> |
| Total Other Financing Sources | <u>56,191</u> | <u>56,191</u> | <u>1,297</u> | <u>(54,894)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (195,647)</u> | <u>(90,940)</u> | <u>(29,906)</u> | <u>61,034</u> |
| FUND BALANCE, APRIL 1 | | | <u>2,177,279</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 2,147,373</u> | |

CITY OF ROCK HILL, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - SW TIF FUND
FOR THE YEAR ENDED MARCH 31, 2013

| | Original Budget | Final Budget | Actual | Over (Under) Budget |
|-----------------------------------|----------------------------|-------------------------|-------------------|------------------------------------|
| REVENUES | | | | |
| Property tax | \$ 325,700 | 325,700 | 427,518 | 101,818 |
| Sales tax | 220,953 | 220,953 | 209,799 | (11,154) |
| TDD sales tax | - | - | 96,127 | 96,127 |
| Investment income | - | - | 16 | 16 |
| Miscellaneous | - | - | 1,000 | 1,000 |
| Total Revenues | <u>546,653</u> | <u>546,653</u> | <u>734,460</u> | <u>187,807</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | - | 2,911 | 2,911 | - |
| Debt service: | | | | |
| Interest | <u>546,653</u> | <u>642,196</u> | <u>642,195</u> | <u>(1)</u> |
| Total Expenditures | <u>546,653</u> | <u>645,107</u> | <u>645,106</u> | <u>(1)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>(98,454)</u> | 89,354 | <u>187,808</u> |
| FUND BALANCE, APRIL 1 | | | <u>622,301</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 711,655</u> | |

CITY OF ROCK HILL, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - STREET BOND FUND
FOR THE YEAR ENDED MARCH 31, 2013

| | Original Budget | Final Budget | Actual | Over (Under) Budget |
|-----------------------------------|------------------------------|---------------------------|----------------------------|------------------------------------|
| REVENUES | | | | |
| Property tax | \$ 300,000 | 300,000 | 353,206 | 53,206 |
| Investment income | 225 | 15,000 | 14,576 | (424) |
| Miscellaneous | - | - | 3,551 | 3,551 |
| Total Revenues | <u>300,225</u> | <u>315,000</u> | <u>371,333</u> | <u>56,333</u> |
| EXPENDITURES | | | | |
| Capital outlay | 1,529,580 | 1,529,580 | 1,318,932 | (210,648) |
| Debt service: | | | | |
| Principal | 205,000 | 205,000 | 205,000 | - |
| Interest | 178,434 | 178,434 | 179,178 | 744 |
| Total Expenditures | <u>1,913,014</u> | <u>1,913,014</u> | <u>1,703,110</u> | <u>(209,904)</u> |
| NET CHANGE IN FUND BALANCE | <u><u>\$ (1,612,789)</u></u> | <u><u>(1,598,014)</u></u> | <u>(1,331,777)</u> | <u><u>266,237</u></u> |
| FUND BALANCE, APRIL 1 | | | <u>3,713,520</u> | |
| FUND BALANCE, MARCH 31 | | | <u><u>\$ 2,381,743</u></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, 2013

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, Asset Forfeiture 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

CITY OF ROCK HILL, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

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.

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

Asset Forfeiture Fund -- This fund is used to account for the accumulation of and the payment of asset forfeiture funds.

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

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, 2013

| | Special Revenue Funds | | | | | |
|--|-------------------------------------|--------------------------------------|-----------------------------------|---|------------------------|--|
| | Police Training Fund | Asset Forfeiture Fund | Sewer Lateral Fund | McKnight Crossing TIF Fund | NW TIF Fund | Total Nonmajor Governmental Funds |
| ASSETS | | | | | | |
| Cash and investments | \$ 12,240 | 18,643 | 9,464 | 20,025 | 370,779 | 431,151 |
| Receivables (net): | | | | | | |
| Property tax | - | - | - | - | 7,807 | 7,807 |
| Municipal taxes | - | - | - | - | 3 | 3 |
| Other receivables | - | - | 1,525 | - | - | 1,525 |
| Total Assets | \$ 12,240 | 18,643 | 10,989 | 20,025 | 378,589 | 440,486 |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 17 | 638 | 6,905 | 20,025 | 950 | 28,535 |
| Due to other funds | - | 9,971 | - | - | - | 9,971 |
| Total Liabilities | 17 | 10,609 | 6,905 | 20,025 | 950 | 38,506 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue: | | | | | | |
| Property taxes | - | - | - | - | 7,807 | 7,807 |
| FUND BALANCES | | | | | | |
| Restricted for: | | | | | | |
| Law enforcement | - | 8,034 | - | - | - | 8,034 |
| Police training | 12,223 | - | - | - | - | 12,223 |
| Sewer lateral | - | - | 4,084 | - | - | 4,084 |
| Tax increment financing | - | - | - | - | 369,832 | 369,832 |
| Total Fund Balances | 12,223 | 8,034 | 4,084 | - | 369,832 | 394,173 |
| Total Liabilities, Deferred Inflows Of Resources, And Fund Balances | \$ 12,240 | 18,643 | 10,989 | 20,025 | 378,589 | 440,486 |

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, 2013

| | Special Revenue Funds | | | | | Total Nonmajor Governmental Funds |
|--|-------------------------------------|--------------------------------------|-----------------------------------|---|------------------------|--|
| | Police Training Fund | Asset Forfeiture Fund | Sewer Lateral Fund | McKnight Crossing TIF Fund | NW TIF Fund | |
| REVENUES | | | | | | |
| Property tax | \$ - | - | - | - | 25,938 | 25,938 |
| Sales tax | - | - | - | 11,164 | 442 | 11,606 |
| Licenses, permits, fines, and fees | - | 12,691 | - | - | - | 12,691 |
| Investment income | - | - | - | 13 | - | 13 |
| Miscellaneous | 16,188 | - | 54,471 | - | - | 70,659 |
| Total Revenues | <u>16,188</u> | <u>12,691</u> | <u>54,471</u> | <u>11,177</u> | <u>26,380</u> | <u>120,907</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Administration | - | - | - | 4,233 | 34,507 | 38,740 |
| Economic development | - | - | - | 25,982 | - | 25,982 |
| Police department | 8,570 | 8,699 | - | - | - | 17,269 |
| Capital outlay | - | - | 72,430 | - | - | 72,430 |
| Debt service: | | | | | | |
| Principal | - | - | - | 173,400 | - | 173,400 |
| Interest | - | - | - | 11,115 | - | 11,115 |
| Total Expenditures | <u>8,570</u> | <u>8,699</u> | <u>72,430</u> | <u>214,730</u> | <u>34,507</u> | <u>338,936</u> |
| NET CHANGE IN FUND BALANCES | 7,618 | 3,992 | (17,959) | (203,553) | (8,127) | (218,029) |
| FUND BALANCES, APRIL 1 | <u>4,605</u> | <u>4,042</u> | <u>22,043</u> | <u>203,553</u> | <u>377,959</u> | <u>612,202</u> |
| FUND BALANCES, MARCH 31 | <u>\$ 12,223</u> | <u>8,034</u> | <u>4,084</u> | <u>-</u> | <u>369,832</u> | <u>394,173</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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|----------------------------|-------------------------|------------------|------------------------------------|
| REVENUES | | | | |
| Miscellaneous | \$ 3,400 | 3,400 | 16,188 | 12,788 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Police department | <u>3,321</u> | <u>6,431</u> | <u>8,570</u> | <u>2,139</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 79</u> | <u>(3,031)</u> | 7,618 | <u>10,649</u> |
| FUND BALANCE, APRIL 1 | | | <u>4,605</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 12,223</u> | |

CITY OF ROCK HILL, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - ASSET FORFEITURE FUND
FOR THE YEAR ENDED MARCH 31, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|------------------------------------|----------------------------|-------------------------|------------------------|------------------------------------|
| REVENUES | | | | |
| Licenses, permits, fines, and fees | \$ - | 15,000 | 12,691 | (2,309) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Police department | <u>-</u> | <u>14,000</u> | <u>8,699</u> | <u>(5,301)</u> |
| NET CHANGE IN FUND BALANCE | <u><u>\$ -</u></u> | <u><u>1,000</u></u> | 3,992 | <u><u>2,992</u></u> |
| FUND BALANCE, APRIL 1 | | | <u>4,042</u> | |
| FUND BALANCE, MARCH 31 | | | <u><u>\$ 8,034</u></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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|----------------------------|-------------------------|-----------------|------------------------------------|
| REVENUES | | | | |
| Miscellaneous | \$ 52,200 | 52,200 | 54,471 | 2,271 |
| EXPENDITURES | | | | |
| Capital outlay | <u>50,000</u> | <u>72,430</u> | <u>72,430</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 2,200</u> | <u>(20,230)</u> | <u>(17,959)</u> | <u>2,271</u> |
| FUND BALANCE, APRIL 1 | | | <u>22,043</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 4,084</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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|----------------------------|-------------------------|------------------|------------------------------------|
| REVENUES | | | | |
| Property tax | \$ 126,600 | 126,600 | - | (126,600) |
| Sales tax | 30,522 | 30,522 | 11,164 | (19,358) |
| Investment income | - | - | 13 | 13 |
| Total Revenues | <u>157,122</u> | <u>157,122</u> | <u>11,177</u> | <u>(145,945)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | - | 4,233 | 4,233 | - |
| Economic development | - | 35,460 | 25,982 | (9,478) |
| Debt service: | | | | |
| Principal | 157,100 | 173,400 | 173,400 | - |
| Interest | - | 11,115 | 11,115 | - |
| Total Expenditures | <u>157,100</u> | <u>224,208</u> | <u>214,730</u> | <u>(9,478)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 22</u> | <u>(67,086)</u> | <u>(203,553)</u> | <u>(136,467)</u> |
| FUND BALANCE, APRIL 1 | | | <u>203,553</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ -</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, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|-----------------------------------|----------------------------|-------------------------|-------------------|------------------------------------|
| REVENUES | | | | |
| Property tax | \$ 30,125 | 30,125 | 25,938 | (4,187) |
| Sales tax | 850 | 850 | 442 | (408) |
| Total Revenues | <u>30,975</u> | <u>30,975</u> | <u>26,380</u> | <u>(4,595)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | <u>-</u> | <u>34,508</u> | <u>34,507</u> | <u>(1)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 30,975</u> | <u>(3,533)</u> | <u>(8,127)</u> | <u>(4,594)</u> |
| FUND BALANCE, APRIL 1 | | | <u>377,959</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 369,832</u> | |

CITY OF ROCK HILL, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED MARCH 31, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over (Under) Budget</u> |
|---|----------------------------|-------------------------|-------------------|------------------------------------|
| REVENUES | | | | |
| Sales tax - capital improvements | \$ 317,450 | 317,450 | 312,336 | (5,114) |
| Intergovernmental: | | | | |
| Gasoline tax | 133,225 | 133,225 | 116,984 | (16,241) |
| Motor vehicle tax | 53,070 | 53,070 | 49,191 | (3,879) |
| Road and bridge | 95,642 | 95,642 | 97,560 | 1,918 |
| Grant income | 183,552 | 183,552 | 403,918 | 220,366 |
| Miscellaneous | - | - | 4,728 | 4,728 |
| Total Revenues | <u>782,939</u> | <u>782,939</u> | <u>984,717</u> | <u>201,778</u> |
| EXPENDITURES | | | | |
| Capital outlay | 558,009 | 719,160 | 697,951 | (21,209) |
| Debt service: | | | | |
| Principal | 36,559 | 36,559 | 36,559 | - |
| Interest | 3,518 | 3,518 | 3,970 | 452 |
| Total Expenditures | <u>598,086</u> | <u>759,237</u> | <u>738,480</u> | <u>(20,757)</u> |
| REVENUES OVER EXPENDITURES | <u>184,853</u> | <u>23,702</u> | <u>246,237</u> | <u>222,535</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of capital assets | - | - | 6,703 | (6,703) |
| Transfer out | <u>(54,691)</u> | <u>(54,691)</u> | <u>-</u> | <u>54,691</u> |
| Total Other Financing Sources (Uses) | <u>(54,691)</u> | <u>(54,691)</u> | <u>6,703</u> | <u>61,394</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 130,162</u> | <u>(30,989)</u> | <u>252,940</u> | <u>283,929</u> |
| FUND BALANCE, APRIL 1 | | | <u>147,100</u> | |
| FUND BALANCE, MARCH 31 | | | <u>\$ 400,040</u> | |

CITY OF ROCK HILL, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED MARCH 31, 2013

| | Balance March 31 2012 | Additions | Deductions | Balance March 31 2013 |
|--------------------------|--------------------------------------|-------------------|-------------------|--------------------------------------|
| COURT BONDS | | | | |
| ASSETS | | | | |
| Cash | <u>\$ 6,650</u> | <u> 25,025</u> | <u> 19,900</u> | <u> 11,775</u> |
| LIABILITIES | | | | |
| Deposits held for others | <u>\$ 6,650</u> | <u> 25,025</u> | <u> 19,900</u> | <u> 11,775</u> |

STATISTICAL SECTION

CITY OF ROCK HILL, MISSOURI

STATISTICAL SECTION OVERVIEW

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.

| Contents | Pages |
|--|--------------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | 63 - 67 |
| Revenue Capacity | |
| These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. | 68 - 74 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 75 - 79 |
| Demographic and Economic Information | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 80 - 81 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 82 - 84 |

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 POSITION BY COMPONENT
LAST NINE FISCAL YEARS

| | March 31 | | | | | | | | |
|---|-----------------------------------|--------------------------------|-------------------------------|-------------------------------|--------------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
| Governmental Activities | | | | | | | | | |
| Net investment in capital assets | \$ 4,840,917 | 4,208,402 | 2,457,784 | 2,054,591 | 1,225,261 | 1,736,653 | 936,930 | 789,170 | (1,063,327) |
| Restricted | 2,209,690 | 1,830,385 | 1,623,477 | 1,049,064 | 795,665 | 489,787 | 674,895 | 304,265 | 299,359 |
| Unrestricted (deficit) | <u>(18,774,601)</u> | <u>(17,993,863)</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 Position | <u><u>\$ (11,723,994)</u></u> | <u><u>(11,955,076)</u></u> | <u><u>(9,334,282)</u></u> | <u><u>(9,588,054)</u></u> | <u><u>(10,363,806)</u></u> | <u><u>(10,453,808)</u></u> | <u><u>(9,699,030)</u></u> | <u><u>(6,540,391)</u></u> | <u><u>(1,226,517)</u></u> |

Source: Basic Financial Statements

GASB 34 was implemented in 2005.

GASB 65 was implemented in 2013. 2012 was restated, but not prior years.

CITY OF ROCK HILL, MISSOURI
CHANGES IN NET POSITION
LAST NINE FISCAL YEARS

| | For The Years Ended March 31 | | | | | | | | |
|------------------------------------|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| EXPENSES | | | | | | | | | |
| Administration | \$ 841,141 | 897,961 | 1,032,427 | 707,580 | 897,594 | 831,720 | 944,833 | 985,619 | 1,124,631 |
| Police department | 969,445 | 939,677 | 864,021 | 857,755 | 918,182 | 867,216 | 974,993 | 1,120,582 | 1,237,179 |
| Fire department | 970,839 | 894,295 | 800,864 | 833,474 | 783,028 | 735,159 | 715,554 | 812,094 | 859,402 |
| Public works | 720,896 | 605,242 | 626,795 | 543,215 | 587,699 | 512,210 | 523,213 | 819,166 | 813,145 |
| Parks and recreation | 136,525 | 126,532 | 130,224 | 118,781 | 150,181 | 121,133 | 129,643 | 143,272 | 157,600 |
| Housing department | 35,535 | 75,067 | 85,105 | 84,045 | 83,589 | 82,019 | 56,859 | 79,883 | 68,321 |
| Municipal court | 144,443 | 124,764 | 122,836 | 152,125 | 150,167 | 152,929 | 155,356 | 146,994 | 160,568 |
| Economic development | 25,982 | 3,545,333 | - | - | 268,923 | 1,266,583 | 3,628,898 | 6,435,596 | - |
| Interest on long-term debt | 1,527,335 | 1,513,982 | 1,265,037 | 1,254,762 | 1,241,446 | 1,378,350 | 761,408 | 599,786 | 176,844 |
| Total Expenses | 5,372,141 | 8,722,853 | 4,927,309 | 4,551,737 | 5,080,809 | 5,947,319 | 7,890,757 | 11,142,992 | 4,597,690 |
| PROGRAM REVENUES | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| Administration | 193,375 | 184,877 | 208,906 | 218,618 | 234,162 | 238,826 | 244,643 | 269,043 | 274,666 |
| Police department | 660,923 | 424,683 | 436,811 | 446,940 | 544,176 | 506,678 | 434,629 | 478,157 | 352,518 |
| Public works | 54,471 | 54,516 | 55,754 | 55,883 | 53,444 | 54,691 | 54,060 | 53,860 | 55,551 |
| Parks and recreation | 9,823 | 10,571 | 7,612 | 9,491 | 5,485 | 10,995 | 17,660 | 25,825 | 33,140 |
| Operating grants and contributions | 273,754 | 283,439 | 287,645 | 282,792 | 285,105 | 300,016 | 408,578 | 279,311 | 288,204 |
| Capital grants and contributions | 403,918 | 983,179 | - | 238,391 | 5,160 | 151,300 | - | - | 24,598 |
| Total Program Revenues | 1,596,264 | 1,941,265 | 996,728 | 1,252,115 | 1,127,532 | 1,262,506 | 1,159,570 | 1,106,196 | 1,028,677 |
| NET REVENUES (EXPENSES) | <u>(3,775,877)</u> | <u>(6,781,588)</u> | <u>(3,930,581)</u> | <u>(3,299,622)</u> | <u>(3,953,277)</u> | <u>(4,684,813)</u> | <u>(6,731,187)</u> | <u>(10,036,796)</u> | <u>(3,569,013)</u> |

CITY OF ROCK HILL, MISSOURI

CHANGES IN NET POSITION (Continued)

LAST NINE FISCAL YEARS

| | For The Years Ended March 31 | | | | | | | | |
|-----------------------------------|------------------------------|--------------------|----------------|----------------|---------------|------------------|--------------------|--------------------|-----------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| GENERAL REVENUES AND OTHER | | | | | | | | | |
| CHANGES IN NET POSITION | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Property | 1,092,999 | 1,096,846 | 1,366,855 | 1,262,535 | 1,218,117 | 838,915 | 760,051 | 589,630 | 617,488 |
| Sales | 1,983,516 | 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 | 861,544 | 849,723 | 833,792 | 914,252 | 813,280 | 931,999 | 664,372 | 631,957 | 583,584 |
| Other | 22,705 | 23,027 | 22,705 | 22,705 | 22,746 | 22,705 | 22,705 | 22,705 | 22,705 |
| Investment income | 26,345 | 26,621 | 24,105 | 19,033 | 30,843 | 49,898 | 28,987 | 10,964 | 20,740 |
| Miscellaneous | 19,850 | 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 Position | 4,006,959 | 4,249,332 | 4,184,353 | 4,075,374 | 4,043,279 | 3,930,035 | 3,572,548 | 4,445,076 | 3,473,970 |
| PRIOR PERIOD ADJUSTMENT | | | | | | | | | |
| CASH TO ACCRUAL BASIS | - | - | - | - | - | - | - | 277,846 | - |
| CHANGES IN NET POSITION | <u>\$ 231,082</u> | <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 NINE FISCAL YEARS

| | March 31 | | | | | | | | |
|-------------------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|
| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
| General Fund | | | | | | | | | |
| Nonspendable | \$ 132,688 | 139,114 | - | - | - | - | - | - | - |
| Restricted | 330,027 | 105,189 | - | - | - | - | - | - | - |
| Assigned | - | 195,647 | - | - | - | - | - | - | - |
| Unassigned | 1,684,658 | 1,737,329 | - | - | - | - | - | - | - |
| 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>\$ 2,147,373</u> | <u>2,177,279</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> |
| All Other Governmental Funds | | | | | | | | | |
| Restricted | \$ 3,887,611 | 5,095,123 | - | - | - | - | - | - | - |
| 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>\$ 3,887,611</u> | <u>5,095,123</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 NINE FISCAL YEARS

| | For The Years Ended March 31 | | | | | | | | |
|--|------------------------------|--------------------|----------------|----------------|------------------|------------------|--------------------|--------------------|--------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| REVENUES | | | | | | | | | |
| Property tax | \$ 1,091,603 | 1,155,633 | 1,368,825 | 1,295,109 | 1,172,574 | 806,708 | 736,411 | 589,630 | 617,488 |
| Gross receipts taxes | 861,544 | 849,723 | 833,792 | 914,252 | 813,280 | 931,999 | 664,372 | 631,957 | 583,584 |
| Sales tax | 1,983,516 | 2,200,157 | 1,874,108 | 1,824,338 | 1,830,656 | 1,983,143 | 1,958,597 | 1,778,160 | 2,068,358 |
| Licenses, permits, fines, and fees | 819,150 | 600,294 | 636,952 | 661,038 | 779,645 | 742,936 | 652,085 | 683,634 | 564,489 |
| Intergovernmental | 690,358 | 1,256,402 | 303,442 | 303,975 | 304,252 | 317,399 | 312,420 | 302,048 | 294,556 |
| Investment income | 26,345 | 26,621 | 24,105 | 19,033 | 30,843 | 49,898 | 28,987 | 10,964 | 20,740 |
| Miscellaneous | 109,746 | 126,758 | 129,932 | 336,483 | 195,325 | 325,683 | 355,606 | 227,202 | 253,432 |
| Total Revenues | 5,582,262 | 6,215,588 | 5,171,156 | 5,354,228 | 5,126,575 | 5,157,766 | 4,708,478 | 4,223,595 | 4,402,647 |
| EXPENDITURES | | | | | | | | | |
| Administration | 785,039 | 807,756 | 900,424 | 696,273 | 827,509 | 767,125 | 621,512 | 891,707 | 1,098,076 |
| Police department | 970,295 | 910,874 | 852,300 | 849,745 | 882,540 | 836,600 | 943,711 | 1,124,094 | 1,216,820 |
| Fire department | 866,722 | 818,660 | 792,533 | 819,402 | 770,806 | 737,679 | 674,597 | 796,835 | 849,830 |
| Public works | 523,286 | 459,138 | 442,792 | 419,425 | 438,321 | 407,531 | 423,816 | 554,498 | 618,551 |
| Parks and recreation | 122,187 | 115,751 | 119,522 | 111,847 | 110,631 | 113,762 | 122,886 | 139,773 | 154,457 |
| Housing department | 35,205 | 79,631 | 85,522 | 82,790 | 83,911 | 78,184 | 56,646 | 78,230 | 68,321 |
| Municipal court | 141,896 | 123,489 | 117,830 | 155,965 | 157,459 | 154,126 | 144,851 | 146,994 | 160,568 |
| Economic development | 25,982 | 3,545,333 | - | - | 268,923 | 1,266,583 | 3,628,898 | - | - |
| Capital outlay | 2,105,651 | 2,126,698 | 297,412 | 832,718 | 1,092,450 | 971,296 | 206,343 | 2,031,751 | 1,520,271 |
| Debt service: | | | | | | | | | |
| Principal | 414,959 | 674,478 | 258,914 | 163,923 | 635,391 | 268,750 | 285,000 | 4,050,000 | 220,000 |
| Interest | 836,458 | 855,252 | 682,677 | 824,821 | 445,315 | 269,659 | 169,355 | 279,033 | 176,844 |
| Interest - refinancing | - | 3,967,262 | - | - | - | - | - | - | - |
| Advance refunding es- crow | - | - | 170,000 | - | - | - | - | - | - |
| Bond issuance costs | - | 77,176 | 43,834 | - | - | - | - | - | - |
| Total Expenditures | 6,827,680 | 14,561,498 | 4,763,760 | 4,956,909 | 5,713,256 | 5,871,295 | 7,277,615 | 10,092,915 | 6,083,738 |
| REVENUES OVER (UNDER) EXPEN- DITURES | (1,245,418) | (8,345,910) | 407,396 | 397,319 | (586,681) | (713,529) | (2,569,137) | (5,869,320) | (1,681,091) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| 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 | 8,000 | 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 Finan- cing Sources (Uses) | 8,000 | 11,243,389 | 54,181 | 1,315 | 1,748,313 | 1,376,730 | 3,628,898 | 5,523,202 | 250,000 |
| PRIOR PERIOD ADJUST- MENT CASH TO AC- CRUAL | - | - | - | - | - | - | - | 296,604 | - |
| NET CHANGE IN FUND BALANCES | \$(1,237,418) | 2,897,479 | 461,577 | 398,634 | 1,161,632 | 663,201 | 1,059,761 | (49,514) | (1,431,091) |
| Debt service as a percentage of noncapital expenditures | 26.0 % | 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 NINE FISCAL YEARS

| FUNCTIONS/PROGRAMS | For The Years Ended March 31 | | | | | | | | |
|--------------------------------|------------------------------|------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Governmental Activities | | | | | | | | | |
| Administration | \$ 193,375 | 184,877 | 214,615 | 218,618 | 234,162 | 238,826 | 244,643 | 269,043 | 274,666 |
| Police department | 664,842 | 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 | 601,674 | 1,050,498 | 336,491 | 505,415 | 335,258 | 353,697 | 343,775 | 333,171 | 327,392 |
| Parks and recreation | 136,373 | 33,971 | 7,612 | 9,491 | 5,485 | 162,295 | 136,523 | 25,825 | 67,738 |
| Total Governmental Activities | <u>\$ 1,596,264</u> | <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 NINE FISCAL YEARS

| For The Years Ended March 31 | Sales Tax | Property Tax | Gross Receipts Taxes | Other | Total |
|---|----------------------|-------------------------|-------------------------------------|--------------|--------------|
| 2013 | \$ 1,983,516 | \$ 1,091,603 | \$ 861,544 | \$ 286,440 | \$ 4,223,103 |
| 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 NINE FISCAL YEARS

| For The Years Ended March 31 | Regular Sales Tax (1) | Capital Improvement (2) | Parks (3) | Fire (4) | Transportation Development District (5) | Total |
|---|--------------------------------------|------------------------------------|------------------|-----------------|--|--------------|
| 2013 | \$ 966,890 | \$ 345,855 | \$ 382,967 | \$ 191,677 | \$ 96,127 | \$ 1,983,516 |
| 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>2012</u> | <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> |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| City of Rock Hill | 0.6810 | 0.6580 | 0.7190 | 0.6350 | 0.6350 | 0.5640 | 0.5500 | 0.6050 | 0.5780 | 0.7140 |
| 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 |
| Roads and Bridges | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 |
| St. Louis County | 0.4180 | 0.4180 | 0.4180 | 0.4180 | 0.4530 | 0.4530 | 0.4530 | 0.4530 | 0.4750 | 0.4750 |
| St. Louis Community College | 0.2200 | 0.2200 | 0.2179 | 0.2136 | 0.2013 | 0.2003 | 0.2233 | 0.2231 | 0.2368 | 0.2312 |
| Special School District | 1.0123 | 1.0125 | 0.9950 | 0.9384 | 0.9184 | 0.9084 | 0.8235 | 0.8399 | 0.9051 | 0.8330 |
| Metro Zoo | 0.2684 | 0.2671 | 0.2546 | 0.2493 | 0.2344 | 0.2330 | 0.2611 | 0.2654 | 0.2756 | 0.2260 |
| Sheltered Workshop | 0.0840 | 0.0840 | 0.0790 | 0.0740 | 0.0690 | 0.0700 | 0.0820 | 0.0820 | 0.0850 | 0.0850 |
| Rock Hill Library | 0.2850 | 0.2700 | 0.2670 | 0.2590 | 0.2390 | 0.2410 | 0.2970 | 0.2630 | 0.3210 | 0.3170 |
| Metro Sewer District | 0.0635 | 0.0818 | 0.0790 | - | - | 0.0667 | 0.0687 | 0.0686 | 0.0690 | 0.0690 |
| Deer Creek Sewer | 0.0840 | 0.0840 | 0.0810 | - | - | 0.0600 | 0.0600 | 0.0600 | 0.0600 | 0.0600 |
| Webster Groves School District | 5.7588 | 5.7555 | 5.5775 | 4.8612 | 4.6149 | 4.5669 | 5.2660 | 5.2361 | 4.5515 | 4.5003 |

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

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

| For The Years Ended December 31 | Residential Real Property | Commercial Real Property | Personal Property | Total Assessed Value | Total Direct Tax | Estimated Actual Value |
|--|--------------------------------------|-------------------------------------|------------------------------|-------------------------------------|---------------------------------|-----------------------------------|
| 2012 | \$ 61,525,190 | \$ 25,845,980 | \$ 11,309,920 | \$ 98,681,090 | 0.681 * | \$ 438,518,630 |
| 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 | 0.635 * | 475,115,587 |
| 2007 | 66,301,250 | 22,690,750 | 11,677,570 | 100,669,570 | 0.564 * | 454,898,755 |
| 2006 | 54,071,080 | 18,186,640 | 11,928,430 | 84,186,150 | 0.550 * | 377,206,750 |
| 2005 | 53,764,470 | 17,435,760 | 11,775,130 | 82,975,360 | 0.605 * | 372,786,568 |
| 2004 | 42,389,410 | 15,261,200 | 11,348,050 | 68,998,660 | 0.578 * | 304,840,963 |
| 2003 | 42,368,040 | 15,794,430 | 11,777,473 | 69,939,943 | 0.714 * | 307,683,231 |

(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 2012 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 | 2013 | | | 2004 | | |
|--------------------------------|----------------------------------|------|---|----------------------------------|------|---|
| | 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 | 5.46 % | \$ - | - | - % |
| Stanford Court Apartments, LLC | 1,626,850 | 2 | 1.65 | 919,720 | 4 | 1.32 |
| McKnight Development, LLC | 1,363,710 | 3 | 1.38 | 1,277,180 | 2 | 1.83 |
| Colonial Square Associates | 928,000 | 4 | 0.94 | 825,600 | 5 | 1.18 |
| Missouri American Water Co. | 839,120 | 5 | 0.85 | - | - | - |
| GBC Enterprises, LLC | 832,030 | 6 | 0.84 | 536,460 | 8 | 0.77 |
| Rock Hill Partnership | 778,240 | 7 | 0.79 | 758,400 | 7 | 1.08 |
| Waltrust Properties, INC | 770,620 | 8 | 0.78 | - | - | - |
| 900 Rock Hill Partners LLC | 726,400 | 9 | 0.74 | - | - | - |
| Manchester Speedway Co. | 512,450 | 10 | 0.52 | - | - | - |
| Sayers Printing Co. | - | - | - | 1,420,120 | 1 | 2.03 |
| Landside/Rock Hill Group, LLC | - | - | - | 1,269,470 | 3 | 1.82 |
| Ameren | - | - | - | 823,344 | 6 | 1.18 |
| 9700 Manchester Redevelopment | - | - | - | 429,310 | 9 | 0.61 |
| Roofers Mart, Inc. | - | - | - | 414,480 | 10 | 0.59 |
| Total | <u>\$ 13,767,230</u> | | <u>13.95 %</u> | <u>\$ 8,674,084</u> | | <u>12.41 %</u> |

(1) Source: St. Louis County Assessor

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

| Fiscal Year | Tax Levy Year | Net Tax Levy (2) | Current Tax Collections | Percent Collected As Current | Delinquent Tax Collections (3) | Total Tax Collections | Total Collections As Percent Of Levy |
|------------------------|------------------------------|-----------------------------|--|---|---|--------------------------------------|---|
| 2013 | 2012 | \$ 643,595 | \$ 501,623 | 77.94 % | \$ - | \$ 501,623 | 77.94 % |
| 2012 | 2011 | 606,765 | 519,267 | 85.58 | 112,749 | 632,016 | 104.16 |
| 2011 | 2010 | 607,736 | 500,923 | 82.42 | 100,660 | 601,583 | 98.99 |
| 2010 | 2009 | 604,250 | 500,832 | 82.88 | 90,910 | 591,742 | 97.93 |
| 2009 | 2008 | 575,947 | 491,519 | 85.34 | 82,286 | 573,805 | 99.63 |
| 2008 | 2007 | 552,458 | 468,435 | 84.79 | 57,912 | 526,348 | 95.27 |
| 2007 | 2006 | 514,537 | 460,202 | 89.44 | 90,997 | 551,199 | 107.13 |
| 2006 | 2005 | 500,603 | 404,755 | 80.85 | 62,363 | 467,118 | 93.31 |
| 2005 | 2004 | 500,483 | 446,128 | 89.14 | 110,672 | 556,800 | 111.25 |
| 2004 | 2003 | 580,588 | 464,731 | 80.04 | 52,018 | 516,748 | 89.00 |

(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. St. Louis County will need more time to make system updates to track this information.

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 | | | |
| 2013 | \$ 5,084,360 | \$ - | \$ 18,812,199 | \$ - | \$ 78,042 | \$ 23,974,601 | 16.7 % | \$ 5,173 |
| 2012 | 5,297,255 | 173,400 | 18,812,199 | - | 114,603 | 24,397,457 | 17.3 | 5,264 |
| 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 |

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

| For The Years Ended March 31 | General Obligation Bonds | Percentage Of Estimated Actual Value Of Property (1) | Per Capita (2) |
|---|---|---|---------------------------|
| 2013 | \$ 5,084,360 | 1.2 % | 1,097 |
| 2012 | 5,297,255 | 1.2 | 1,143 |
| 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 |

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

| TIF Revenue Bonds (1) | | | | | | | | |
|---|-------------------------------|----------------------------------|------------------------------|--|---------------------------------------|---------------------|-----------------|---------------------|
| For The Years Ended March 31 | Sales Tax Revenues | Property Tax Revenues | Investment Income | Less - Operating Expenditures | Net Available Revenues | Debt Service | | Coverage (2) |
| | | | | | | Principal | Interest | |
| 2013 | \$ 11,164 | \$ - | \$ 13 | \$ 4,233 | \$ 6,944 | \$ 173,400 | \$ 11,115 | 3.76 % |
| 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 |

(1) In 1999 the City issued \$1,373,200 in Tax Increment Financing Revenue Bonds for the McKnight Crossing Project. The bonds were paid in full during the year ended March 31, 2013.

(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, 2013

| <u>Name Of Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share Of Overlapping Debt</u> |
|-----------------------------------|-----------------------------|--|--|
| St. Louis County | \$ 13,425,000 | 0.50 % | \$ 67,125 |
| Webster Groves School District | <u>76,809,757</u> | 17.00 | <u>13,057,659</u> |
| | 90,234,757 | | 13,124,784 |
| City direct debt | <u>23,974,601</u> | 100.00 % | <u>23,974,601</u> |
| Total Direct And Overlapping Debt | <u>\$ 114,209,358</u> | | <u>\$ 37,099,385</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

| | March 31 | | | | | | | | | |
|--|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
| Debt limit | \$ 9,868,109 | 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 |
| Net debt applicable to limit | <u>4,980,000</u> | <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> |
| Legal Debt Margin | <u>\$ 4,888,109</u> | <u>4,672,201</u> | <u>8,158,826</u> | <u>8,013,178</u> | <u>8,487,956</u> | <u>7,736,957</u> | <u>5,968,615</u> | <u>5,732,536</u> | <u>4,219,866</u> | <u>4,203,994</u> |
| | | | | | | | | | | |
| Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit | 50.47 % | 52.60 | 18.61 | 20.57 | 20.62 | 23.15 | 29.10 | 30.91 | 38.84 | 39.89 |

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

| For The Years Ended March 31 | Population (1) | Median Household Income (2) | Personal Income (1) | Per Capita Income (1) | Webster Groves School District Enrollment | Unemployment Rate (2) |
|---|-----------------------|--|--------------------------------|--------------------------------------|--|----------------------------------|
| 2013 | 4,635 | \$ 56,827 | \$ 143,615,475 | \$ 30,985 | 4,327 | 7.3 |
| 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 |

(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

| <u>Employer</u> | <u>2013</u> | | | <u>2004</u> | | |
|---------------------------------------|------------------|-------------|---|------------------|-------------|---|
| | <u>Employees</u> | <u>Rank</u> | <u>Percent Of Total City Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percent Of Total City Employment</u> |
| Woodward Cleaning & Restoration, Inc. | 140 | 1 | 3.4 % | NA | NA | NA % |
| Hacienda Mexican Restaurant | 88 | 2 | 2.1 | | | |
| ARCO/Murray Corporate Services, Inc. | 78 | 3 | 1.9 | | | |
| W. Schiller & Co., Inc. | 68 | 4 | 1.6 | | | |
| Webster Groves School District | 61 | 5 | 1.5 | | | |
| Millman Lumber Co. | 61 | 6 | 1.5 | | | |
| RSI Kitchen and Bath | 44 | 7 | 1.1 | | | |
| Stein Mart | 40 | 8 | 1.0 | | | |
| Bandana's BBQ | 37 | 9 | 0.9 | | | |
| City of Rock Hill | 33 | 10 | 0.8 | | | |
| Total | <u>650</u> | | <u>15.8 %</u> | <u>NA</u> | | <u>NA %</u> |

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 | | | | | | | | | |
|----------------------|----------|------|------|------|------|------|------|------|------|------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| General government: | | | | | | | | | | |
| Administration | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 |
| Police department | 11.5 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 13 |
| Fire department | 9 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 11 | 11 |
| Public works | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 7 | 6 | 5 |
| Parks and recreation | 1 | 1 | 1 | 1 | 1 | 1 | 3 | 3 | 3 | 5 |
| Housing department | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | - |
| Municipal court | 2 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 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 | | | | | | | | | |
|---|----------------|-----------|---------|-----------|-----------|-----------|-----------|-----------|------|------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Police department: | | | | | | | | | | |
| Average number of calls per month | 436 | 400 | 497 | 477 | 443 | 422 | 462 | NA | NA | NA |
| Average number of arrests per month | 27 | 40 | 23 | 20 | 25 | 24 | 27 | 23 | 23 | 27 |
| Number of crime incidences reported | 468 | 540 | 532 | 420 | 540 | 568 | 612 | 625 | 715 | 823 |
| Fire department: | | | | | | | | | | |
| Average number of fire calls per month | 76 | 75 | 84 | 76 | 74 | 64 | 78 | 70 | 71 | 63 |
| Housing/building inspections: | | | | | | | | | | |
| Number of permits: | | | | | | | | | | |
| Building (decks, porches, roofs, garages) | 17 | 19 | 25 | 22 | 25 | 6 | 3 | NA | NA | NA |
| Driveways | 4 | 15 | 6 | 12 | 8 | 10 | 3 | 20 | NA | NA |
| Fences | 9 | 24 | 20 | 17 | 18 | 22 | 3 | NA | NA | NA |
| Residential | 98 | 148 | 151 | 172 | 142 | 201 | 276 | NA | NA | NA |
| Commercial | 45 | 78 | 59 | 83 | 63 | 152 | 111 | 287 | NA | NA |
| Cost of construction (1): | | | | | | | | | | |
| Building (decks, porches, roofs, garages) | 150,984 | 85,350 | 155,915 | 183,521 | 82,605 | 8,150 | 5,921 | NA | NA | NA |
| Driveways | 17,713 | 73,600 | 25,778 | 41,965 | 24,000 | 30,000 | 9,000 | NA | NA | NA |
| Fences | 9,400 | 44,200 | 49,486 | 28,538 | 27,000 | 33,000 | 4,500 | NA | NA | NA |
| Residential | 3,482,112 | 1,019,311 | 389,811 | 1,464,143 | 878,368 | 1,962,143 | 3,126,924 | 3,790,743 | NA | NA |
| Commercial | 1,160,862 | 7,350,637 | 651,143 | 1,799,744 | 1,672,746 | 2,259,882 | 9,523,704 | 9,970,704 | NA | NA |
| Finance and administration: | | | | | | | | | | |
| Business licenses issued (August 1) | 67 | 68 | 65 | 64 | 55 | 60 | 67 | 65 | NA | NA |
| Merchant licenses issued (August 1) | 100 | 104 | 101 | 118 | 105 | 104 | 101 | 99 | NA | NA |
| Liquor licenses issued (July 1) | 15 | 17 | 16 | 15 | 15 | 18 | 15 | 14 | 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 | | | | | | | | | |
|----------------------------------|----------------|------|------|------|------|------|------|------|------|------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Parks and recreation: | | | | | | | | | | |
| Number of parks | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Acres of parks | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| 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 | 3 | 4 | 4 | 4 | 4 | 4 | 4 |
| Police department: | | | | | | | | | | |
| Vehicles | 6 | 6 | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 9 |
| Public works: | | | | | | | | | | |
| Vehicles | 5 | 5 | 5 | 6 | 6 | 6 | 7 | 6 | NA | 5 |
| 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 | 87 | 88 | 88 | 88 | 88 | 88 |
| Number of street lights | 327 | 327 | 327 | 325 | 335 | 335 | 335 | 335 | 335 | 335 |
| Housing/building inspector: | | | | | | | | | | |
| Vehicles | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 2 |
| Other City owned property: | | | | | | | | | | |
| Public works facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| City hall facilities (buildings) | - | - | - | - | - | - | - | 2 | 2 | 2 |
| Park/preschool building | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other property (parcels) | 3 | 3 | 3 | 3 | 3 | 8 | 8 | 8 | 3 | 3 |

Source: City records - various departments listed